

BRITISH LAND ANNUAL REPORT AND ACCOUNTS 2025





PLACES PEOPLE PREFER

Presentation of financial information

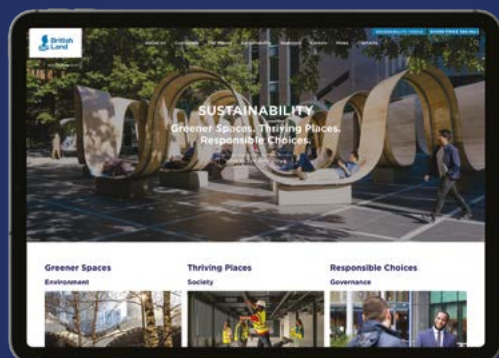
The financial statements for the year ended 31 March 2025 have been prepared on the historical cost basis, except for the revaluation of properties, investments classified as fair value through profit or loss and derivatives. The financial statements have been prepared in accordance with UK-adopted International 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, the Group has adopted a number of new standards and amendments to standards for the year ended 31 March 2025, none of which have had a material impact on the Group. The accounting policies used are consistent with those contained in the Group's previous Annual Report and Accounts for the year ended 31 March 2024.

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 and excludes non-controlling interests in the Group's subsidiaries. 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 207 for reconciliations, in addition to Note 2 in 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



Elliott's Field Retail Park, Rugby





CONTENTS



Strategic Report

2	Performance highlights
3	Highlights and key performance indicators (KPIs)
4	British Land at a glance
6	Chair's statement
8	Chief Executive's review
12	Our portfolio
14	Business model
16	Stakeholder engagement and Section 172 statement
18	Business review
30	Financial review
36	Sustainability review
44	Financial policies and principles
47	Risk management
51	Principal risks
59	Viability statement
60	Non-financial and sustainability information statement
62	Streamlined Energy and Carbon Reporting (SECR)
64	Task Force on Climate-related Financial Disclosures (TCFD)

Corporate Governance

74	Code compliance statement
75	Reporting against Code principles
76	Chair's introduction
77	Governance framework
78	Our approach to governance
82	Board of Directors
86	Report of the Environmental Social Governance Committee
94	Report of the Nomination Committee
99	Report of the Audit Committee
107	Directors' Remuneration Report
130	Directors' Report and additional disclosures
134	Statement of Directors' Responsibilities

Financial Statements

136	Independent auditors' report
143	Primary statements and notes
195	Company balance sheet
207	Supplementary disclosures
214	Other information (unaudited)
220	EPRA best practice recommendations on sustainability reporting
221	10-year record
222	Shareholder information

HIGHLIGHTS AND KPIs

FINANCIAL HIGHLIGHTS

Underlying EPS (diluted) 28.5p 2024: 28.5p	Dividend per share 22.80p 2024: 22.80p	EPRA NTA per share 567p 2024: 562p	Refinance date 2028 2024: 2027
IFRS EPS (diluted) 35.0p 2024: (0.1)p	IFRS profit after tax £338m 2024: £1m	IFRS net assets £5,710m 2024: £5,312m	Senior unsecured credit rating A 2024: A

OPERATIONAL HIGHLIGHTS

Leasing activity 3.3m sq ft 2024: 3.3m sq ft	Gross capital activity £1.7bn 2024: £0.9bn	ERV growth 4.9% 2024: 5.9%	Occupancy¹ 98% 2024: 97%
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Queen's Shopping Park, Stafford




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 **AI** Annual Incentive Plan

Underlying Profit AI £279m 2024: £268m	Net Debt to EBITDA (Group) 8.0x 2024: 6.8x	Loan to value (LTV) (proportionally consolidated) 38.1% 2024: 37.3%
Total property return LTIP AI 6.9% 2024: 2.0%	Total shareholder return (1.0)% 2024: 9.2%	Total accounting return LTIP 5.0% 2024: (0.5)%

NON-FINANCIAL KPIs

 GREENER SPACES GRESB rating 5* GRESB for Development and Standing Investments 2024: 5* EPC rated A or B¹ 68% 2024: 58% Improvement in energy intensity of managed portfolio since FY19 19% 2024: 18% → READ MORE about our environmental strategy on page 37 and at www.britishland.com/SPR	 THRIVING PLACES Direct social value generated £11.3m 2024: £9.7m ² Number of social impact beneficiaries 18,500 2024: 15,000 Value of affordable space provided £1.2m 2024: £1m → READ MORE about our social impact strategy on page 40 and at www.britishland.com/SPR	 RESPONSIBLE CHOICES Staff engagement 79% 2024: 78% Ethnicity pay gap 20.0% 2024: 17.4% Gender pay gap 13.6% 2024: 19.4% → READ MORE about our people on page 42 and at www.britishland.com/SPR
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1. Measured by ERV

2. FY24 restated to include an additional £0.3m of direct value subsequently identified in FY25

BRITISH LAND AT A GLANCE



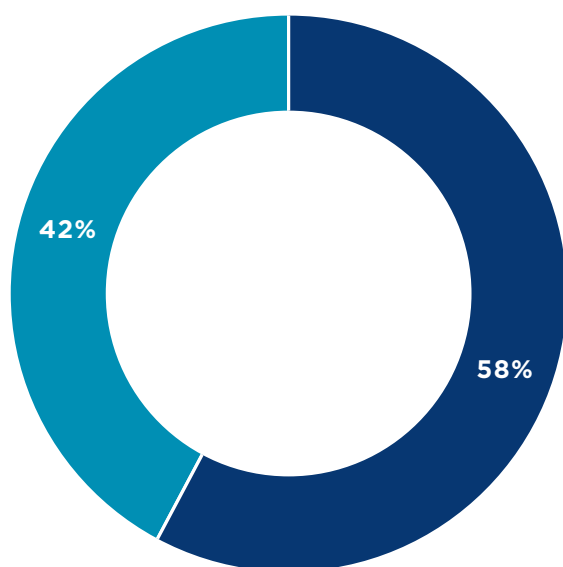
Our purpose is to create and manage outstanding places that deliver positive outcomes for all our stakeholders on a long term, sustainable basis.

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 to thrive.

OUR PORTFOLIO

Our portfolio of high quality UK commercial property is focused on office-led campuses in Central London, retail across the UK and London urban logistics. We own or manage a portfolio valued at £14.6bn (British Land share: £9.5bn).



Portfolio by value (British Land share)

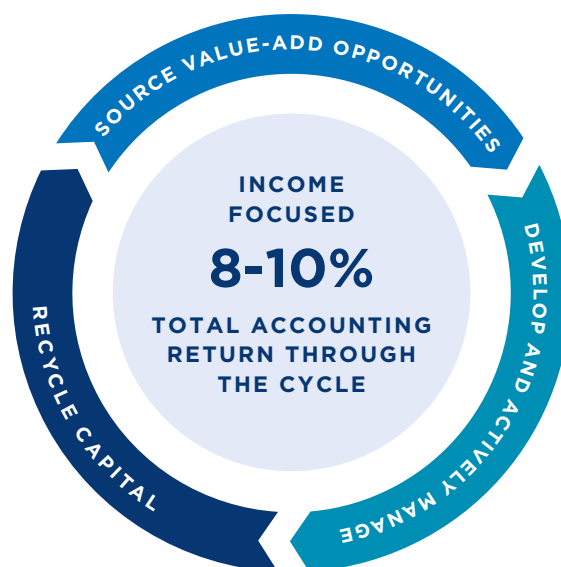
● Campuses	£5.5bn
● Retail & London Urban Logistics	£4.0bn



BUSINESS REVIEW
from page 18

WHAT WE DO

We are a diversified business and invest in subsectors with strong rental growth prospects where we can leverage our strengths to generate an income-led total accounting return (TAR) of 8-10% 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

CHAIR'S STATEMENT



Looking ahead,
we are focused
on driving income
and delivering
sector-leading total
accounting returns.

William Rucker
Chair



William Rucker
Chair



Dear Shareholder,

It is a privilege to present this Annual Report, my first as Chair of British Land, following a year of strategic progress, robust operational and financial performance and a series of Board and Executive leadership changes.

My first year as Chair has been spent meeting shareholders, a wide range of other stakeholders and visiting British Land properties across the UK. During this time, I have been struck by the excellent quality of our assets, the pace at which we are delivering against our strategy and the calibre of people within the business.

Good progress in FY25

The real estate sector has faced a myriad of challenges in recent years, from the Covid-19 pandemic and working from home, inflation and rising interest rates to recent uncertainty over the impact of global tariffs. Against this backdrop, all of us at British Land continue to concentrate on the things we can control.

I am therefore encouraged by our operational and financial performance this year. Driven by the strong occupational fundamentals within our core sectors, we continue to lease space at rents significantly ahead of valuers' expectations, for example setting a new high water mark for City pre-lets at 2 Finsbury Avenue. This leasing momentum, combined with good cost control and successful asset management, means we have maintained our underlying earnings per share, despite significant development activity. Alongside this we have continued to be disciplined in our balance sheet management, and I am comfortable with leverage being towards the higher end of our range at this stage in the real estate cycle.

The strategic calls made in 2021 to invest in retail parks and continue to build best-in-class office developments are paying off, and we have achieved a lot in the year. The reshaping of our portfolio continues, with £1.7bn of gross capital activity, including the sale of Meadowhall and 50% of our stake in 2 Finsbury Avenue, the proceeds of which have been invested into higher yielding retail parks and best-in-class developments where rental growth is strongest.

Capitalising on favourable market conditions, in October 2024, we successfully raised equity to part fund the acquisition of a £441m portfolio of retail parks, a deal that was earnings accretive from day one. The Board was delighted with the level of support from shareholders and the wider market for this transaction, marking our first equity raise in 10 years.

Looking ahead, we are focused on driving income and delivering sector-leading total accounting returns, as we continue to recycle capital out of mature and non-core assets into earnings accretive opportunities.

Executive leadership and Board changes

This year has been marked by significant Executive leadership and Board changes. In November 2024, David Walker succeeded Bhavesh Mistry as Chief Financial Officer; in September 2024, Kelly Cleveland was appointed to a new combined role of Head of Real Estate and Investment; and in December 2024, Emma Cariaga was appointed as Chief Operating Officer, with David Lockyer assuming responsibility for Canada Water as Head of Development, alongside Roger Madelin. Each person has held a number of roles within the business and brings significant expertise and wisdom, which will be invaluable as we continue to execute our value add strategy.

At Board level, we were delighted to welcome Amanda James as Non-Executive Director in July 2024. Amanda brings not only deep expertise in finance, but also strong consumer, retail and multi-channel experience. In the same month, Laura Wade-Gery stepped down as Non-Executive Director and Chair of the Remuneration Committee and was succeeded by Amanda Mackenzie. In January 2025, Preben Prebensen stepped down as Senior Independent Director and was succeeded by Loraine Woodhouse and in March 2025, Irvinder Goodhew stepped down as Non-Executive Director. I'd like to thank them for their significant contribution to the Board and wish them well for the future.

I strongly believe that we need a diverse Board that reflects the places we develop and manage, and that diversity in the boardroom has a positive effect on the quality of decision making. While I am pleased that the Board has a gender balance of 50% female, we are working hard to improve the ethnic diversity of the Board at the next appropriate opportunity.

You can read more about our Board changes and Board Diversity & Inclusion Policy on pages 94 to 98.

Sustainability

We are, and continue to be, rightly focused on the transition to a greener economy. Not only is this the right thing to do but it drives tangible commercial benefit, enabling us to let space quicker, secure enhanced rents and makes our assets more valuable.

Progress has been made in all areas of our Sustainability Strategy. The percentage of the portfolio which is rated EPC A or B increased to 68%, up from 58% at FY24. We are a sector leader in sustainable development, retaining our 5-star rating in GRESB's annual sustainability assessment for both standing investments and developments, outperforming last year's scores on both metrics.

In addition, we have achieved a Top 75 Social Mobility Employer rating from the Social Mobility Employer Index, for the seventh consecutive year, and Living Wage Employer accreditation, providing external recognition of our commitment and action on ESG issues.

Concluding remarks

The last 12 months have demonstrated the strength of British Land's platform and our ability to deliver against an uncertain macroeconomic and geopolitical backdrop. The strategic calls made in 2021 to invest in retail parks and continue to build best-in-class office developments are delivering, and looking ahead, we are focused on driving earnings growth and delivering sector-leading income focused total accounting returns.

Our performance is a result of the hard work and dedication of the British Land team, and I would like to thank colleagues across the business. I am excited to be working with them, our shareholders and other stakeholders in the coming years.



William Rucker
Non-Executive Chair

CHIEF EXECUTIVE'S REVIEW



The continued occupational strength of our key markets and the resulting above inflation rental growth gives us confidence for the future, despite ongoing macro volatility.



Simon Carter
Chief Executive

Simon Carter
Chief Executive



Overview

Our operational and financial performance has been strong this year as we've focused on the controllable elements of the business and executing our strategy.

Good levels of leasing ahead of ERV, active cost discipline and our earnings accretive retail parks acquisition partially funded via a £301m equity placing, enabled us to grow Underlying Profit by 4% and maintain Underlying earnings per share (EPS) despite significant development activity. Strong demand for our retail parks and campuses continued in FY25 and translated into ERV growth of 4.9%, at the top end of our guidance range, and 3% like-for-like net rental growth on the standing portfolio.

Portfolio values were up by 1.6%, with growth accelerating in the second half of the year. Encouragingly campus values passed an inflection point with values up 0.8% in the second half compared to a valuation decline of 1.7% in the first half of the year. This was largely driven by a valuation uplift of our best-in-class campus development pipeline, which increased by 3.2% in the second half, and we expect that our developments will be a key driver of earnings growth going forward.

Overall EPRA Net Tangible Assets (NTA) per share was up 5p as increased property valuations and retained profits more than offset the slightly dilutive NTA impact of the placing. Including dividends paid in the year of 22.88p per share, total accounting return was 5.0%. We continue to deliver good ERV growth, which we expect to be a key driver of value going forward, and reiterate our guidance of 3-5% per annum rental growth across the portfolio.

We have been nimble in seizing opportunities this year. Since 1 April 2024, we have disposed of £597m of assets, on average 2% ahead of March 2024 book value. The most notable disposals were the sale of Meadowhall and 50% of our stake in 2 Finsbury Avenue, the proceeds of which have been invested into £738m of retail parks and our best-in-class campus development pipeline.

It is the continued occupational strength of our key markets that gives us confidence for the future and in our strategy, despite continued macro volatility. 'Return to office' is in full swing, with utilisation (Tuesday-Thursday) back at pre-Covid levels and retailers continue to expand their presence on retail parks due to their affordability and strong trading. Looking forward, we feel confident that we are deploying capital into the right markets.

Operational update

Operational momentum in the business continues, with 3.3m sq ft of leasing across the portfolio, 8.6% ahead of ERV, with a further 0.9m sq ft under offer, 15% ahead of ERV. In the year, we delivered 3% like-for-like net rental income growth across the portfolio, driven by strong leasing at good rental levels. Occupancy was 98%, excluding asset management initiatives and developments completed in the last 12 months.

On our campuses, we completed 1.5m sq ft of leasing, 7.5% ahead of ERV, the second highest volume of leasing in 15 years. 1m sq ft of these were new deals including to Citadel at 2 Finsbury Avenue and Akin at 155 Bishopsgate and 0.5m sq ft were renewals and regears, demonstrating demand for existing assets in our core locations. As at 31 March 2025, there is a further 0.3m sq ft under offer, 9.2% ahead of ERV. Occupancy on our campuses is 97%, excluding asset management initiatives and developments completed in the last 12 months. On an EPRA basis, occupancy is at 83%, where the majority of vacancy is concentrated in new space on our campuses. Demand for this space is strong, and we are making good progress on leasing.

Retail parks continue to be the preferred format for many retailers due to their affordability, adaptability and accessibility. The portfolio remains virtually full at 99% occupancy and ERV growth in the year was 6.0%, above our guided range of 3-5%. Leasing volumes in the year were 1.1m sq ft, 9.6% ahead of ERV. There was a significant increase in leasing transactions in the second half of the year and a further 0.5m is under offer, 11% ahead of ERV, demonstrating continued competitive tension for space and the formats' resilience in the wake of the Autumn Budget.

Strategy

Five years on from the first Covid lockdown, it is striking how differently things have played out from the perceived wisdom at the time. Many were convinced that work from home would be the norm and the majority of shopping would be done online, delivered to front doors. We were not so sure, and so we stayed close to our customers, followed the data, looked at what we were doing in our own lives and across British Land. Based on this we became increasingly convinced that we could generate good returns by taking a contrarian position. So over the next five years, we bought £1.2bn of retail parks and committed to 3m sq ft of best-in-class campus developments, at a time when there was very little new supply coming into both markets.

Fast forward to today, the 'return to office' trend is clear, and our retail parks have never been busier or more highly occupied. This has driven strong net absorption of space, particularly over the past year, and as a result we are seeing above inflation rental growth as well as renewed investor demand across both markets, enhancing our conviction in our strategy.

Campuses

'Return to office' trends have accelerated this year, with many large businesses mandating their staff back to the office between three and five days a week. We are seeing this play out on our campuses, where office utilisation is back to pre-Covid levels on Tuesday to Thursday, and Monday is increasingly catching up with those days.

So, what does this mean for our portfolio? Previously, we have spoken about the strength of demand for best-in-class developments in core Central London locations i.e. HQ space in the most central locations next to key transport infrastructure that we deliver on our campuses. The strength of this demand continues with the number of active requirements over 100,000 sq ft in Central London reaching a record high of 36 at the end of March 2025.¹ This together with a tight supply picture is resulting in very strong rental growth.

Take the City as an example, where there is a 5.3m sq ft shortfall of new or substantially refurbished space to 2029.² At Broadgate, we have seen asking rents for pre-lets of best-in-class developments like 2 Finsbury Avenue increase by c.10-15% since the deal with Citadel signed in April 2024 and Cushman & Wakefield are forecasting rents for this type of space to grow by a further c.8% per annum to 2028. To capitalise on these dynamics, we have committed to upgrading Broadgate Tower. The scheme is expected to complete in late 2026, where the supply picture is particularly tight with only 12 tower floors available in the City.³ We expect to attract occupiers looking for well located, high quality office space in a thriving campus environment and are already in conversations on 100,000 sq ft of space.

So, for the very best space the picture is positive, but what about the rest? Importantly, we are now seeing unfulfilled demand target good 'existing stock' in these core Central London locations. Vacancy for this space in the City has declined by 21% since 2023, and rents are increasing.⁴ This is beneficial for our standing campus portfolio and is highlighted by 0.5m sq ft of renewals and regears completed on our campuses this year. We expect this trend to continue with unfulfilled demand for best-in-class space in core locations gravitating to good existing buildings in these locations. However, some occupiers still want to secure a new building and are adding emerging locations to their searches which can meet their demand for high quality workspace, with good amenities, and transport connectivity, but at a lower price point. These markets have been quiet since Covid, but leasing activity for new space here has more than doubled since 2023, albeit from a low base, and we are seeing increasing enquiries and negotiations for the new space we have just delivered at Canada Water.

1. JLL

2. CBRE / Cushman & Wakefield

3. Cushman & Wakefield: New and newly refurbished City availability, level 17 and above

4. Cushman & Wakefield

CHIEF EXECUTIVE'S REVIEW CONTINUED

Science and technology

Targeting fast growing occupiers is a key part of our campus strategy. The science and technology sector continues to grow driven by the rise of AI. Demand from these businesses is concentrated in the Golden Triangle (London, Oxford and Cambridge), which benefits from a strong ecosystem of academic and research institutions and a deep pool of talent. In the year we let the entirety of The Optic, a new 100,000 sq ft office and lab building located on the Peterhouse Technology Park to ARM Holdings, demonstrating the strength in demand from science and tech occupiers for new space in Cambridge.

In London, the Knowledge Quarter is the centre of this activity, as businesses cluster around world leading institutions like The Francis Crick Institute, University College London, University College London Hospital and The Turing Institute. Given its location in the heart of the Knowledge Quarter, we believe that Regent's Place has huge potential, and our aim is to replicate the success of Broadgate on this campus, through the delivery of world class buildings, public realm and amenities. We were therefore pleased to secure planning for Euston Tower in March 2025 to deliver a 560,000 sq ft office and innovation tower in the West End.

Retail parks

A key strategic call in 2021 was to deploy capital into retail parks, which have become the preferred physical format for many retailers, due to their affordability, accessibility and adaptability. This decision is paying off. Over the last four years, retail parks have been the best performing subsector in UK real estate and we have delivered a total property return of 12.7% per annum, outperforming the wider retail park sector by 380 bps.

The affordability of parks is highlighted by their low occupancy cost ratio (rent, rates and service charge as a percentage of total sales) which has reduced from 17.7% in 2016 to 9.2% today. Their location on major arterial roads on the outskirts of towns and cities with ample free car parking, means they are both highly accessible and ideal for click and collect, returning goods to store and increasingly shipping from store. The adaptability of a retail park unit, which is essentially a steel framed box, is an important feature for retailers who face significant challenges in remodelling stores on the high street and in shopping centres.

Retailers are increasingly wanting to expand on parks. Since 2016, there have been net store closures of -4,488 on the high street and -1,003 within shopping centres, but +792 net store openings at retail parks, reflecting this incremental demand.¹ With increasing retailer costs following the Autumn Budget, our conversations with key retailers suggest they are looking to offset these with efficiencies, therefore we expect the shift to parks to accelerate, as businesses opt to take more affordable space. This is already playing out on our retail parks, where leasing volumes in the second half were 2.5 times that of the first, and we have a further 0.5m sq ft of deals under offer, 11% ahead of ERV.

These strong occupational fundamentals combined with low capital expenditure requirements, pricing below replacement cost and 6-7% cash yields on day one, make retail parks an attractive investment. Since 1 April 2024, we have deployed £738m of capital into this subsector including the seven retail parks partially funded via a £301m equity placing in October 2024. Our leading scalable platform means that when we acquire retail parks, minimal additional overheads are required to operate more assets and our relationships with retailers gives us confidence in our ability to drive above market rental growth. Retail parks now make up 32% of our portfolio, up from 15% when we set out our strategy in 2021.

London urban logistics

London urban logistics is a small part of the portfolio today, but our 1.2m sq ft pipeline provides good optionality for us to grow this in the future. Our urban logistics strategy is development-led, focused on densification and repurposing opportunities in London. The sequencing of our development programme means the first schemes we'll deliver are located in London's Zone 1 and 2, where the occupational fundamentals are strong. The first is Mandela Way, a 144,000 sq ft multi-storey facility in Southwark, which we will be delivering later this year.

Capital allocation

Actively recycling capital is an important way we create value. We dispose of dry assets where we have completed our asset and development management activities and redeploy capital into opportunities with higher returns. We currently see the strongest occupational fundamentals and most attractive returns in retail parks and best-in-class developments on our campuses. Since we launched our strategy in 2021, we have recycled £3.8bn of gross capital and 93% of our portfolio is now in our chosen markets.

Since 1 April 2024, we have disposed of £597m of assets, on average 2% ahead of March 2024 book value, including the sale of our 50% stake in the Meadowhall Shopping Centre for £360m, completed in July 2024. We have an excellent track record of using joint ventures to accelerate returns, stretch our equity, share risk and earn high margin development management fees. Partners are attracted by our strong capabilities in development and asset management and our excellent track record of delivery. In January 2025, Broadgate REIT, owned equally by British Land and GIC, entered into a 50:50 joint venture agreement with Modon Holding to deliver the 750,000 sq ft 2 Finsbury Avenue development. Our share of cash proceeds received were £100m.

We have also taken advantage of opportunities to deploy £738m into high quality retail parks since 1 April 2024. This included the acquisition of seven retail parks for £441m partially funded via a £301m equity placing, which combined, added 0.2p to Underlying EPS this year and will add 0.4p in FY26. These acquisitions further build upon our market leading position in retail parks and we will look to continue to acquire in the future, but will remain disciplined on price.

1. Local Data Company, a Green Street Company

In the London office investment market, there are early signs that liquidity is increasing with £2.6bn of transactions in Q1 2025, up by nearly 30% on the previous quarter. Demand for larger lot sizes is also increasing with seven deals over £100m transacted in Q1 2025 compared to ten deals in the whole of 2024. If this trend continues, we will look to recycle capital out of our mature, lower returning office assets.

The resilience of our balance sheet is of utmost importance as it gives us the ability to navigate macroeconomic uncertainties and the flexibility to invest in opportunities as they arise. Loan to value (LTV) on a proportionally consolidated basis was 38.1% at 31 March 2025 (37.3% at 31 March 2024) and Group Net Debt to EBITDA was 8.0x (6.8x at 31 March 2024). We remain disciplined in our management of leverage and whilst these metrics are at the upper end of our internal ranges, they remain comfortable at this point in the cycle. With values inflecting, income to come from our development pipeline and a continued focus on recycling capital, our expectation is these metrics will reduce over time. For example, Group Net Debt to EBITDA would be c.7x taking into account the annualised impact of FY25 net purchases and upcoming financing of joint venture developments post completion.

We have continued to be active in debt markets, on new and extended transactions with debt providers across a range of markets. During the year, our total financing activity amounted to £2.2bn, comprising £1.3bn of new finance raised, £700m of facility extensions, and £150m of existing debentures repurchased. These strategic transactions have maintained the diverse sources of our finance and extended the debt maturity profile. As a result of this activity, at March 2025 we have £1.8bn of undrawn facilities and cash. Based on these facilities and our current commitments we have no requirement to refinance until late 2028.

Based on our policy of setting the dividend at 80% of Underlying EPS, the Board are proposing a final dividend of 10.56p, bringing the total dividend to 22.80p per share for the year, in line with the prior year.

Sustainability

We continue to make good progress against our sustainability strategy, which is focused on areas that drive commercial advantage, such as stronger occupational and investment demand for buildings with lower carbon. The percentage of the portfolio which is rated EPC A or B increased to 68%, up from 58% at FY24.¹ We remain on track to meet the proposed Minimum Energy Efficiency Standard of EPC B by 2030, and the cost of this is estimated to be around £100m, of which around two thirds will be recovered through the service charge. Since FY19 we have spent a cumulative £26m on these initiatives, c.70% of which has been recovered via service charges.

We are a sector leader in sustainable development, retaining our 5-star rating in GRESB's annual sustainability assessment for both standing investments and developments, outperforming last year's scores on both metrics. Our standing investments scored 90/100 and we scored a maximum 100/100 on our developments. Both scores are 14 points ahead of the GRESB average.

Outlook

Sentiment towards real estate and liquidity in our markets continued to improve during the year supported by falling inflation and interest rates, however heightened geopolitical and macroeconomic uncertainty persists, in particular with regard to global trade disputes. Against this backdrop, our cash flow predictability and the above inflation rental growth characteristics of our portfolio are increasingly important.

We are encouraged by the strong occupational fundamentals which are reducing vacancy in our markets. As such, we reiterate our guidance of 3-5% per annum rental growth across the portfolio.

Assuming medium term interest rates do not increase materially from here, we expect investment markets to continue to improve. We are already seeing good activity for retail parks and there are early signs of increasing liquidity for larger lot size offices as the investment market responds to the strong rental growth prospects for high quality space.

We expect FY26 Underlying earnings per share to be broadly flat, which equates to Underlying Profit growth of 2%. The full year benefit of the earnings accretive retail parks acquisition and associated equity placing, like for like rental growth of 3-5%, the lease up of completed developments, further reductions in admin expenses to below £80m and increased fee income are expected to offset the impact of onsite development and a 20-30 bps increase in our weighted average interest rate.

Going forward we expect to deliver 3-6% per annum earnings growth utilising our identified five levers:

- Driving like-for-like rental growth on our portfolio
- Income from committed developments (c.5p of EPS per annum, with c.80% of this to be delivered by the end of FY27)
- Increased fee income
- Disciplined cost control; and
- Continued recycling of capital from mature office assets into higher returning opportunities

Volatility creates opportunities for those that can be nimble as we showed with our opportunistic acquisitions, disposals and capital market issuances this year. With 3-5% ERV growth per annum, a portfolio yield over 6%, and development upside, we expect to deliver income focused total accounting returns of 8-10% through the cycle.



Simon Carter
Chief Executive

1. Measured by ERV

OUR PORTFOLIO

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 fast developing into one of London's leading science, technology and AI clusters.

Size: 13 acres

Ownership: 100% ownership (except 1 Triton Square 50:50 JV with Royal London Asset Management)

Broadgate

Located in the City of London, with excellent connectivity, next to Liverpool Street Station and the Elizabeth Line. Its proximity 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	23%
Regent's Place	17%
Paddington	3%
Canada Water	4%
Other	11%

Canada Water

One of the largest mixed use developments in the UK, located on the Jubilee Line and the London Overground. The Masterplan is highly flexible and will deliver a mix of workspace, retail, leisure, entertainment, education and community space, as well as residential (including affordable housing).

Size: 53 acres

Ownership: 50:50 JV with AustralianSuper

Our portfolio of high quality UK commercial property is focused on office-led campuses in Central London, retail across the UK and London urban logistics. We own or manage a portfolio valued at £14.6bn (British Land share: £9.5bn).

RETAIL AND LONDON URBAN LOGISTICS INCLUDING 54 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 54 parks representing c.10% of the retail park market. Parks are the preferred format for many retailers due to their affordability, adaptability and accessibility.

Occupancy rate: 99%

LONDON URBAN LOGISTICS



London Urban Logistics

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

Occupancy rate: 100%

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.

Occupancy rate: 98%

BUSINESS MODEL

OUR STRENGTHS ARE:

01

Portfolio of high quality assets

Our portfolio of office-led campuses in London appeals to a broad range of businesses. We are one of the largest owners and operators of retail parks in the UK and we are building a unique portfolio of urban logistics schemes in London.

02

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.

03

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.

04

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.

05

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

DEVELOPMENTS

COST CONTROL

CAPITAL
RECYCLING

FEE INCOME

SUPPORTED BY
OUR VALUES:

DELIVER
AT PACE

BE SMARTER
TOGETHER

We are a diversified business and invest in subsectors with strong 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.

- **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 107 to 129

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



**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:

50%

of share register met and 235 investor meetings completed

£301m

raised via an equity placing in October 2024

What matters to them?

- Financial performance (including income and cost control), returns and dividends
- Strong balance sheet and disciplined capital allocation
- Clear strategy and business model
- Leading ESG performance
- Risk management
- Strong leadership

How we engage

- Investor relations programme including meetings, roadshows, conferences and video calls
- Investor seminars, capital markets days, debt investors presentations
- Regulatory reporting, including the Annual Report, full and half-year results and our annual general meeting (AGM)

Priorities for 2025/26

- Continue to have an open and engaged dialogue with investors
- Consistently deliver sector-leading income focused total accounting returns
- Investor seminars
- Maintain strong balance sheet and disciplined approach to capital allocation

Our customers

The users of our buildings and spaces

Outcomes:

3.3m sq ft

of space leased in the year including 1.5m sq ft of regears

78%

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

What matters to them?

- High quality, well-connected, sustainable space that fulfils their needs
- Healthy and safe spaces that promote wellbeing
- 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 into how our places are performing
- Customer networks across our campuses

Priorities for 2025/26

- Continue to be the partner of choice for headquarter office space in London
- Maintain high levels of customer retention
- Work with existing customers to upgrade buildings to meet shared environmental objectives

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

New joint venture with Modon Holding at 2 Finsbury Avenue

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 to discuss activities
- Working groups on a project or topic basis
- Board meetings to assess performance, progress and agree future objectives
- Quarterly joint venture reporting

Priorities for 2025/26

- Leverage our strong joint venture relationships to grow our third party capital business
- Continue to earn fee income and look to accelerate developments in a capital light-way

Section 172 statement:

Understanding our stakeholders is critical to the long term success of our business. Regular engagement with them 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 and their views are taken into account 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 page 78.

Our people Everyone employed by British Land	Outcomes: <div> 79% employee engagement score </div> <div> 93% employees proud to work at British Land </div>
What matters to them? <ul style="list-style-type: none"> - Diverse and inclusive culture with strong leadership - Career progression and development opportunities - Healthy and safe spaces that promote wellbeing - Fair pay and reward - Ethical business with a clear Sustainability Strategy 	How we engage <ul style="list-style-type: none"> - Internal communications channel, including newsletters and intranet - Regular team meetings and half-yearly appraisals - Annual employee engagement survey - CEO breakfast series open to all employees - Biennial Company Conference - Employee networks Priorities for 2025/26 <ul style="list-style-type: none"> - Continue leadership and management training - Focus on DE&I objectives - Advancing professional development - Enhance digital skills - Continue to drive a performance-orientated culture
Our communities and local authorities People who live in and around our places; local organisations and enterprises	Outcomes: <div> £32.5m direct social and economic value generated in the year </div> <div> 18,500 people benefitting from social impact partnerships </div>
What matters to them? <ul style="list-style-type: none"> - Collaboration and engagement on local initiatives - Long term, collaborative, trusted relationships - Places that foster social connections and enhance wellbeing - Providing a relevant mix of services such as education, jobs and space 	How we engage <ul style="list-style-type: none"> - Our Local Charter - Our Social Impact Fund and Customer Community Funds - Aligning on local programmes such as employment opportunities - Engagement and participation in local networks - Expert volunteering Priorities for 2025/26 <ul style="list-style-type: none"> - Facilitate the impactful use of our spaces by small local businesses and community organisations - Support educational initiatives for local people - Support local talent essential to the UK's growth industries
Our suppliers and partners Those who have a direct contractual relationship with us to provide goods and services	Outcomes: <div> 100% of suppliers signed up to the Supplier Code of Conduct </div> <div> Achieved Living Wage Employer accreditation </div>
What matters to them? <ul style="list-style-type: none"> - Long term, collaborative, trusted relationships - New business opportunities - Fair commercial and payment terms - Aligned objectives and values 	How we engage <ul style="list-style-type: none"> - Operating a rigorous onboarding and tendering process - Supplier Code of Conduct articulates what we stand for, how we work and the commitments we expect them to share with us in relation to social, sustainable and ethical practices Priorities for 2025/26 <ul style="list-style-type: none"> - Focus on working with suppliers who align with our values and ESG targets - Maintain our 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

Key metrics

Year ended	31 March 2025	31 March 2024
Portfolio valuation	£9,486m	£8,684m
Occupancy ^{1,2}	97.7%	97.2%
Weighted average lease length to first break	5.3 yrs	5.2 yrs
Total property return	6.9%	2.0%
– Yield shift	-4 bps	+33 bps
– ERV movement	4.9%	5.9%
– Valuation movement	1.6%	(2.6)%
Lettings/renewals (sq ft) over 1 year	2.8m	2.8m
Lettings/renewals over 1 year vs ERV	+8.6%	+15.1%
Gross capital activity	£1,729m	£869m
– Acquisitions	£738m	£55m
– Disposals	£(597)m	£(410)m
– Capital investment	£394m	£404m
Net investment/(divestment)	£535m	£49m

On a proportionally consolidated basis including the Group's share of joint ventures and excluding non-controlling interests

- 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 97.7% to 97.0%
- Occupancy excludes recently completed developments at Norton Folgate, Aldgate, The Priestley Centre, The Optic and Dock Shed at Canada Water

Portfolio performance

	Valuation £m	H1 valuation movement %	H2 valuation movement %	FY valuation movement %	ERV movement %	Yield shift bps	Total property return %	Net equivalent yield %
At 31 March 2025								
Campuses	5,501	(1.7)	0.8	(0.8)	4.3	+14	3.1	5.6
City	2,646	(1.7)	1.8	0.2	6.0	+14	4.2	5.5
West End	2,097	(1.5)	0.4	(1.2)	3.1	+14	3.2	5.7
Canada Water & other Campuses (incl. resi)	758	(2.3)	(1.4)	(3.6)	(5.0)	+39	(1.0)	6.0
Retail & London Urban Logistics	3,985	3.0	2.5	5.0	5.6	-27	13.2	6.6
Retail Parks	3,018	5.1	2.8	7.1	6.0	-32	16.0	6.4
Shopping Centres & other retail	643	(0.3)	3.8	2.1	5.1	-23	12.3	8.0
London Urban Logistics	324	(2.6)	(2.6)	(4.9)	0.8	+13	(2.4)	5.0
Total	9,486	0.2	1.5	1.6	4.9	-4	6.9	6.1

See supplementary tables for detailed breakdown



Kelly Cleveland

Head of Real Estate and Investment

The value of the portfolio was up 1.6%, with valuation growth accelerating in the second half of the year (H2: +1.5% vs H1: +0.2%). The majority of the valuation performance was driven by strong ERV growth of 4.9%, at the upper end of our guidance range, with yields moving marginally in by -4 bps.

Campus valuations were down 0.8% in the year, but there was an inflection point in H2 where values increased by 0.8% vs a 1.7% decline in H1. Yield movements stabilised in H2 with a +2 bps yield shift vs +12 bps in H1. ERV growth across our campuses was 4.3% reflecting strong leasing activity and limited supply. The value of our West End portfolio was down 1.2%, with +14 bps yield shift partially offset by ERV growth of 3.1%. In the City, portfolio values were up 0.2% with ERV growth of 6.0% offsetting +14 bps yield expansion. Values declined marginally on our standing assets, while the values of our best-in-class developments such as 2 Finsbury Avenue and 1 Broadgate were up 8% and 5% respectively.

The value of our retail park portfolio increased 7.1% in the year, with continued strong ERV growth of 6.0%, driven by continued occupier demand and high occupancy on our parks, and inward yield shift of -32 bps. London urban logistics values declined by 4.9% based on outward yield shift of +13 bps. ERV growth on the standing portfolio was 0.8% in the year, with performance impacted by the small size of the portfolio, where there were limited lease events.

The retail portfolio outperformed the MSCI All Retail benchmark by 390 bps on a total return basis for the year to 31 March 2025, whilst our campuses outperformed the MSCI benchmark for All Offices by 120 bps. Overall, our portfolio outperformed the MSCI All Property total return index by 50 bps.

Capital activity

From 1 April 2024	Campuses £m	Retail & London Urban Logistics £m	Total £m
Purchases	-	738	738
Sales	(147)	(450)	(597)
Development Spend	275	35	310
Capital Spend	57	27	84
Net Investment	185	350	535
Gross Capital Activity	479	1,250	1,729

On a proportionally consolidated basis including the Group's share of joint ventures and excluding non-controlling interests

We have been active in the investment market with gross value of our capital activity totalling £1.7bn in the year. We have sold £450m of non-core retail and shopping centres, including our 50% stake in the Meadowhall Shopping Centre joint venture for £360m, which completed in July 2024. In January 2025, we also sold 50% of our stake in the 750,000 sq ft 2 Finsbury Avenue development to Modon Holding and received cash proceeds of £100m, retaining a 25% interest.

In the year, we acquired a total of 15 retail parks located across the UK, for £738m, as well the remaining 12.5% interest in New Mersey Retail Park in Speke. These parks were earnings accretive from day one and partially funded through our equity placing in October 2024.

We also invested £394m in our best-in-class development pipeline and asset management initiatives on the standing portfolio.



New Mersey Retail Park, Speke

BUSINESS REVIEW CONTINUED

CAMPUSES

Key metrics

Year ended	31 March 2025	31 March 2024
Portfolio valuation	£5,501m	£5,278m
Occupancy ¹	96.5%	95.8%
Weighted average lease length to first break	6.2 yrs	5.8 yrs
Total property return	3.1%	(2.3)%
- Yield shift	+14 bps	+50 bps
- ERV growth	4.3%	5.4%
- Valuation movement	(0.8)%	(5.3)%
Total lettings/renewals (sq ft)	1,500,000	679,000
Lettings/renewals (sq ft) over 1 year	1,193,000	561,000
Lettings/renewals over 1 year vs ERV	+7.5%	+8.7%
Like-for-like rental growth ²	+2%	+4%

On a proportionally consolidated basis including the Group's share of joint ventures and excluding non-controlling interests

- Occupancy excludes recently completed developments at Norton Folgate, Aldgate, The Priestley Centre and Dock Shed at Canada Water
- 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 income would be +1% in both FY24 and FY25

Portfolio valuation

£5,501m

Leasing

1.5m sq ft

Of deals signed in 2025

Paddington Central

Campuses operational review

Campuses were valued at £5.5bn, down 0.8%. This was driven by outward yield shift of +14 bps, partly offset by ERV growth of 4.3%, which is at the upper end of our guided range of 3-5% for the year.

Lettings and renewals (including Storey) totalled 1.5m sq ft, 7.5% ahead of ERV. As at 31 March 2025, we had a further 250,000 sq ft under offer, 9.2% ahead of ERV. As of 16 May 2025, we had 1.7m sq ft in negotiations on 1.5m sq ft of space. The weighted average lease length to break is 6.2 years and the weighted average lease length of lettings in the year is 9.3 years.

Occupancy on our campuses is 97%, which excludes new developments and recently refurbished space. On an EPRA basis, occupancy is at 83%, where the majority of vacancy is concentrated in new space on our campuses, where demand is most concentrated, and we are making good progress on leasing.

Campuses like-for-like rental growth was 2%¹, with our core campuses of Broadgate, Regent's Place and Paddington Central growing by 3%¹, driven by strong leasing and asset management initiatives. Overall, leasing was 21.8% ahead of previous passing rent and fully offset the impact of expiries and breaks.

Broadgate

Broadgate's central location next to Liverpool Street Station, high quality workspace, excellent range of amenities and public realm continue to attract and retain occupiers at the campus with occupancy remaining high at 97%.

Leasing activity (excluding Storey) covered 712,000 sq ft, of which 638,000 sq ft were long term deals, 10.0% ahead of ERV. Significant deals include:

- 261,000 sq ft pre-let with Citadel at 2 Finsbury Avenue, with options to lease up to another 121,000 sq ft, meaning the building is already 33% pre-let at a minimum and c.50% pre-let if the option space is taken into account
- 77,000 sq ft new letting to US law firm, Akin on recently surrendered, newly refurbished floors at 155 Bishopsgate
- 85,000 sq ft regear with Marex at 155 Bishopsgate, upsizing from 75,000 sq ft in the building

- 101,000 sq ft with A&O Shearman exercising their option on space at 1 Broadgate and signing an additional 7,000 sq ft to maximise their space take
- 56,000 sq ft of retail leasing at Broadgate Central, the ground floors of 1 Broadgate and 100 Liverpool Street, to brands including Ralph Lauren, Mango, Luca Faloni, Hobbs and Whistles

Broadgate saw a valuation increase of 0.8%, with ERV growth of 7.3% offsetting outward yield shift of +15 bps.

Regent's Place

Regent's Place continues to gain momentum as a science and technology hub, capitalising on its location in London's Knowledge Quarter where technology meets science, close to leading academic and research institutions including University College London, The Wellcome Trust and The Francis Crick Institute.

Leasing activity (excluding Storey) covered 124,000 sq ft, of which 120,000 sq ft were long term deals, 1.6% ahead of ERV. Key activity includes:

- The completion of lab space at 20 Triton Street and a 20,000 sq ft letting to Synthesia, the UK's most valuable generative AI media company. They bring the total number of AI occupiers on the campus to 7
- Relation Therapeutics, an end-to-end biotech business developing transformational medicines, doubling their space take at 338 Euston Road to 13,000 sq ft. The business has already upsized twice on the campus, initially taking 6,000 sq ft at 338 Euston Road in 2022, growing to 7,000 sq ft in 2024 and then doubling their space take in 2025
- The launch of a 6,700 sq ft lab incubator space at Drummond Street in partnership with Co-Laboratories, a dynamic, community-led incubator built for life science startups. The space is already c.30% let to four fast growing organisations since its launch in April

Regent's Place valuation was marginally down 0.8%, with ERV growth largely offsetting outward yield shift of +12 bps. Occupancy at the campus is 96%.

1. Excludes Storey



Exchange Square, Broadgate

BUSINESS REVIEW CONTINUED



Broadgate Tower, Broadgate

Portfolio valuation

£9,486m

ERV growth

4.9%

across the portfolio



1 Triton Square, Regent's Place

Paddington Central

Paddington Central's location and excellent connectivity, next to Paddington Station with access to the Elizabeth Line and Heathrow Express, continues to attract and retain occupiers, with occupancy remaining high at 99%.

Leasing activity (excluding Storey) covered 212,000 sq ft, 172,000 sq ft of which were long term deals, 1.3% ahead of ERV. Key deals include:

- Two regears with Vertex and a global technology business covering 142,000 sq ft at 2 and 4 Kingdom Street

Paddington Central saw valuation declines of 1.9% driven by outward yield shift of +10 bps. This has been partially offset by ERV growth of 2.9%.

Storey: flexible office space

Storey is a key part of our campus proposition and provides occupiers with the flexibility to expand and contract depending on their requirements. 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.

Storey is currently operational across 258,000 sq ft and leasing activity covered 157,000 sq ft across 43 deals in the year. Occupancy is at 97%, above our target of 90%.

Canada Water

Momentum at Canada Water has continued during the year with the first phase of the Masterplan nearing completion. Dock Shed, which includes a mix of workspace with a leisure centre on the ground floors is now complete. Three Deal Porters Way, comprising 119,000 sq ft of workspace and The Founding, comprising 186 homes is due to complete this summer. Notwithstanding this progress, the valuation of Canada Water declined 6.5% in the year, largely reflecting the higher sensitivity of development sites to yield movements.

Placemaking initiatives are taking shape. In November 2024, we unveiled a new, Asif Khan designed boardwalk, across Canada Dock connecting Canada Water tube station to Surrey Quays Shopping Centre, and what will be the new town centre. April 2025 saw the opening of Corner Corner, a 55,000 sq ft cultural hub located in Surrey Quays Shopping Centre overlooking Canada Dock. The space is operated by Broadwick live, the former operator of Printworks London, and features collaborative workspaces, live music, and food and beverage outlets alongside London's largest indoor urban vertical farm. The venue welcomed 100,000 visitors in its first month of operation, with another 500,000 visitors expected by the end of the year.

Dock Shed, which includes 180,000 sq ft of workspace on the upper floors and a leisure centre built for Southwark Council on the lower floors is now complete. Across the office space at both Dock Shed and Three Deal Porters, we have seen increasing levels of interest from a variety of businesses looking for brand new workspace at a lower price point, and we have 6,000 sq ft of space under offer with our first occupier and 180,000 sq ft of space in negotiations.

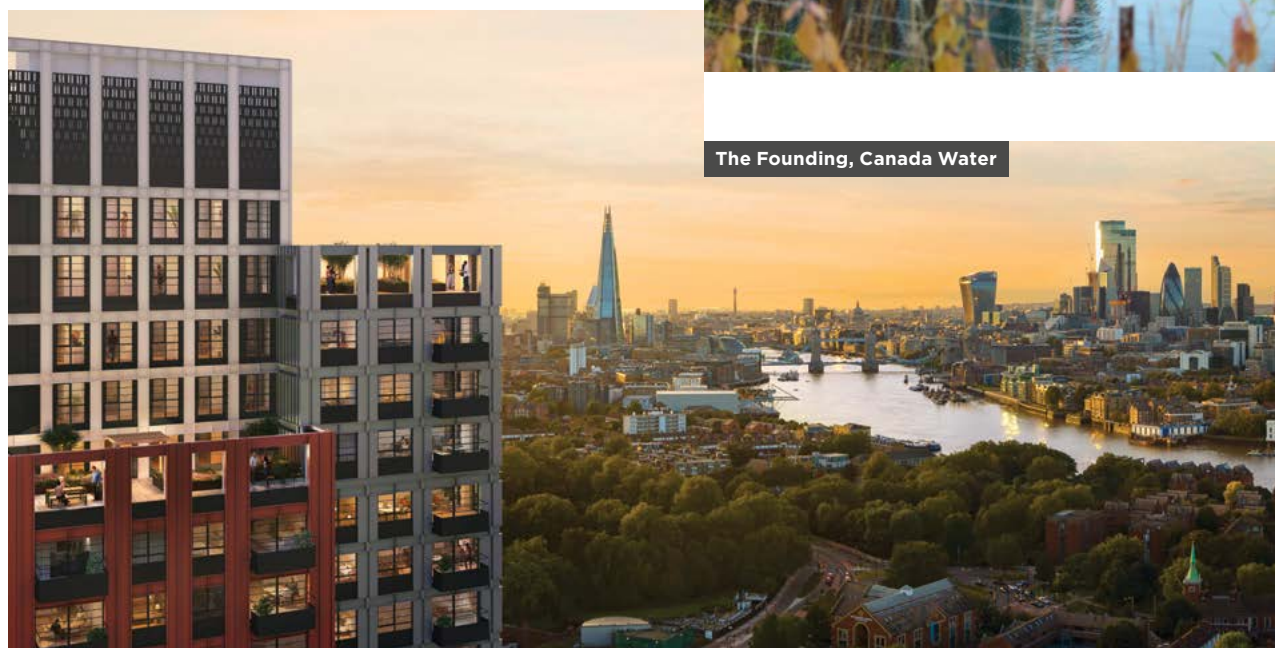
At The Founding, we have sold 46 residential units to date at an average price of £1,250 psf, above target pricing levels and attractive relative to competing schemes. We expect sales velocity to increase when we reach practical completion this summer.

A key benefit of the Canada Water planning consent is that it provides significant flexibility over the mix of uses we can deliver, allowing us to flex our plans in response to changing market conditions. Looking forward, the next phases of the Masterplan are likely to have a higher residential element. For example, we are currently seeing strong demand from student housing developers, so we will likely partner or sell some plots to them to benefit from their expertise and accelerate returns.

Canada Water Dock



The Founding, Canada Water



BUSINESS REVIEW CONTINUED

RETAIL AND LONDON URBAN LOGISTICS

Key metrics

Year ended	31 March 2025	31 March 2024
Portfolio valuation	£3,985m	£3,406m
– Of which Retail Parks	£3,018m	£2,128m
– Of which Shopping Centres	£435m	£753m
– Of which London Urban Logistics	£324m	£313m
Occupancy ¹	98.6%	98.5%
Weighted average lease length to first break	4.6 yrs	4.7 yrs
Total property return	13.2%	9.6%
– Yield shift	-27 bps	+15 bps
– ERV growth	5.6%	6.3%
– Valuation movement	5.0%	2.1%
Total lettings/renewals (sq ft)	1,766,000	2,628,000
Lettings/renewals (sq ft) over 1 year	1,577,000	2,282,000
Lettings/renewals over 1 year vs ERV	+10.5%	+17.8%
Like-for-like rental growth ²	+5%	+1%

On a proportionally consolidated basis including the Group's share of joint ventures and excluding non-controlling interests

- 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 98.6% to 97.4%
- Like-for-like rental growth excludes the impact of surrender premia, CVAs & admins and provisions for debtors and tenant incentives

Portfolio valuation

£3,985m

Like-for-like rental growth

5%



Elliott's Field Retail Park, Rugby

Retail & London Urban Logistics operational review

Valuations in these subsectors increased by 5.0% in the year, with retail parks up 7.1%, shopping centres and other retail up 2.1% and London urban logistics values down 4.9%. ERV growth across the three subsectors was 5.6%, driven by retail parks, where ERVs grew by 6.0%, exceeding our ERV growth guidance of 3-5%.

We continue to lease well, with 1.8m sq ft of lettings and renewals signed in the year, 10.5% ahead of ERV, with a further 622,000 sq ft under offer, 18.4% above March 2024 ERV. Excluding a small number of outliers (12 out of 208 deals) related to space previously let at very high legacy rents, leasing was ahead of previous passing rents (8.6% behind if these are included). Weighted average lease length is 4.6 years.

Overall occupancy in the three subsectors remained high at 99%. Like-for-like rental growth for retail & London urban logistics was 5% for the year. This was a result of the continued strong performance of our retail parks, the preferred format for many retailers, and an improved market at our shopping centres. Like-for-like growth at our retail parks contributed an additional £6m to net rental income. The over rent on our portfolio has narrowed significantly over the last 3 years given strong ERV growth and we continue to lease ahead of ERV.

Retail Parks

Retail parks are the preferred format for many retailers due to their affordability, adaptability and accessibility. Despite being virtually full, we continue to see significant leasing momentum with 1.1m sq ft of deals signed in the year, 9.6% above ERV. There was a significant increase in leasing transactions in the second half of the year, with 802,000 sq ft completed compared to 311,000 sq ft in H1, and we have a further 0.5m under offer, 11.0% ahead of ERV, demonstrating continued competitive tension for space. Occupancy remains high at 99%, driven in part by a 93% retention rate for those with break or expiries in the year and reflecting strong demand and limited supply. Key activity in the year includes:

- Leading omni-channel retailers continue to expand on retail parks, with 78,000 sq ft let or under offer to Marks and Spencer and 54,000 sq ft let or under offer to Next
- Smyths Toys signed four deals covering 63,000 sq ft, including a new 15,000 sq ft unit at Biggleswade
- JD Sports signed four deals across 37,000 sq ft including new units at Colchester and Giltbrook
- Mango signed two new leases at Teesside and Broughton totalling 10,000 sq ft
- Mountain Warehouse signed two new leases at Milton Keynes and Didcot totalling 16,000 sq ft
- B&Q signed the 43,000 sq ft former Homebase unit at Biggleswade
- Following the opening of InHealth in FY24 at Denton, we have further diversified the occupier line up on the park, including MyDentist, and CVS Vets signing 5,000 sq ft and 2,000 sq ft leases respectively

Shopping Centres

We continue to actively manage our shopping centres, maintaining occupancy and driving rents forward. We have completed 522,000 sq ft of deals, 8.4% ahead of ERV and occupancy is now at 98%.

We prefer the occupational fundamentals of retail parks and have said we will reduce our exposure to covered centres at the right time and price. In line with this, we completed the sale of our 50% stake in the Meadowhall Shopping Centre joint venture to our partner Norges Bank Investment Management for £360m in the year.

London Urban Logistics

In London urban logistics we have assembled a 1.2m sq ft pipeline. We are making good progress on site with our first development at Mandela Way in Southwark, building a 144,000 sq ft urban logistics scheme in Central London. Construction is progressing to plan and is due to complete in Q3 2025. This multi-storey logistics facility is the first of its kind. It is set across four floors, serviced by five goods lifts large enough for a fork-lift truck and three separate cargo bike lifts, with ample loading space at ground level. Marketing began in October 2024 and, whilst it is early days, interest has been broad with a mix of traditional and non-traditional logistics occupiers. In the year, we also achieved planning consent for a multi-storey logistics hub at Verney Road, located approximately a mile from Mandela Way. This means that 3 out of 5 sites in our pipeline now have consent.

Retail footfall and sales

	31 March 2024 – 5 April 2025	
	% growth on prior year ¹	Performance vs benchmark ^{2,3}
Footfall		
– Portfolio	0.1%	+30 bps
– Retail Parks	0.3%	+50 bps
Sales		
– Portfolio	1.6%	+120 bps
– Retail Parks	1.9%	+150 bps

1. Compared to the equivalent weeks in the prior year
2. Footfall benchmark: Springboard MRI overall
3. Sales benchmark: BRC UK total instore retail sales



BUSINESS REVIEW CONTINUED

DEVELOPMENTS

Developments

	Sq ft '000	Current Value £m	Cost to complete £m	ERV £m	ERV Let & under offer £m
At 31 March 2025					
Committed	2,405	929	330	83.5	29.9
Near term	698	116	309	31.1	–
Medium term	7,040	671	3,641	259.4	–
Total pipeline	10,143	1,716	4,280	374.0	29.9

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

Committed pipeline

2.4m sq ft

Committed development ERV

£84m

2 Finsbury Avenue, Broadgate



David Lockyer
Head of Development

Development Pipeline

Developments are a driver of long-term value creation. In FY24, higher interest rates caused yields to move out and funding costs to rise. As a result, we increased the return hurdles for our new developments and now target IRRs of 12-14% on our campuses and mid teens on our London urban logistics developments. We are in the right markets with good supply demand tension, and are securing higher rents, and our new developments are exceeding these hurdles.

Construction cost inflation appears to be levelling off and higher funding costs have resulted in limited new supply coming on stream. We expect our committed and recently completed developments, in addition to asset management initiatives, to deliver c.5p of future Underlying earnings per share growth, with 80% to be delivered by the end of FY27.

We are currently on site with 2.4m sq ft of space, delivering £83.5m of ERV, of which 36% is already let or

under offer. Total development exposure is now 3.5% of portfolio gross asset value. Speculative exposure, which is based on ERV and includes space under offer is 8.2% and within our internal risk parameter of 12.5%. Development valuations were up 2.3%.

Completed Developments

We completed five developments totalling 905,000 sq ft in the year. At Norton Folgate, we completed the fit out of 56,000 sq ft of fully fitted floors in July. Unlike HQ space with large floorplates that we deliver on our campuses, this type of space typically leases after completion given the smaller floorplates and target customer. We are 56% let or under offer on space within the scheme and are seeing good interest in the rest, with 56,000 sq ft of deals in negotiations and a high velocity of viewing numbers.

Aldgate Place also reached practical completion in the year. The scheme comprises 159 premium rental apartments with 19,000 sq ft of office space and 8,000 sq ft of retail and leisure space. It is well located, adjacent to Aldgate East and between Liverpool Street and Whitechapel stations. The apartments launched in September, and we are 38% let.

We recently completed The Optic on the Peterhouse Technology Park, a 101,000 sq ft office and lab building, which we have let in its entirety to Arm Holdings. We also completed the development of The Priestley Centre in Guildford. The building was 63% pre-let to LGC, a leading global life sciences company, and we are in discussions with potential occupiers on the remainder.

At Canada Water, we completed Dock Shed, which consists of 180,000 sq ft of office space on the upper floors and a leisure centre built for Southwark Council on the lower floors. Across the office space at both Dock Shed and Three Deal Porters, we have seen increasing levels of interest from a variety of businesses looking for brand new workspace at a lower price point, and we have 6,000 sq ft of space under offer with our first occupier and 180,000 sq ft of space in negotiations.

Completed Developments

At 31 March 2025	Sector	BL Share %	100% sq ft '000	PC Calendar Year	ERV £m
Norton Folgate	Office	100	335	Q3 2024	26.3
Aldgate Place: Phase 2	Residential	100	138	Q2 2024	6.9
The Priestley Centre	Science & technology	100	86	Q2 2024	3.5
The Optic	Science & Technology	100	101	Q1 2025	4.5
Canada Water: Dock Shed (Plot A2)	Mixed use	50	245	Q1 2025	5.6
Total Completed			905		46.8

BUSINESS REVIEW CONTINUED

Committed Developments

Our committed pipeline stands at 2.4m sq ft. At Broadgate, we committed to 2 Finsbury Avenue and Broadgate Tower, best-in-class office schemes to capitalise on the favourable demand, supply fundamentals in the City and at Regent's Place we committed to 1 Triton Square, a world class science and technology building, to capitalise on its location in London's Knowledge Quarter.

We are currently on site at Mandela Way, where we are leveraging our planning and development expertise to deliver an urban logistics facility in Southwark, in London's Zone 2. Construction is progressing on programme and the building is due to complete in Q3 2025.

The development of 1 Broadgate is progressing on programme and, with the exception of one floor, the office space is fully pre-let to JLL and A&O Shearman.

Committed Developments

As at 31 March 2025	Sector	BL Share %	100% sq ft '000	PC Calendar Year	ERV £m ¹	Gross Yield on Cost% ²
1 Triton Square	Science & Technology	50	306	Q3 2025	17.3	6.8
Mandela Way	Logistics	100	144	Q3 2025	4.2	5.8
1 Broadgate	Office	50	546	Q2 2025	20.2	5.8
2 Finsbury Avenue	Office	25	749	Q2 2027	19.7	7.8
Broadgate Tower	Office	50	396	Q4 2026	18.5	8.3
Canada Water: Plot A1 ³	Mixed use	50	264	Q2 2025	3.6	7.3
Total Committed			2,405		83.5	

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



Mandela Way, Southwark



The Optic, Cambridge

Near Term Pipeline

Our near term pipeline covers 698,000 sq ft, including the development of 1 Appold Street at Broadgate into a 404,000 sq ft best-in-class office building; Verney Road, an urban logistics development in Southwark, located approximately a mile away from Mandela Way and a 92,000 sq ft office development at West One, located over Bond Street station.

Medium Term Pipeline

Our medium term pipeline covers 7m sq ft. This includes Euston Tower, where we have achieved planning consent to deliver a 560,000 sq ft office and innovation tower in London's Knowledge Quarter; Botley Road in Oxford, where we have achieved planning to build 235,000 sq ft of science and technology facilities; three urban logistics developments covering 0.9m sq ft including The Box at Paddington Central, Finsbury Square Car Park and Hannah Close in Wembley, as well as future phases of the Canada Water Masterplan.

FINANCIAL REVIEW



We have a consistent, clear strategy and deliverable levers of earnings growth that play to our competitive strengths.

David Walker
Chief Financial Officer



David Walker
Chief Financial Officer



Year ended	31 March 2025	31 March 2024
Underlying Profit ^{1,2}	£279m	£268m
Underlying earnings per share ^{1,2}	28.5p	28.5p
IFRS profit after tax	£338m	£1m
Dividend per share	22.80p	22.80p
Total accounting return ¹	5.0%	(0.5)%
EPRA Net Tangible Assets per share ^{1,2}	567p	562p
IFRS net assets	£5,710m	£5,312m
Loan to value ^{3,4,5}	38.1%	37.3%
Net Debt to EBITDA (Group) ^{3,6}	8.0x	6.8x
Weighted average interest rate ⁴	3.6%	3.4%
Senior Unsecured credit rating	A	A

1. See Note 2 of the financial statements for definition and calculation
2. See Table B within supplementary disclosures for reconciliations to IFRS metrics
3. See Note 16 of the financial statements for definition, calculation and reference to IFRS metrics
4. On a proportionally consolidated basis including the Group's share of joint ventures and excluding non-controlling interests
5. EPRA Loan to value is disclosed in Table E of the financial statements
6. Net Debt to EBITDA on a Group basis excludes joint venture borrowings, and includes distributions and other receivables from joint ventures

Overview

Underlying Profit was £279m, up 4% on the prior year as strong demand for our retail parks and campuses continued through FY25 and translated into 3% like-for-like net rental growth on the standing portfolio. This was further supported by our capital activity, increased fee income and a disciplined approach to costs. We remained active in recycling capital with the sale of £597m of assets, whilst re-investing £738m into retail parks and maintaining good momentum on our pipeline of best-in-class developments. Our accretive retail park purchases were partially funded through a successful £301m equity placing in October 2024. Underlying earnings per share (EPS) were flat for the year at 28.5p despite the increase in Underlying Profit, primarily as a result of taking a number of properties into development which are expected to drive future earnings growth. Based on our policy of setting the dividend at 80% of Underlying EPS, the Board are proposing a final dividend of 10.56p, bringing the total dividend to 22.80p per share for the year, in line with the prior year.

IFRS profit after tax for the year to 31 March 2025 was £338m, compared with a profit after tax for the prior year of £1m, reflecting the improved valuation performance of the Group's properties and those of its joint ventures, partly offset by the one-off capital receipt from the surrender premium received at 1 Triton Square in the prior year.

Notwithstanding recent uncertainties relating to global trade disputes, sentiment towards real estate and liquidity in our sub-markets continued to improve during the year, supported by falling inflation and interest rates. This improvement in sentiment was evident in our own activity with the recent joint venture sell down of a share in 2 Finsbury Avenue at Broadgate, one of the largest London office transactions in the market over the past 12 months, as well as our successful equity placing and concurrent purchase of seven retail parks in October 2024. Whilst the placing was earnings accretive, EPRA Net Tangible Assets (NTA) per share was diluted by 11p, which was more than offset by increases in property values on a proportionally consolidated basis of 1.6% or 13p. Overall, EPRA NTA per share was up 5p in the year, at 567p, and including dividends paid of 22.88p per share, total accounting return was 5.0%.

Balance sheet strength continues to be of utmost importance and underpins our capital allocation framework, providing the business with a platform to grow and remain front footed. Loan to value (LTV) on a proportionally consolidated basis was 38.1% at 31 March 2025 (37.3% at 31 March 2024) and Group Net Debt to EBITDA was 8.0x (6.8x at 31 March 2024). Both metrics remain within our internal ranges as we continue to recycle capital from mature assets into our best-in-class developments and higher returning opportunities.

We have continued to be active in financing with debt providers across a range of markets. During the year, our total financing activity amounted to £2.2bn, comprising £1.3bn of new finance raised, £700m of facility extensions, and £150m of existing debentures repurchased. These transactions have maintained the diverse sources of our finance and extended the debt maturity profile. As a result of this activity, at March 2025 we have £1.8bn of undrawn facilities and cash. Based on these facilities and our current commitments we have no requirement to refinance until late 2028.

Fitch Ratings, as part of their annual review in July 2024, affirmed all our credit ratings with a stable outlook, including the Senior Unsecured rating at 'A'. This rating has been held since 2018.

Presentation of financial information and alternative performance measures

The Group financial statements are prepared under IFRS (UK-adopted International Accounting Standards) where the Group's interests in joint ventures are shown as a single line item on the income statement and balance sheet and all subsidiaries are consolidated at 100%.

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 and excludes non-controlling interests in the Group's subsidiaries. The financial key performance indicators are also presented on this basis.

A summary income statement and summary balance sheet which reconcile the Group income statement and balance sheet to British Land's interests on a proportionally consolidated basis are included in Table A within the supplementary disclosures.

Management uses a number of performance metrics in order to assess the performance of the Group and allow for greater comparability between years, however, does not consider these performance measures to be a substitute for IFRS measures. See our supplementary disclosures for reconciliations, in addition to Note 2 of the financial statements and the glossary found at www.britishland.com/glossary.

Management monitors Underlying Profit as it is an additional informative measure of the underlying recurring performance of our core property rental activity and excludes the non-cash valuation movement on the property portfolio when compared to IFRS metrics. It is based on the Best Practices Recommendations of the European Public Real Estate Association (EPRA) which are widely used alternate metrics to their IFRS equivalents, with additional Company adjustments when relevant (see Note 2 of the financial statements for further detail).

Management monitors EPRA NTA as this provides a transparent and consistent basis to enable comparison between European property companies. Linked to this, the use of Total Accounting Return allows management to monitor return to shareholders based on movements in a consistently applied metric, being EPRA NTA, and dividends paid.

Loan to Value (proportionally consolidated) and Net Debt to EBITDA (Group and proportionally consolidated) are monitored by management as key measures of the level of debt employed by the business to meet its strategic objectives, along with a measurement of risk. It also allows comparison to other property companies who similarly monitor and report these measures. The definitions and calculations of Loan to Value and Net Debt to EBITDA are shown in Note 16 of the financial statements.

FINANCIAL REVIEW CONTINUED

Income statement

1.1 Underlying profit

Underlying Profit is the measure that we use to assess income performance. This is presented below on a proportionally consolidated basis. No company adjustments were made in the year to 31 March 2025. In the year to 31 March 2024, £120m was excluded from the calculation of Underlying Profit (see Note 2 of the financial statements for further details) in relation to the lease surrender at 1 Triton Square.

Year ended	Section	31 March 2025 £m	31 March 2024 £m
Gross rental income		484	476
Property operating expenses		(45)	(36)
Net rental income	1.2	439	440
Net fees and other income		25	23
Administrative expenses	1.3	(82)	(87)
Net financing costs	1.4	(103)	(108)
Underlying Profit		279	268
Underlying tax		(4)	(3)
Non-controlling interests in Underlying Profit		-	1
EPRA and Company adjustments		63	(265)
IFRS profit after tax	2	338	1
Underlying EPS		28.5p	28.5p
IFRS basic EPS	2	35.1p	(0.1)p
Dividend per share	3	22.80p	22.80p

1.2 Net rental income

	£m
Net rental income for the year ended 31 March 2024	440
Disposals	(30)
Acquisitions	29
Developments	(11)
Like-for-like net rent	10
Surrender premia	9
Provisions for debtors and tenant incentives	(8)
Net rental income for the year ended 31 March 2025	439

The disposal of non-core assets over the past 24 months has resulted in a reduction of net rents by £30m for the year, primarily due to the sale of our share in the Meadowhall Shopping Centre joint venture in July 2024.

Proceeds from disposals have subsequently been deployed into income producing retail parks and our developments. We acquired one retail park for £55m in FY24 and were significantly more active in FY25, post the Meadowhall disposal, acquiring a total of £738m of retail parks. As a result, net rents increased by £29m in the year.

To drive future value, we have an active development pipeline and properties moving into this pipeline reduced net rents by £11m, largely driven by the surrender of the 1 Triton Square lease in September 2023 and subsequent

commitment to the development. Additional reductions came from Broadgate Tower moving to development, as well as 1 Appold Street which is now vacant and classified as a development. These reductions were partially offset by leasing space in our recently completed developments at Norton Folgate and 3 Sheldon Square. Our committed developments and significant asset management initiatives are expected to deliver c.5p of EPS per annum, with c.80% of this to be delivered by the end of FY27.

Like-for-like net rental growth across the portfolio was 3% in the year, adding £10m to net rents.

Campus like-for-like net rental growth was 2%, with our core campuses of Broadgate, Regent's Place and Paddington Central growing by 3%. Growth was driven by strong leasing at Regent's Place, including the impact of new lettings to AI and other innovation businesses across various floors at 338 Euston Road and 350 Euston Road, as well as positive leasing momentum we are seeing on existing stock at Broadgate including 155 & 199 Bishopsgate and 10 Exchange Square. Overall, leasing was 21.8% ahead of previous passing rent and fully offset the impact of a tenant break at 1 Finsbury Avenue, as well as the impact of breaks and expires on non-core assets in the portfolio, such as 54 The Broadway in Ealing, which reduced campus like-for-like net rental income by £2m.

Like-for-like net rental growth for retail & London urban logistics was 5% for the year. This was a result of the continued strong performance of our retail parks, the preferred format for many retailers, and an improved occupational market at our Shopping Centres. Like-for-like growth at our retail parks contributed an additional £6m to net rental income and included upsides from successful new store openings at Glasgow Fort and Teesside. The over rent on our portfolio has narrowed significantly over the last 3 years with strong ERV growth, and we continue to lease ahead of ERV given the strong demand for space and profitability of the retail park format for retailers.

Surrender premium receipts, which are excluded from like-for-like growth, added £9m to net rental income as we negotiated the surrender of space at 155 Bishopsgate and 20 Triton Street in order to quickly capture positive reversion on these assets. This space is now 88% let significantly above previous passing rents.

The impact of provisions made against debtors and tenant incentives on net rents was negative £8m compared to the prior year. This was primarily due to the one-off benefit from the collection of arrears relating to Arcadia in FY24.

1.3 Administrative expenses

We have continued our disciplined approach to cost control and administrative expenses decreased £5m or 6% to £82m. We have also capitalised on the existing British Land platform, adding property acquisitions and onboarding new developments with minimal incremental cost. Fee income also increased in the year as we continue to work closely with third party capital, earning the full fee from managing Meadowhall whilst continuing to earn fees on our joint venture assets and developments. As a result, the Group's EPRA cost ratio was 17.5% (FY24: 16.4%), with the prior year benefitting from the one-off Arcadia collection of arrears noted above.

1.4 Net financing costs

	£m
Net financing costs for the year ended 31 March 2024	(108)
Net divestment	19
Developments	(15)
Financing activity, market rates and other movements	1
Net financing costs for the year ended 31 March 2025	(103)

Net financing costs decreased by £5m to £103m. Disposals of £1bn over the last 24 months reduced costs in the year by £33m, partially offset by the £14m impact from £0.8bn of acquisitions, and the equity placing, made over the same period.

Funding of our committed development pipeline and other maintenance capex increased financing costs by £15m, after interest on development expenditure being capitalised. Our interest was capitalised on development spend at an average rate of 3.4% during the year, below our marginal cost of borrowing.

The interest rate on our debt is 97% hedged for the year ending 31 March 2026, and 77% hedged on average over the next 5 years, with a gradually declining profile. Our interest rate hedging, which includes fixed rate debt, interest rate swaps, and interest rate caps (where the strike rates are below current SONIA) has continued to mitigate the impact of higher market rates on our interest costs. Our weighted average interest rate will gradually trend towards market rates over time, as we have the benefit of our existing hedging and our active approach to interest rate management.

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 2025 was £338m, compared with £1m in the prior year. IFRS basic EPS was 35.1p, compared to (0.1)p in the prior year. The IFRS profit after tax for the year primarily reflects the Underlying Profit of £279m, the increase in value of the Group's properties of £148m, £43m capital and other finance costs being the fair value movement on derivatives and hedge accounted debt, a £42m loss on disposal of investment properties, joint ventures and revaluation of investments, and Underlying and Capital taxation for the year.

The basic weighted average number of shares in issue during the year was 965m (31 March 2024: 927m), an increase on the prior year following 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 2025 of 10.56p per share, bringing the total dividend to 22.80p per share for the year. Payment will be made on Friday 25 July 2025 to shareholders on the register at close of business on Friday 20 June 2025. 8.56p will be payable as a Property Income Distribution and 2.00p 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.

Balance sheet

As at	Section	31 March 2025 £m	31 March 2024 £m
Property assets		9,489	8,688
Other non-current assets		64	73
		9,553	8,761
Other net current liabilities		(218)	(248)
Adjusted net debt	6	(3,637)	(3,261)
EPRA Net Tangible Assets		5,698	5,252
EPRA NTA per share¹	4	567p	562p
Non-controlling interests		-	13
Other EPRA adjustments ¹		12	47
IFRS net assets	5	5,710	5,312

On a proportionally consolidated basis

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

4. EPRA net tangible assets per share

	pence
EPRA NTA per share at 31 March 2024	562
Valuation performance	13
Underlying Profit	27
Dividend	(23)
Other	(1)
Equity placing	(11)
EPRA NTA per share at 31 March 2025	567

The 1% increase in EPRA NTA per share reflects a valuation increase of 1.6%, retained earnings and other movements, partially offset by the earnings accretive equity placing in October 2024.

Campus valuations were down 0.8% for the year, driven by outward yield shift of 14 bps to 5.6% net equivalent yield offset by ERV growth of 4.3%. The strong ERV growth performance reflects our successful leasing activity and the premium customers are placing on our best-in-class London campuses. Campus valuations inflected in the second half of the year with values up 0.8% (H1: -1.7%) as ERV growth accelerated to 2.6% and yields remained broadly stable.

Retail & London urban logistics valuations were up 5.0%, driven by yield compression of 27 bps to 6.6% net equivalent yield supported by ERV growth of 5.6%. Retail parks were the strongest performer with values up 7.1%, as parks remain an attractive investment proposition given that they are the preferred physical format for many retailers and supply remains restricted.

FINANCIAL REVIEW CONTINUED

5. IFRS net assets

IFRS net assets at 31 March 2025 were £5,710m, an increase of £398m from 31 March 2024. This was primarily due to the IFRS profit after tax of £338m, the October 2024 equity raise of £301m, partially offset by dividends paid in the year of £221m.

Cash flow, net debt and financing

6. Adjusted net debt

	£m
Adjusted net debt at 31 March 2024	(3,261)
Disposals	590
Acquisitions	(738)
Proceeds from equity placing	294
Development & asset management initiatives	(466)
Net cash from operations	270
Dividend	(220)
Other ¹	(106)
Adjusted net debt at 31 March 2025	(3,637)

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

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 of the financial statements and adjusted net debt is included in Table A within the supplementary disclosures.

We have continued to actively recycle capital in the year, with disposals and the proceeds from the equity placing, offset by acquisitions reducing adjusted net debt by £146m. We also continued to invest in our best-in-class development pipeline as well as asset management initiatives on the standing portfolio which combined, increased adjusted net debt by £466m.

Net cash from operations offset by the dividend payment reduced net debt by £50m and was offset by movements in working capital and other cash movements.

7. Financing

	Group			
	31 March 2025	31 March 2024	31 March 2025	31 March 2025
Net debt / adjusted net debt ^{1,2}	£2,647m	£2,081m	£3,637m	£3,261m
Principal amount of gross debt	£2,740m	£2,225m	£3,738m	£3,443m
Loan to value ²	31.7%	28.5%	38.1%	37.3%
Net Debt to EBITDA ^{2,3}	8.0x	6.8x	9.3x	8.5x
Weighted average interest rate	3.2%	2.6%	3.6%	3.4%
Interest cover	5.7x	5.9x	3.7x	3.5x
Weighted average maturity of drawn debt	5.2 years	6.1 years	5.0 years	5.8 years

1. Group data as presented in Note 16 of 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
2. Note 16 of the financial statements sets out the calculation of the Group and proportionally consolidated LTV and Net Debt to EBITDA
3. Net Debt to EBITDA on a Group basis excludes joint venture borrowings, and includes distributions and other receivables from joint ventures

We have continued to be active in financing with debt providers across a range of markets. During the year, our total financing activity amounted to £2.2bn, comprising £1.3bn of new finance raised, £700m of facility extensions, and £150m of existing debentures repurchased. These strategic transactions have maintained the diverse sources of our finance and extended the debt maturity profile.

The new £1.3bn of unsecured debt has been raised incorporating our standard unsecured financial covenants, in public bond and bank markets:

- £300m Sterling bond issued in March 2025, with 7 year maturity, at a spread 98bps above Gilts;
- £100m bi-lateral bank revolving credit facility (RCF) signed in March 2025;
- £730m syndicated RCF with a group of 14 banks including two new relationships, signed in October 2024. This RCF replaced a £525m syndicated RCF due to mature in May 2025; and
- £200m in two bi-lateral RCFs with banks who were also new relationships for us, signed in May and July 2024.

Our public unsecured sterling bond, issued under our EMTN programme, generated strong support from debt investors, with an order book more than three times covered at the issuance price of Gilts + 98bps (5.25% coupon). Alongside this issuance we conducted a tender for our legacy secured debentures, repaying a total of £150m, including £72m of the 5.357% 2028s and £78m of the 5.264% 2035s, with security released accordingly from the related collateral asset pool.

The new RCFs have initial 5 year maturities and may be extended by a further two years at our request and with the agreement of each bank for its participation. Sustainability KPIs are included in all these RCFs, linked to BREEAM ratings and Energy Performance Certificates, aligned with our Sustainability Strategy. In British Land and our joint ventures we have now have a total of £2.7bn (£2.4bn British Land share) of Green and Sustainability/ESG linked loans and facilities.

Extensions by one year of a number of existing RCFs and term loans, in total £700m, have been agreed during the year, to maturities in 2029/30.

As a result of this activity, at March 2025 we have £1.8bn of undrawn facilities and cash. Based on these facilities and our current commitments we have no requirement to refinance until late 2028. In keeping with our usual practice, we expect to refinance or replace debt facilities ahead of maturities and to continue to be active in financing markets.

Our weighted average interest rate at 31 March 2025 was 3.6%, a 20 bps increase from 31 March 2024. This reflects our interest rate hedging profile which reduces the impact of higher market interest rates. Our debt is 97% hedged over the year to 31 March 2026, and 77% hedged on average over the next five years.

At 31 March 2025, our proportionally consolidated LTV was 38.1%, up from 37.3% at 31 March 2024. Disposals in the year, primarily our share in the Meadowhall Shopping Centre joint venture, decreased LTV by 390 bps, whilst development spend and acquisitions, offset by the equity placing, together added 490 bps. The net impact of property valuation and other movements decreased LTV by a further 20 bps.

Net Debt to EBITDA for the Group increased to 8.0x at 31 March 2025 (6.8x at March 2024) and on a proportionally consolidated basis the ratio increased to 9.3x (8.5x at March 2024). Movements in Net Debt to EBITDA were driven by capital activity in the year and development spend.

We remain disciplined in our management of leverage and whilst these metrics are at the upper end of our internal ranges, they remain comfortable at this point in the cycle. With values inflecting, income to come from our development pipeline and a continued focus on recycling capital, our expectation is these metrics will reduce over time. For example, Group Net Debt to EBITDA would be c.7x taking into account the annualised impact of FY25 net purchases and upcoming financing of joint venture developments post completion.

We have an advantageous debt structure which gives access to diverse sources of finance through debt raised by British Land and in our joint ventures. Our debt in British Land (except for the debentures) is unsecured with no interest cover covenants. At March 2025, we retain significant headroom to our debt covenants, meaning the Group could withstand a fall in asset values across the portfolio of 36%, prior to taking any mitigating actions. Joint venture debt is arranged as required by the business of each relevant entity and secured on its assets, non-recourse to the Group, and the majority is "covenant light" with no LTV default limits.

Fitch ratings, as part of its annual review in July 2024 affirmed all our credit ratings, with stable outlook; Senior Unsecured 'A', long term IDR 'A-' and short term IDR 'F1'.

Our strong balance sheet, established lender relationships, access to different sources of finance and liquidity, all provide a platform for us to deliver on our strategy.



David Walker
Chief Financial Officer

DELIVERING OUR SUSTAINABILITY STRATEGY

PROGRESS ON OUR TARGETS



GREENER SPACES

→ **READ MORE**
about our Greener Spaces pillar
on pages 37

Targeting:

50%

lower embodied carbon intensity at our developments by 2030

on track at 39% reduction across current office developments



75%

reduction in operational carbon intensity by 2030 vs 2019 baseline

on track at 38% reduction¹



25%

improvement in operational energy intensity by 2030 vs 2019 baseline

on track at 19% improvement¹



SUSTAINABILITY LEADERSHIP

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in our Sustainability Progress Report
www.britishland.com/SPR



THRIVING PLACES

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about our Thriving Places pillar
on page 40

Targeting:

£25m

Social Impact Fund to be deployed by 2030, including £10m of affordable space

£15.2m deployed since FY21



90,000

education and employment beneficiaries by 2030

66,756 beneficiaries since FY21



£200m

direct social and economic value generated by 2030

£120m generated since FY21



Targeting:

5*

GRESB for Development and Standing Investments

FY25: 5* Achieved

Global Sector Leader for Development and European Sector Leader for Standing Investments



RESPONSIBLE CHOICES

→ **READ MORE**
about our Responsible Choices pillar
on page 42

Targeting:

40%

(at least) female representation at senior management levels

FY25: 36%



17.5%

minoritised ethnic representation across the Company by 2025

FY25: 17.9%



100%

of people working on our behalf at our places paid at least the real Living Wage

FY25: 100%



100%

of developments on track to achieve BREEAM Outstanding (Offices); Excellent (Retail); Home Quality Mark (HQM) (Residential) minimum 3*

FY25: 100%

¹ Performance is versus an indexed FY19 baseline, the methodology of which is outlined in the Sustainability Progress Report

SUSTAINABILITY REVIEW

GREENER SPACES



3 Sheldon Square, Paddington Central



2 Finsbury Avenue, Broadgate

HIGHLIGHTS

Average embodied carbon (CO₂e) per sqm in current office developments

615kg

2024: 625kg

Improvement in managed portfolio energy intensity against FY19 baseline

19%

2024: 18%

Portfolio EPC A and B rated (by ERV)

68%

2024: 58%

Spend on carbon efficient interventions since FY19

£26m

SUSTAINABILITY REVIEW CONTINUED

Delivering Greener Spaces means making choices which minimise our greenhouse gas (GHG) emissions and our wider impact on the environment.

There is clear commercial benefit to this, as our customers increasingly demand space with excellent environmental sustainability credentials. We know that this sustainable space will let more quickly at higher rents and be worth more in the investment market.

Decarbonisation

The buildings and construction sector is responsible for c.21% of global GHG emissions and over 32% of energy demand. Considering this and the sector's wider environmental impacts we have a responsibility and opportunity to act to support the equitable transition to a low carbon economy and to create resilient places for our customers.

In FY25, we remained on track to achieve our targets and actions set out in our 2020 Pathway to Net Zero (Pathway). This Pathway was created in line with best practice guidance at the time which has since evolved in line with climate science, technological advancements and policies. We have been working with specialists to update our approach and targets to reflect this latest guidance. We are now in the process of reviewing our Science Based Targets initiative (SBTi) targets in line with the Building sector guidance. Our new targets are expected to extend beyond 2030. We are a sponsor of the UK's Net Zero Carbon Buildings Standard (NZCBS) working group and have submitted development projects to the pilot testing.

Reducing embodied carbon in developments

Embodied carbon covers all emissions generated in the production, maintenance and deconstruction of a building. This year, we reduced our average upfront embodied carbon intensity across committed, near and medium term office developments to 615kg CO₂e per sqm from 625kg CO₂e per sqm in FY24. Key to this progress is our commitment to reusing existing building components and materials when possible, design efficiency and specifying low carbon materials.

Circular economy

The circular economy aims to eliminate waste by keeping materials in use for as long as possible. To facilitate this, we look to retain, reuse and upcycle materials and structure in existing buildings where possible. Our development approach acknowledges circularity as a crucial part of real estate's future. In FY25, we published our guide "Full Circle, Full Potential" developed in partnership with architect and strategic consultancy 3XN GXN. The guide details our approach to transitioning to a circular economy, including a standardised approach for each stage of the materials life cycle, to enhance circulation within the built environment and maximise material potential.

Low carbon materials

In FY25, our Low Carbon Materials Working Group continued to identify and review low carbon materials and solutions for our development projects, as well as challenging conventional building standards to reduce embodied carbon. Guided by our Carbon Primer report shared in FY24, which brings together lessons from multiple British Land projects, this year we continued to specify and procure lower carbon alternatives to traditional building materials, including low carbon steel, rebar and aluminium for integration into our developments where commercially and technically viable.

Designing for efficient operation

For new office developments, we target whole building operational energy efficiency of 90kWh per sqm, in line with UK Green Building Council (UKGBC) 2030 targets. To deliver this, we are adopting NABERS UK Design for Performance (DfP) on all office developments. NABERS UK DfP is a framework which ensures accurate prediction of energy consumption throughout a building's life. This year, seven of our developments are targeting NABERS UK DfP, two of which have received their target rating. As early as FY23, 1 Broadgate was the first building to receive a 5* NABERS UK DfP target rating. As part of our NABERS Working Group we have developed bespoke NABERS guidance on implementing robust processes on British Land developments.

Transition Vehicle

Our Transition Vehicle was established in 2020 and is a mechanism for delivering our energy and carbon targets. It is financed by an internal levy on the embodied carbon in our developments which is currently set at £90 per tonne of carbon. The majority of the Transition Vehicle funds are used to invest in retrofitting projects and research and development with the remainder being used to purchase carbon credits. Annually we supplement our Transition Vehicle with a £5m float. So far, the Transition Vehicle has committed £20m on retrofitting projects.

Offsetting

Once we have explored reasonably practical and economically viable steps to reduce embodied carbon in our developments we offset the residual embodied carbon. We pre-purchase the carbon credits for all our committed developments, both to secure our preferred projects and to provide greater certainty over costs, as the rising price of carbon credits is one of our identified climate-related risks (see page 68). Prior to purchasing carbon credits from a new project we conduct thorough due diligence into them. We retire half of these carbon credits at commitment with the remainder being retired in line with practical completion or shortly after. We continue to consider local, certified carbon credits.



Air source heat pump installation, Broadgate

Reducing operational carbon

Operational carbon covers the emissions associated with energy, fuel and refrigerant used to operate the building or associated infrastructure. This year, our whole managed portfolio energy intensity improved to 167kWh per sqm (19% improvement vs FY19 indexed baseline) and our carbon intensity reduced to 42kg CO₂e per sqm (38% reduction vs indexed FY19 baseline). The managed portfolio includes multi-let properties where there is management influence over operations. This has been another strong year of progress towards our 2030 targets reflecting the positive impact our carbon efficient interventions are having on a whole-building basis.

Most of these savings have been from our offices where for over a decade we have been collecting whole building utilities data, implementing carbon efficient interventions and working closely with our customers. In retail, the energy consumption within tenant spaces, where we lack control over procurement decisions and usage patterns, significantly influences our performance. We are currently exploring the most effective methods to collaborate and engage with our retail tenants to identify and implement opportunities for reducing this energy consumption.

Retrofitting our portfolio

Following a programme of environmental audits, a decarbonisation pathway has been established for nearly all our managed assets which are a fundamental part of their business plans. The estimated cost of these decarbonisation pathways is £100m and we expect that a significant part of this cost will be recovered through the service charge as part of standard life cycle replacement.

These pathways align with the proposed Minimum Energy Efficiency Standard (MEES) requirements for all non-domestic buildings, where we are targeting buildings to be either EPC A or B rated by 2030. The proportion of the portfolio rated EPC A or B by ERV is now 68%, up from 58% in FY24.

To date, £26m¹ has been spent on carbon efficient interventions across our managed assets with £9m spent in FY25. Some of the interventions funded in FY25 include the installation of heat pumps at 2 Kingdom Street, 1 Finsbury Avenue and 155 Bishopsgate and upgrading the car park lighting to LED across numerous retail parks.

Renewable energy sources

Over the last two years we have undertaken two pilot projects to deliver landlord operated solar systems; running in-depth feasibility studies, gaining grid consent and assessing roof conditions. However, the workstream has paused due to challenges with the roofs demised to occupiers and the resource-intensive conditions of agreeing numerous power purchase agreements.

As an alternative, we are supporting our retailers with delivering their own solar with four schemes currently planned. We have engaged with ministers at the Department for Energy Security and Net Zero to guide regulatory reforms to accelerate decarbonisation of retail assets. Our retail parks have rooftop capacity for approximately 370,000 sqm of solar PV. If we were able to unlock this, it could add c.69MWp of renewable capacity and generate more than 87,500MWh of energy for our customers every year. We will review this opportunity on an ongoing basis and remain supportive of our retail occupiers installing their own solar.

We are a signatory to RE100, which commits us to procuring 100% renewable energy. We purchase our energy from Renewable Energy Guarantees of Origin (REGO) and Renewable Gas Guarantees of Origin (RGGO) certified traceable sources. From April 2024, we have been trialling a new enhanced methodology for measuring and monitoring electricity consumption, which involves time matching hourly electricity demand with renewable energy production. Through understanding our renewable energy requirements on a more granular basis, we hope to support the transition to carbon free energy.

Nature

Climate change and nature loss are linked, so we consider them together and prioritise the use of nature-based solutions where relevant. Nature plays a role in supporting the health and wellbeing of customers and visitors to our places.

We have been supporting nature at our places for more than a decade, through the introduction of accessible green spaces at our assets. These green spaces include creating or retrofitting new habitats through planting and the introduction of new species and vegetation. This has been done in line with our Biodiversity Frameworks and Design Guides for our campuses and retail assets.

This year, we worked with our ecologists to refine our strategy for nature. This strategy builds on our existing work enhancing biodiversity and improving natural capital, focusing on embodied nature impacts in our supply chain, achieving biodiversity net gain on our developments and delivering nature plans for our operational assets.



READ MORE

on our nature strategy in our 2025 Sustainability Progress Report www.britishland.com/SPR

1. Figure includes capital expenditure, monies recoverable through service charge and occupier spend in demised spaces

SUSTAINABILITY REVIEW CONTINUED

THRIVING
PLACES

The Leith Collective, Really Local Store, Fort Kinnaird



National Literacy Trust Young Readers, Paddington Central

HIGHLIGHTS

Direct social value

£11.3m

2024: £9.7m

Direct economic value

£21.2m

2024: £20.4m

Total beneficiaries

18,500

2024: 15,000

Social impact initiatives
supported**92**

2024: 93

Our social impact strategy uses our assets to support our customers and communities to learn, earn and grow, generating value through impactful use of our spaces, employment and education programmes. We focus on opportunities both in our industry and at our places, and are moving towards a focus on growth sectors in green, science and tech skills.

The resulting programmes directly impact the communities living in and around our places, supporting their wellbeing and prosperity. This supports the success of our places, helping deliver developments, managing risk, attracting customers and protecting our licence to operate.

Social impact

Our £25m Social Impact Fund, which comprises £15m of cash contributions and £10m of affordable space value, is distributed across our three commitment areas of affordable space, employment and education to 2030.

In FY25, our Social Impact Fund contributed £1.2m of cash and £1.2m of affordable space. This brings our total contributions since FY21 to £8.1m of cash and £7.0m of affordable space.

Affordable space

Our strategy focuses on leveraging our space and expert knowledge to support a broad range of local organisations. This focuses on our strengths – our core business of providing high quality space and commercial expertise – to generate social, economic and commercial impact and differentiate our places.

This year, we provided £1.2m of affordable space, benefitting small businesses, social enterprises, community organisations and charities. We also published a report on the commercial return and socioeconomic impact of our retail affordable space programme, Really Local Stores. Applying a robust approach to reporting, we only count space provided for free or at a significant reduction for at least three months. Many more organisations benefit from events and pop-ups. We actively support smaller organisations through the process, removing barriers to entry wherever possible.

Employment

We support local training and jobs through Bright Lights, our skills and employment programme. Bright Lights enables local people to access opportunities in our sector and at our places. This helps secure the skills our business, suppliers, customers and communities need as we work towards an equitable low carbon future.

This year, Bright Lights delivered 32 employment initiatives including pre-employment training, virtual programmes, mentoring, work placements, graduate schemes, internships and apprenticeships. 1,189 people benefitted from meaningful employment support at our places, with 457 securing employment. This brings the number of Bright Lights beneficiaries to 6,719 since FY21, progressing towards our target of 10,000 by 2030. We have applied a robust approach to reporting, only counting people who receive meaningful life-enhancing support.

This year we began pivoting our activity to address the UK's fast-growing future skills needs. We have focused on using our existing social impact initiatives to support the development of green skills, ensuring that people can access employment opportunities for the future.

Green skills

We recognise that the transition to net zero requires an increasing range of skills, known as green skills, which support a more sustainable and resource efficient society.

Research shows that green jobs are growing twice as fast as the number of workers with the skills to fill them.¹ We see an opportunity to enable people living in our communities to access the opportunities created by the green skills gap by introducing a green focus to our education and employment initiatives where appropriate. Working with experts and partners across our business and supply chain, we are reviewing how all elements of our 2030 Sustainability Strategy can support an equitable transition to a low carbon economy.

Our long-standing commitment to addressing social mobility through education and employment initiatives, adapting our approach and programmes to suit changing circumstances and needs, has been recognised by the Social Mobility Index over seven consecutive years, and we are the only listed REIT to feature in the Index's top 75.

Education

We focus our support on needs-based education programmes – to support curriculum learning, increase local talent pools, raise awareness of careers in our sectors and support young people to access career opportunities in the future. This year, we delivered 52 education initiatives at our places, benefitting 7,596 people, often bringing together our customers, suppliers and local partners. Much of this was through our partnership with the National Literacy Trust (NLT), the UK's largest and longest running corporate literacy programme.

Social value

Our social value target to generate £200m of direct social and economic value by 2030 gives a financial value to the outcomes of our social sustainability programmes. The elements of this target were externally validated by external social value specialists. This further embeds social impact into how we do business and underscores the importance of thriving communities as linked to commercial success for us and our customers.

Our target comprises £100m of direct social value generated from our £25m Social Impact Fund, focusing on affordable space, employment and education outcomes, and £100m of direct economic value generated from our spend with small and medium-sized enterprises (SMEs).

We are also targeting £100m of indirect social and economic value by 2030, primarily through social impact activities and local spend as a result of our development activity.

In FY25, we undertook a process, working with social value specialists CHY Consultancy, to externally verify direct social and economic value data from earlier years. Since FY21 £120m of direct social and economic value was generated, of which £32.5m was generated in FY25.

➔ **READ MORE**
For a detailed breakdown, see our 2025 Sustainability Progress Report www.britishland.com/SPR.

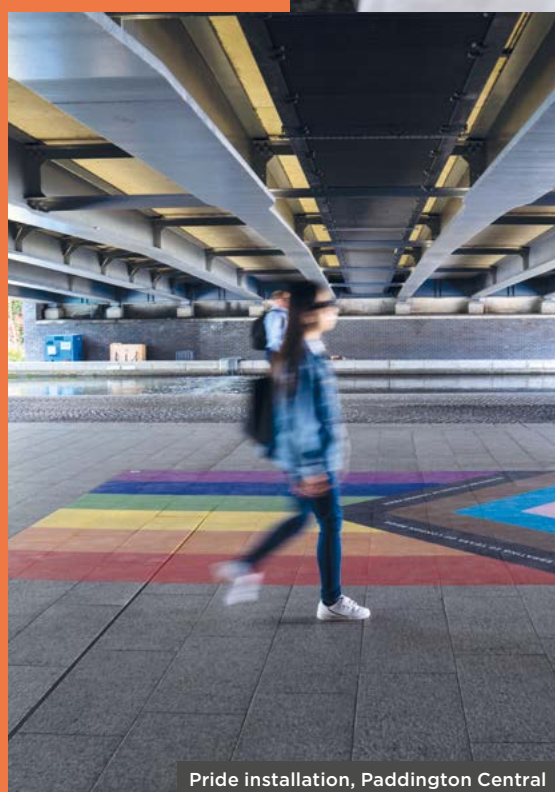
1. www.weforum.org/stories/2024/02/green-jobs-green-skills-growth/

SUSTAINABILITY REVIEW CONTINUED

RESPONSIBLE CHOICES



Sports and Social Employee Network event



Pride installation, Paddington Central

HIGHLIGHTS

% of staff proud to work
at British Land

93%

2024: 93%

Number of internal
moves/promotions

71

2024: 90

Employee engagement
score

79%

2024: 78%

Hours spent on employee
training

8,055

2024: 11,000

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 continue to foster a diverse, inclusive and ambitious culture so we can attract, develop and inspire the best people to deliver our strategy. All our people-related initiatives link back to this goal.

Empowering leadership and talent development

Leadership and professional development remain at the core of our people agenda and we continued our mandatory training programme for all team leaders.

Key highlights include:

- Professional Development: 8,055 hours of learning completed, with a focus on management development.
- Nurturing Talent: committed to the career growth of our employees, with 71 internal moves such as secondments and promotions successfully completed in FY25.
- Coaching: we partnered with Circl for the sixth year running. Circl is a leadership development programme who teach coaching skills to professionals working with young adults from underrepresented backgrounds.
- Mentoring: this year we formally matched 47 mentees with mentors who provide them with valuable career guidance, insight and support, but there are many more informal mentee/mentor relationships across the business.

Commitment to diversity, equality & inclusion

Our commitment to diversity, equality & inclusion (DE&I) continues to be a core value in our organisation.

Key achievements:

- Minoritised Ethnic Representation: we have achieved 17.9% ethnic minority representation across the business, in line with our 2025 internal targets.
- Women Leaders: we have 50% women at Board level and 43% women at ExCo level, exceeding our 40% women target, and 36% women among 'ExCo and their direct reports'.
- DE&I Internal Audit: an independent assessment of the design and governance of our 2030 DE&I Strategy was carried out, and the Strategy was deemed "mature", "clear and well structured", and "linked to British Land's purpose and values". Being halfway to 2030, we will update the Strategy, to make sure it continues to challenge us.
- Social Mobility Recognition: for the seventh consecutive year, we were listed in the Social Mobility Foundation Index Top 75, reaffirming our commitment to recognising talent, whatever someone's social background.
- Company Culture: 90% of our employees agree that diversity is a stated value or priority for British Land.

Workforce gender diversity at March 2025

All employees*	327	304
Senior management*	32	18
Board	5	5

● Male ● Female

*(excludes Non-Executive Directors)

Engaging our workforce for a stronger future

Employee engagement is at the heart of British Land's workplace culture. By listening to our people and acting on their feedback, we continue to strengthen our work environment and drive positive change.

Key achievements:

- Employee Engagement Survey: for the second year in a row we had a record 90% participation rate in our November 2024 employee survey, with our highest ever engagement score of 79%.
- Workplace Innovation Programme: our "Hats On" initiative led to 35 employee-driven innovations being implemented in daily operations since its inception in October 2022.
- We have invested in our systems and processes to enable our people to do their work more effectively and seen employee engagement in this specific area increase by 5%.
- We have launched a digital skills drive to enable everyone to maximise the technology available to them. The aim is for everyone to make personal incremental gains as they reduce administrative burden in daily tasks.

Financial performance and investment in people

In the past year, we allocated over £400,000 towards comprehensive training and development initiatives. This investment supported leadership and management development, DE&I training and employee wellbeing initiatives. By prioritising these areas, we have empowered our workforce with the skills and resources needed to thrive in a dynamic environment.

Looking ahead: Our vision for 2025 & beyond

As we look to the future, we want to sum up our business by "small team, smart people, big ambitions" and remain committed to fostering an agile, diverse and engaged workforce. Our priorities for the upcoming year are ever continuing leadership development, continuing focus on our DE&I goals, advancing professional development and enhancing digital skills.

Responsible procurement

A strong relationship with our supplier partners plays a key role in the successful delivery of our strategy which is governed by our mandatory Supplier Code of Conduct. This sets out clear social, ethical and environmental obligations for our supply chain partners and promotes safe and fair working conditions.

Against modern slavery

We uphold the human rights of our employees and throughout the supply chain. We have provided anti-modern slavery training to all our employees. We continue to undertake audits of our key suppliers. During FY25, 10 audits took place.

Real Living Wages

We have a strong track record of paying at least the real Living Wage to British Land employees and people working on our developments and encouraging our suppliers to do the same approach. In FY24 we were accredited as a Living Wage Employer and in FY25, all people working at our assets on our behalf were paid at least the real Living Wage. This includes all people working directly for British Land and for our hard and soft service providers.

Mandating prompt payment

We are committed to paying all suppliers within 30 days. In FY25, we settled Group invoices within 20 days on average.

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 magnification of 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 2025, proportionally consolidated LTV was 38.1% and for the Group was 31.7%. The ratio of Net Debt to EBITDA is a measure of leverage based on earnings, rather than asset valuations, which we consider primarily on a Group basis. At 31 March 2025, our Group Net Debt to EBITDA was 8.0x and the proportionally consolidated measure was 9.3x. 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. During the year we completed £2.2bn of financing activity, including: raising £1.0bn of new unsecured bank revolving credit facilities (RCFs) in four transactions; issuing a new £300m unsecured seven-year bond; alongside the bond, conducting a tender to repay £150m of existing secured debentures; and extending £700m of existing RCFs and bank term loans.

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.

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 ratios. 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 £1.8bn at 31 March 2025. Based on our commitments and these available facilities, the Group has liquidity (no requirement to refinance) until late 2028.

Presented on the following page are the five guiding principles that govern 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 2025, the interest rate on our debt is 97% hedged for the year ending 31 March 2026. On average over the next five years we have interest rate hedging on 77% 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, and our Sustainable Finance Framework enables us to issue Sustainable, Green, and/or Social finance, when it is appropriate for our business. At 31 March 2025 we have £2.7bn (British Land share £2.4bn) of Green and Sustainable/ESG linked financing.

**Total drawn debt
(proportionally
consolidated)**

£3.7bn

in over 25 debt instruments

2. Phase maturity of debt portfolio

The maturity profile of our debt is managed with a spread of repayment dates, currently between one and 13 years, reducing our refinancing risk in regard to timing and market conditions. At 31 March 2025, as a result of our financing and capital activity, based on our commitments and available facilities we have liquidity (no requirement to refinance) until late 2028, 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)**

5.0 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**

£1.8bn

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 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). 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 facilities

£2.4bn

5. Maintain strong metrics

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.

We maintained our strong senior unsecured credit rating 'A', long term IDR credit rating 'A-', and short term IDR credit rating 'F1', affirmed by Fitch during the year with Stable outlook.

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

**LTV (proportionally
consolidated)**

38.1%

**Net Debt to EBITDA
(Group)**

8.0x

**Senior unsecured
credit rating**

A

FINANCIAL POLICIES AND PRINCIPLES CONTINUED

Group borrowings

Unsecured financing for the Group includes 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.

£2.2bn 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 are published in our Sustainability Progress Report.

Unsecured borrowing covenants

There are two financial covenants which 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 £5.2bn as at 31 March 2025.

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 2025, these assets generated £36m 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

	2025	2024	2023	2022	2021
As at 31 March	%	%	%	%	%
Net Borrowings to Adjusted Capital and Reserves	47	40	38	36	33
Net Unsecured Borrowings to Unencumbered Assets	43	38	32	30	25

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, summarised below.

Joint venture	Debt type	Covenants summary
Broadgate	Securitisation bonds	To meet interest and scheduled amortisation (one times cover) No LTV covenant
	Secured Green bank loan	Interest cover ratio LTV ratio
Paddington	Secured bank loan	Interest cover ratio LTV ratio (Cash trap only)
Canada Water	Secured Green development loan facility	Loan to development cost 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

Effective risk management is fundamental to our business. Our ability to identify, assess and effectively manage current and emerging risks is critical to our strategy and how we position the business to create value, whilst delivering positive outcomes for all our stakeholders on a long term, sustainable basis.

Risk management framework

We maintain a comprehensive and well-established risk management and internal control framework, focused on proactive risk awareness and effective risk oversight across the business. We clearly define our risk appetite, respond quickly to changes in our risk profile and foster a strong risk management culture across the business, with clear roles and responsibilities. Our framework integrates a top-down strategic perspective with a complementary bottom-up operational process, as illustrated in the diagram below. This approach enables us to effectively identify, assess and manage both financial and non-financial risks – including principal risks that could impact solvency and liquidity, as well as emerging risks. Our objective is not to eliminate risk entirely, but to manage exposures within our defined risk appetite, while at the same time maximising opportunities.

Governance

The Board has ultimate responsibility for risk management and maintaining a robust internal control framework. It determines the nature and extent of the principal risks the Group is willing to take to achieve its strategic objectives, assessing risk tolerances within the context of strategic priorities and the external environment – referred to as our risk appetite (as detailed overleaf). To support the Board, the Audit Committee provides essential oversight and assurance. Throughout the year, it specifically reviews the effectiveness of risk management and internal control processes. At the strategic level, this top-down approach ensures our risk management focuses on the principal risks facing our business, considers them collectively and identifies emerging risks.

Our integrated risk management approach



RISK MANAGEMENT CONTINUED

The Executive Directors and Risk Committee (comprising the Executive Committee and senior leaders from across the business, and chaired by the Chief Financial Officer), oversee risk management and internal controls throughout the business. They are supported by the internal risk and control team, which coordinates our risk management activities and integrates risk management and internal controls into the Group's operations, culture and decision-making processes.

At the operational level, risk management is embedded within our business units and core operations. This bottom-up approach enables early identification and timely escalation of potential risks. Each business unit has designated risk representatives who ensure operational risks are managed at source, and appropriate mitigations including internal controls, are implemented. These representatives maintain a detailed risk register, which is regularly reviewed by the internal risk and control team. Significant and emerging risks are formally reported to the Risk and Audit Committees. Internal Audit provides objective, independent assurance by evaluating the effectiveness of our key risk management and internal control processes.

Through this approach, the Group operates a 'three lines of defence' model to manage risk effectively:

- 1 Operational management is responsible for the day-to-day identification and mitigation of risks.
- 2 The Risk Committee and internal risk team oversee and integrate risk management practices across the Group.
- 3 Internal Audit provides independent assurance on the effectiveness of the Group's risk management and internal control processes.

This model supports a comprehensive, proactive and resilient risk management framework across British Land.

 **READ MORE**
about the Board and Audit Committee's risk oversight,
see pages 99 to 106

Progress with our risk priorities in the year Strengthening environmental and social sustainability controls

We have enhanced our environmental and social sustainability control framework, including testing of key controls during the year. Going forward, we will continue to refine and strengthen these controls to align with evolving regulatory requirements and industry best practices.

Enhancing risk management practices

We conducted a survey of Risk Committee members and key stakeholders to enhance our risk management practices. Feedback was very positive, with all members agreeing that the Committee adds value and supports strategic objectives. Additionally, the Head of Risk and Internal Control has engaged with leadership teams across the business to clarify risk responsibilities, promote timely risk escalation, assess key business unit risks, and foster a strong risk-aware culture.

We have also continued to actively enhance our internal control and risk management frameworks in preparation for compliance with the revised UK Corporate Governance

Code, including the forthcoming requirements of Provision 29, which will take effect for the Group's financial year ending 31 March 2027.

Monitoring macroeconomic and geopolitical uncertainties

We continue to evaluate the impact of macroeconomic and geopolitical uncertainties on our risk profile, with a particular focus on persistent inflation, interest rate volatility, geopolitical challenges arising from the ongoing conflicts in Ukraine and the Middle East and, more recently, the potential impact of global tariffs. In response we have maintained a risk focused approach to managing our business, particularly in relation to capital allocation and maintaining a strong financial position.

Tracking emerging risks including AI

We proactively monitor emerging risks, assessing their potential impact and identifying opportunities. Our AI working group continues to track technological advancements, assess opportunities within our operations and manage associated risks to ensure responsible implementation.

Refining business continuity plans

Our business continuity plans have been further refined to ensure the ongoing resilience of critical operations. Key improvements include assessing IT system recovery time objectives, identifying necessary resources, and disaster recovery testing on key systems to strengthen our preparedness for potential disruptions.

Improving information security framework

We have made significant progress in enhancing our technology infrastructure, cyber security environment and IT control framework to align with the ISO 27001 Information Security Management System (ISMS) global standard. We intend to pursue formal ISO 27001 certification in FY26.

Our priorities for 2025/26

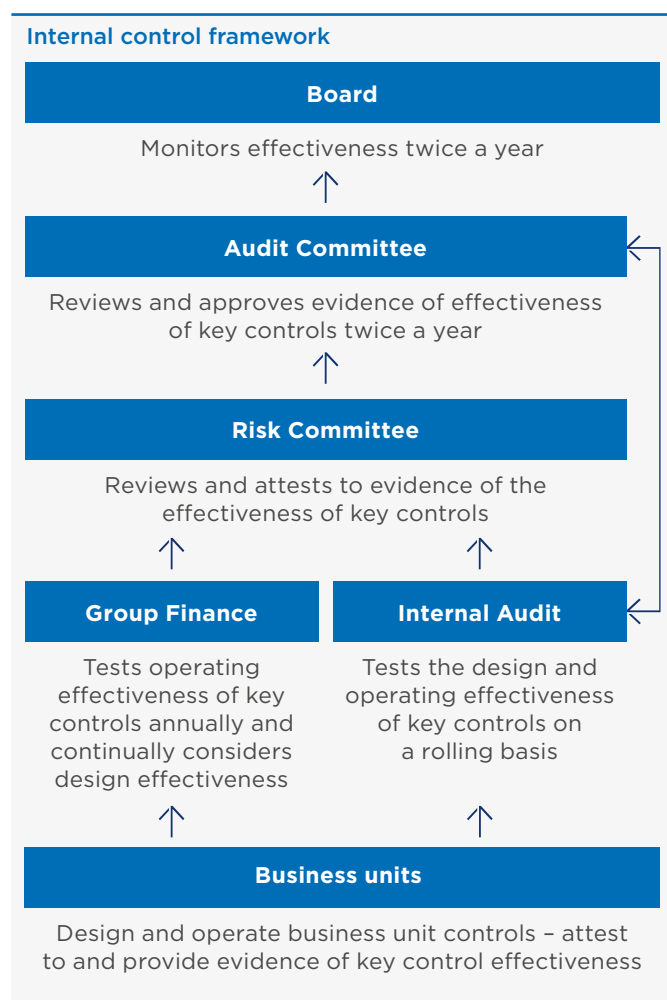
- 1 **Strengthening Internal Controls and Governance:** Monitor compliance with the revised UK Corporate Governance Code, including Provision 29. Focus on material controls to enhance Board oversight and formalise assurance processes. Identify opportunities to streamline and improve processes, driving both efficiency and added value.
- 2 **Responding to Economic and Market Volatility:** Proactively manage the impacts of prolonged inflation, interest rate uncertainty and geopolitical tensions. Maintain financial resilience through disciplined leverage, strong liquidity management and scenario planning.
- 3 **Enhancing Technology and Cyber Resilience:** Achieve full ISO 27001 certification to reinforce information security practices. Leverage digital tools to enhance decision-making and operational efficiency. Continue to explore opportunities of emerging technologies, particularly AI, while assessing associated risks to ensure responsible implementation.
- 4 **Continued Technology Transformation:** Evaluate and oversee the risks associated with the Group's ongoing transformation projects, including, where feasible, the automation and streamlining of control processes.

Our risk-aware culture

We seek to foster a risk-aware culture throughout our business by emphasising risk awareness, education and training. Guided by our values, we promote an open and accountable culture. We actively encourage employees to report risk weaknesses and exceptions, enabling us to implement preventive measures. With our flat organisational structure, senior management is actively involved in key decisions and directly oversees our development, asset management and property management activities. This approach integrates risk management principles into our daily operations, encouraging employees to actively contribute to risk identification and mitigation efforts.

Our internal control framework

Our internal control framework is embedded within our risk management process, encompassing our policies, procedures and practices. Key controls are implemented across all business areas, including financial, operational and compliance areas. The framework, detailed below, incorporates risk assessment, control activities, and continuous monitoring and testing to ensure operational effectiveness, accurate financial reporting and adherence to legal and regulatory requirements.



Our risk appetite and tolerance

Our risk appetite is at the core of our risk management approach, guiding business planning, decision making and strategy execution. Reviewed annually and approved by the Board, it is embedded within our policies, procedures and internal controls. We monitor our risk appetite using a dashboard with key risk indicators (KRIs) for each principal risk, with defined tolerances, helping us assess alignment with our risk appetite and strategic priorities. These KRIs, both leading and lagging are detailed for each principal risk on pages 52 to 58.

Whilst our risk appetite may evolve over time and in response to property cycle shifts, our overall risk appetite remains balanced, with a low appetite for financial and compliance risks, and a balanced appetite for property and operational risks. We have established clear risk appetite statements and tolerances for each internal principal risk, categorised into three levels: Risk Averse, Balanced, and Risk Taking.

Risk appetite tolerance 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 greater risk taking approach, justified by the potential benefits in pursuit of strategic objectives, but falling 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 supported by:

- A diversified business model focused on prime, well-located campuses, retail parks and London urban logistics assets.
- A disciplined approach to development, managing speculative exposure and risks through timing, pre-lets, cost control and joint ventures.
- Strong financial discipline underpinned by a resilient balance sheet and robust liquidity.
- A diverse and high quality occupier base with strong covenant strength, providing income stability.
- A highly experienced leadership team, including the Board, senior management and the Risk Committee.

RISK MANAGEMENT CONTINUED

Our risk focus

Throughout the year, we have maintained close focus on both key external risks and operational risks, particularly in the context of ongoing macroeconomic and geopolitical uncertainties. While the UK economy has been relatively resilient, the overall risk environment remains elevated due to persistent inflation, higher interest rates and changes in the global geopolitical environment, including the potential impact of global tariffs. The Board, alongside key committees, continues to maintain close oversight of these risks through a measured, risk-aware approach, especially with regard to capital allocation, financial stability, and managing development and financing activities. Further detail on the potential impacts and our mitigation strategies can be found in the principal risks table.

Over the course of the year, the Risk Committee has maintained its focus on key operational risk areas, including:

- Strengthening financial reporting, operational and compliance processes and controls to support robust governance.
- Overseeing health, safety and environmental risk management, including successful re-certification under ISO 45001.
- Actively monitoring occupier covenant strength, while taking appropriate measures to protect and support income resilience.
- Monitoring environmental risks and opportunities, with a focus on energy performance ratings (EPCs).
- Reviewing development-related risks, including inflationary pressures on construction costs and the covenant strength of key contractors and subcontractors.
- Managing procurement and supply chain exposures to ensure continuity and resilience.
- Implementation of enhanced information security controls and processes.
- Supporting Internal Audit activity and ensuring timely implementation of control recommendations and process enhancements.

Our robust risk management process, alongside the Group's continued ability to be flexible in adapting to both principal and emerging risks, remains critical to sustaining our long term performance and strategic objectives.

Our principal risks

Our risk management framework is structured around the principal risks facing British Land. Using a risk scoring matrix, we assess risks based on likelihood, financial impact and reputational impact. This process aids in identifying both the external and internal strategic and operational principal risks with a higher likelihood and potential impact on our business.

Our principal risks comprise the 11 most significant Group risks, including four external risks primarily influenced by market factors, and seven internal strategic and operational risks which, while subject to external influence, are more under the control of management. External principal risks stem from the broader macroeconomic and political environment, as well as our core property markets. Internal principal risks relate to our capital allocation, development, customers, sustainability, people and culture, as well as key operational risks such as technology, health and safety, and fraud and compliance. The Board, supported by the Audit Committee conducts regular reviews of external principal risks to inform decision making, while internal risks are managed through strong governance, controls and operational processes.

Emerging risks

Our risk review process includes identifying and assessing emerging risks, which are those that are still evolving and not fully understood in terms of impact and likelihood. Risk representatives and Committee members are tasked with considering these risks, supplemented by formal horizon scans in our annual strategy review.

While some of these risks are already reflected within our principal risks, they are still evolving. Key emerging risks being closely monitored include:

- Structural shifts in occupier demand
- Advancements in AI and emerging technologies
- Macroeconomic and geopolitical volatility, including the impact of new global tariffs
- Deglobalisation pressures
- Long term climate change impacts
- Supply chain vulnerabilities
- Energy security challenges



READ MORE

about the impact of several evolving risk trends on our principal risks, see pages 52 to 58

PRINCIPAL RISKS

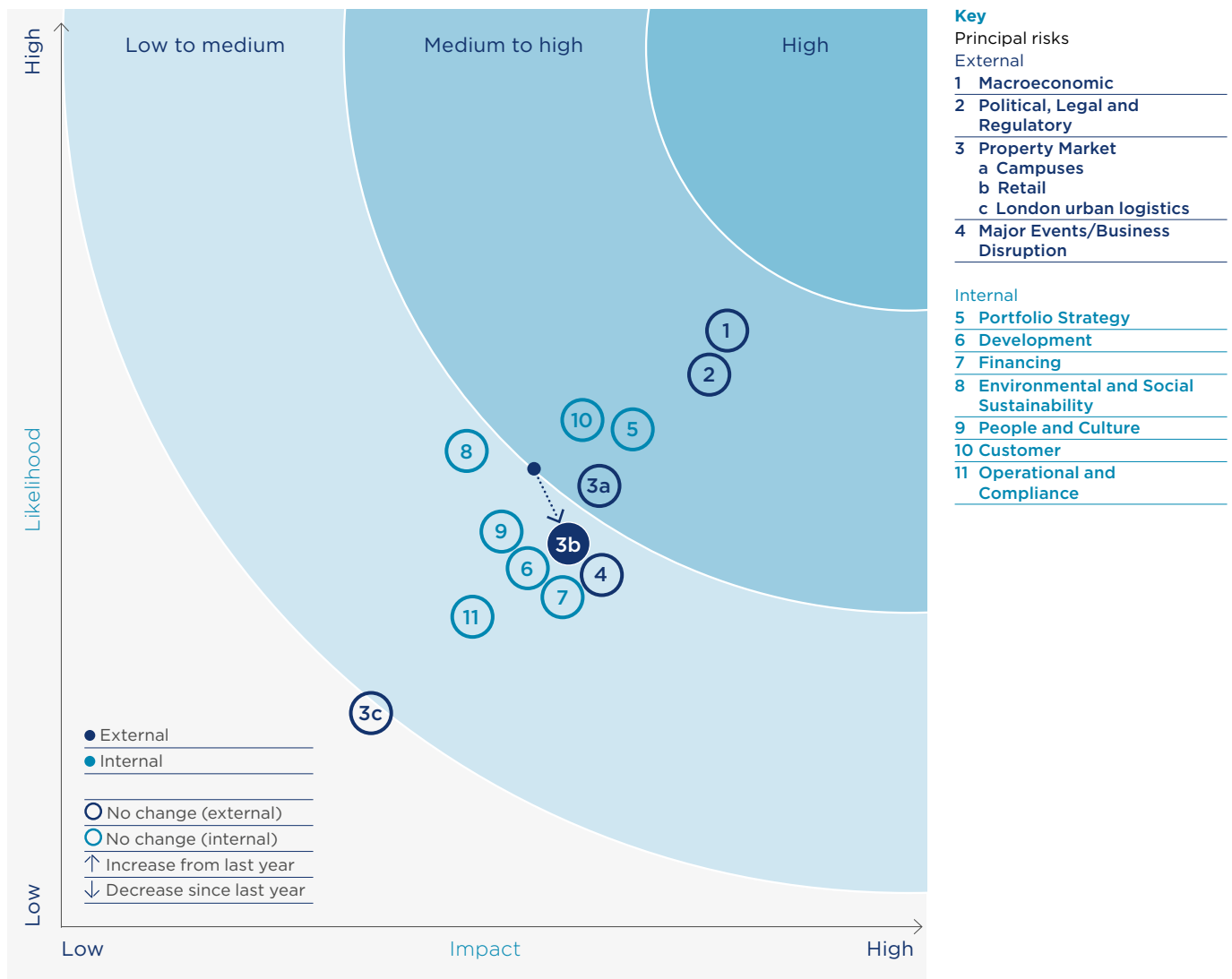
Our principal risk assessment

The Board has undertaken a robust assessment of the principal and emerging risks facing the Group, including those that could impact its business model, future performance, solvency, liquidity, or strategic priorities. The Board considers that the fundamental nature of the principal risks and uncertainties facing the Group have remained broadly unchanged over the year.

However, we have seen a reduction in the likelihood of external risks associated with the retail property market, driven by improvements in both investment and occupational markets, along with our strategic focus on retail parks. As the broader risk landscape continues to evolve, our assessment of the eleven external and internal principal risks is shown in our risk heat map below.

The main changes in the risk profile of our principal risks are outlined in the table on pages 52 to 58, along with the key impacts on our business, the mitigation measures in place, and the relevant key risk indicators to monitor these risks.

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 2024.

PRINCIPAL RISKS CONTINUED

External principal risks

1 Macroeconomic

Link to strategy:

A B C D

Changes in the macroeconomic environment and shifts in fiscal and monetary policy can pose risks and opportunities in property and financing markets, impacting our strategy and financial performance.

Risk mitigation

- **Board & Committees Oversight:** Regular assessment of strategy, capital allocation, and risk appetite in response to macroeconomic conditions.
- **Monitoring & Stress Testing:** Strategy team tracks key indicators, and regular stress tests to ensure flexibility and resilience to economic downturns.
- **Business Model Focus:** Prime portfolio targeting resilient submarkets; active capital recycling to maintain financial strength and mitigate risks.

Risk assessment

The macroeconomic outlook remains uncertain and risk elevated, influenced by persistent inflation, higher interest rates, and evolving geopolitical dynamics, including the potential impact of global tariffs. Throughout the year, the Board and key

committees have closely monitored these macroeconomic factors and their impact on our portfolio strategy, market conditions and customers, responding proactively as needed. This has included actively managing the business through strategic capital allocation, maintaining financial strength, and mitigating development and financing risks (as outlined under their respective risks).

Emerging risk trends:

- Macroeconomic and geopolitical volatility, including the impact of new global tariffs

Opportunity/approach

Our diversified business model, financial strength and experienced leadership team positions us well to navigate ongoing market challenges and capitalise on opportunities.

Impact:



Likelihood (post-mitigation):



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:

A B C D

Significant political events and regulatory changes, along with government policies, could impact our strategy and performance, by creating uncertainty that delays investor and occupier decisions or reduces the UK’s investment appeal, especially affecting real estate or our customers.

Risk mitigation

- **Strategic Risk Consideration:** Factor political risks into business strategy, investment and financing decisions.
- **Policy & Regulatory Monitoring:** Track legislative changes and engage public affairs consultants for insights.
- **Industry Engagement:** Collaborate with industry bodies to influence policy and regulatory discussions.

Risk assessment

The political, legal and regulatory risk outlook remains uncertain and heightened. This is primarily due to macroeconomic conditions, ongoing geopolitical conflicts in Ukraine and the Middle East, renewed tensions between India and Pakistan, the recent prospect of significant global tariffs, and potential shifts in government regulations. These factors could affect interest rates, customer demand, supply chains, cyber security and compliance risks.

Emerging risk trends:

- Macroeconomic and geopolitical volatility, including the impact of new global tariffs

Opportunity/approach

We closely track political and regulatory changes to manage potential impacts and engage with Government and industry bodies on emerging policies.

Impact:



Likelihood (post-mitigation):



Change in risk assessment in year:



KRIs:

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

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

3 Property markets

[Link to strategy:](#)


A decrease in investor demand or weakening occupier demand in our property markets could adversely affect underlying income, rental growth and capital performance. Additionally, structural changes in consumer and business practices, such as the growth of online retailing and hybrid working, could also negatively impact demand for our assets.

Risk mitigation

- **Market Outlook Assessment:** The Board, Executive Committee and Risk Committee regularly evaluate property market risks and opportunities to guide strategic decisions and capital allocation.
- **Market Insights:** The Strategy & Insights team provides dashboards tracking key investment and occupier demand indicators, supplemented with our market insights.
- **Business Model Focus & Stress Testing:** We focus on a prime portfolio targeting resilient submarkets to help withstand potential declines in occupier and investor demand. Stress testing is conducted to evaluate the impact of changes in demand, rental growth and property yields.
- **Stakeholder Engagement:** We maintain strong relationships with occupiers, agents and investors to stay informed about market trends.

Risk assessment

Campuses

The campus property market risk outlook has remained generally stable. Structural challenges persist for secondary offices due to hybrid working models and the potential effects of AI on future space requirements. Meanwhile, the prime London office market continues to show strong fundamentals, supported by low vacancy rates, a reduced development pipeline, and growing demand for premium, sustainable space. Investment volumes are rising, with a particular focus on smaller lot sizes and value add opportunities, alongside early signs of growing demand for larger lot sizes.

Opportunity/approach

Our campus model focuses on well-connected, best-in-class buildings with leading sustainability and design credentials, surrounded by attractive public spaces and amenities. This strengthens our offer as occupiers seek out the best space for their business needs.

Retail

The retail property market risk outlook has improved, driven by stronger occupational markets and positive investor sentiment in our preferred retail park sector. While challenges remain, including broader macroeconomic uncertainties, rising retailer costs following the Autumn Budget, and the potential implications of the proposed Employment Rights Bill, we anticipate the shift towards retail parks will continue, as businesses seek more affordable space.

Opportunity/approach

Our retail portfolio strategically focuses on retail parks, aligned with the growth of convenience and an omni-channel retail strategy. We will continue to seek acquisition opportunities in retail parks, leveraging our scale and asset management expertise for value creation.

London urban logistics

The risk outlook for the London urban logistics property market has stayed stable at a relatively low level, reflecting its small share of our portfolio. Although, vacancy in the broader market has increased over the past year, alongside weaker rental growth expectations, the sector's long term fundamentals remain compelling.

Opportunity/approach

Our urban logistics portfolio strategically focuses on development-led initiatives, involving the intensification and repurposing of existing buildings in London.

Emerging risk trends:

- Evolving work patterns (e.g. hybrid working)
- Macroeconomic and geopolitical volatility
- Budget NI increases

Campuses

Impact:



Medium

Likelihood (post-mitigation):



Medium

Change in risk assessment in year:



Retail

Impact:



Medium

Likelihood (post-mitigation):



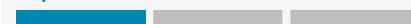
Low to medium

Change in risk assessment in year:



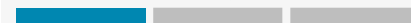
London urban logistics

Impact:



Low

Likelihood (post-mitigation):



Low

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:



Global or national events such as civil unrest, terrorism, pandemics, cyber-attacks, extreme weather, environmental disasters or power shortages can significantly impact our business, portfolio, customers, people and supply chain. These events could result in sustained asset value or income impairment, liquidity or business continuity challenges, share price volatility, or loss of key customers or suppliers.

Risk mitigation

- **Crisis & Business Continuity**
Planning: Regularly review and test response plans at both head office and asset levels.
- **Asset Emergency Preparedness:**
Routine scenario testing and security risk assessments across properties and development sites.
- **Cyber Resilience:** 24x7 managed detection and response; external specialists support cyber-attack testing, alongside ongoing employee training.
- **Robust IT Security & Disaster Recovery:** Alignment to ISO 27001 ensures strong Information Security controls. Annual disaster recovery testing and business continuity plans to protect data and operations.
- **Comprehensive Insurance:**
Comprehensive property damage and business interruption coverage across the portfolio.

Risk assessment

Global political and economic uncertainties remain elevated, posing potential risks to the Group's operations and stakeholders. Key concerns include conflicts, terrorism, cyber security threats, and evolving geopolitical events, all of which could disrupt economic stability and supply chains.

Emerging risk trends:

- Ongoing global tensions and trade disputes
- Increasing sophistication of cyber security threats

Opportunity/approach

The challenges faced in recent years have demonstrated the resilience of our business model and the effectiveness of our crisis management plans. We continue to remain vigilant in addressing ongoing risks posed by external threats.

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:



Inappropriate portfolio strategy and subsequent execution could lead to income and capital underperformance. This could result from incorrect sector selection and weighting, poor timing of investment and divestment decisions, exposure to developments, the wrong mix of assets, 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:** Individual asset business plans to manage asset risks and optimise performance.
- **Collaborative Joint Ventures:** Strong co-investor relationships to ensure interests are aligned.

Risk assessment

Our portfolio strategy risk levels remain broadly stable. Despite ongoing uncertainty, sentiment and liquidity in our sub-markets improved over the year, supported by declining inflation and interest rates. We maintained discipline in capital allocation – advancing asset sales while reinvesting in retail parks and best-in-class campus developments.

Emerging risk trends:

- Evolving work patterns (e.g. hybrid working)
- AI and emerging technologies

Opportunity/approach

We have a diversified portfolio strategy and invest in subsectors with strong rental growth prospects. We will continue to actively recycle capital out of mature assets into targeted acquisitions and developments in our chosen sectors.

Impact:



Medium

Likelihood (post-mitigation):



Medium

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 timing and costs, contractor failure, adverse planning decisions, and shifts in occupational or investment markets.

Risk mitigation

- **Controlled Development Strategy:** Exposure managed within defined thresholds, together with pre-lettings 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 pre-empt planning risks.
- **Sustainable Approach:** ESG risks embedded in decision making.

Risk assessment

Development risk remains stable. New commitments at 2 Finsbury Avenue, Broadgate Tower and Mandela Way,

increased our development pipeline, but we remain within risk tolerances, mitigating exposure through pre-lets, fixed price contracts and joint ventures. 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.

Emerging risk trends:

- Supply chain vulnerabilities
- Supply of utilities/resources

Opportunity/approach

We remain focused on driving performance through value-accretive development, particularly with joint venture partners. Our strong balance sheet, contractor relationships and development management expertise position us well to advance our pipeline while effectively managing associated risks.

Impact:



Medium

Likelihood (post-mitigation):



Medium

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

Risk mitigation

- **Proactive Review of Funding Requirements:** Regularly assess funding requirements based on business plans and commitments. Debt and capital market conditions are reviewed to identify suitable financing opportunities.
- **Strong Lender Relationships:** Maintain strong, long term relationships with primary lenders.
- **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 valuation risks. Maintain financial resilience through cycles, considering LTV and Net Debt to EBITDA.
- **Covenant Monitoring:** Regularly review to ensure adequate headroom.
- **Joint Ventures:** Spread risk through JVs, including non-recourse debt.

Risk assessment

Our financing risk remained stable. Despite continued volatility in interest rates and credit markets in FY25, we have undertaken £2.2bn of financing activity, 97% of our debt is hedged through to 31 March 2026, and 77% is hedged on average over the next 5 years. Our financial position remains strong, with £1.8bn in undrawn facilities and cash. Based on these facilities and current commitments we have no requirement to refinance until late 2028.

Emerging risk trends:

- Macroeconomic and geopolitical volatility

Opportunity/approach

The macroeconomic environment underscores the importance of a strong balance sheet. Fitch reaffirmed our 'A' unsecured credit rating, with a stable outlook. With favourable access to debt capital markets, we are well positioned to support business needs and emerging opportunities.

Impact:



Medium

Likelihood (post-mitigation):



Low to medium

Change in risk assessment in year:



Risk appetite:

Risk averse

KRIs:

- Period until refinancing is required (not less than two years)
- Net Debt to EBITDA (Group and proportionally consolidated)
- 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:



This risk encompasses environmental and social factors, with potential impacts on performance, reputation, operations, assets and our 2030 sustainability goals. It includes climate-related physical risks, rising regulatory costs, declining demand for less sustainable buildings and social impacts on communities.

Risk mitigation

- **Comprehensive 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, our Net Zero Pathway, our Local Charter and the Sustainability Brief.
- **Environmental Management:** Certified to ISO 14001 and 50001 standards.
- **Integrated Strategy:** Sustainability embedded in investment and development decisions.
- **Building Standards:** Targeting BREEAM Outstanding (offices), Excellent (retail), HMQ3* (residential), and NABERS UK for new offices.
- **Data Assurance:** Independent verification supports transparency and credibility.

Risk assessment

Despite a shifting landscape, our environmental and social sustainability risk remains stable. We're making strong progress towards our 2030 Sustainability Strategy, particularly in enhancing the energy efficiency of our standing portfolio, with 68% now rated EPC A or B.

Emerging risk trends:

- Long-term climate change impacts
- Supply chain vulnerabilities
- Supply of utilities/resources

Opportunity/approach

We recognise both a responsibility and an opportunity to manage our business in an environmentally and socially responsible manner. Our Sustainability Strategy focuses on three pillars - Greener Spaces, Thriving Places, and Responsible Choices - addressing key environmental, social and governance 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 and COO

9 People and culture

[Link to strategy:](#)


Inability 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 aligning corporate values with employee initiatives.

Risk mitigation

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

Risk assessment

People and culture risk remained stable this year, underpinned by strong employee engagement at 79% and a culture aligned with our purpose, strategy and values. While competition for top talent persists, the recruitment landscape has become more balanced.

Emerging risk trends:

- Talent and skills shortages
- AI and emerging technologies

Opportunity/approach

Our priority is ensuring we have the right talent in place to deliver on strategic goals, supported by a compelling employee value proposition. We recognise that our people and culture are critical to driving performance and maintaining British Land's position as an employer of choice.

Impact:



Medium

Likelihood (post-mitigation):



Medium

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 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 of rent; occupier failures; evolving customer needs; leasing challenges; poor customer service; and potential changes in lease structures.

Risk mitigation

- **Diversified Customer Base:** Maintain a high quality, diversified occupier base to mitigate individual occupier risks.
- **Occupier Strength and Robust Rent Collection:** Conduct thorough covenant checks before deals and ongoing monitoring, with a risk watchlist reviewed by the Risk Committee. We proactively limit financial exposure to high risk occupiers.
- **Occupier Engagement and Market Knowledge:** Work closely with occupiers to understand and meet their evolving requirements.
- **Portfolio Leverage and Active Asset Management:** Strategically address lease breaks and expiries to maintain high occupancy and minimise vacancies.
- **Customer Satisfaction:** Regular surveys assess occupier experience and service levels.

Risk assessment

Our overall customer risk remains broadly stable, supported by strong

rent collection and robust leasing activity. While there has been an increase in retailer administrations and restructuring plans in the market, we have proactively limited their financial impact.

Emerging risk trends:

- Macroeconomic and geopolitical volatility, including the impact of new global tariffs
- Evolving work patterns (e.g. hybrid working)
- AI and emerging technologies
- Budget NI increases

Opportunity/approach

Successful customer relationships are critical to our business growth. Our business model revolves around our customers. Our strategic positioning across campuses, retail parks and London urban logistics, along with strong collaborative relationships, is focused on providing high quality spaces, while maintaining sustainable occupancy costs.

Impact:



Medium

Likelihood (post-mitigation):



Medium

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:

Head of Real Estate and Investments and CFO

11

Operational and compliance

Link to strategy:



Failure to manage key operational risks, such as cyber security, health and safety, third party relationships and internal controls, could impact reputation, income and capital values. Additionally, compliance failures such as breaches of regulations, third party agreements, loan agreements or tax legislation could also damage reputation and our financial performance.

Risk mitigation

- **Executive Oversight:** The Executive and Risk Committees maintain strong focus on operational and compliance risks.
- **Technology and cyber security:** The InfoSec Steering Committee, led by the CFO, oversees cyber security and technology infrastructure, reporting to the Risk and Audit Committees. Cyber risks are managed through an ISO 27001 framework, supported by security tools, policies, third party risk assessments and mandatory cyber awareness training.
- **Health & Safety:** The Health & Safety Committee, chaired by the Director of Operations, governs health and safety policies and performance in terms of KPIs and reports to the Risk, Audit and ESG Committees. Annual independent risk assessments (including fire risks) are conducted for all properties, with corrective actions implemented based on risk level. All employees complete annual role-specific health and safety training.
- **Third party relationships:** A robust supplier selection process ensures contracts include service level agreements with regular performance monitoring. We maintain a portfolio of approved suppliers to ensure resilience within our supply chain. Joint venture risk management through careful partner selection, robust governance frameworks, clear contractual arrangements and ongoing oversight to ensure clear alignment on roles, responsibilities, objectives and risk-sharing.

- **Key controls:** A Three Lines of Defence model ensures oversight and effectiveness of key financial, operational and compliance controls. Senior management provides biannual attestations on key controls, with Group Finance conducting effectiveness testing. Control exceptions are reported to the Risk and Audit Committees, with corrective actions identified. Annual Internal Audit review of key controls.

Risk assessment

Operational and compliance risks remained stable, with no significant issues reported. We continuously monitor risks across people, processes, and technology, and have strengthened our cyber security, IT infrastructure, and internal control framework. We also updated our enterprise-wide risk assessments for fraud, bribery, corruption and money laundering, to enhance our mitigation measures.

Emerging risk trends:

- Increasing sophistication of cyber security threats
- Legal and regulatory changes
- Supply chain vulnerabilities

Opportunity/approach

The Risk Committee oversees and monitors our key operational and compliance risks across the business. Our goal is to optimise operational capabilities, create efficiencies in people, processes and technology, and simultaneously establish appropriate controls to mitigate risks. Moving forward, we will continue investing in enhancing our operational risk management platform, ensuring adaptability to the dynamic environment, while safeguarding the business and allowing us to seize potential future opportunities.

Impact:



Medium

Likelihood (post-mitigation):



Low to medium

Change in risk assessment in year:



Risk appetite:

Risk averse

KRIs

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

Overseen by:

Risk Committee, Health and Safety Committee, Infosec Steering Group 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 £1.8bn 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 late 2028
- In the year, British Land raised £1.3bn of new unsecured finance and agreed extensions by one year of existing revolving credit facilities and term loans of £700m

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 (5.3 and 5.0 years respectively at 31 March 2025). 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 2030.

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 51 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 2030.

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 FY26 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 2025, the Group's debt covenant headroom is 36%, 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 31%. Under the 'severe downside scenario' this reduces to 19%, 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 late 2028. 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 2030.

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/ Description of business model	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 99 to 106.	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 	<p>These robust policies around financial crime compliance reflect our zero-tolerance approach to such activity both in and around the business; they have been drafted to provide for 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 decided whether we engage or renew with an occupier or supplier. Fraud, AML and Anti-Bribery and Corruption risk assessments are also routinely conducted.</p> <p>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.</p>
		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 making our whole portfolio net zero carbon as well as growing social value and wellbeing in the communities in which we operate 	<p>Our Sustainability Policy and Brief were comprehensively updated in 2024. Our overall commitment is to take decisions which are environmentally and socially sound and make financial sense. Our internal carbon levy funds our Transition Vehicle, and ensures that the environmental impact of our developments is costed into their budgets. The carbon levy rate is reviewed annually. As a result of our FY24 review our internal carbon levy was increased to £90 per tonne of embodied carbon, applying to developments committed after 1 April 2024. We use some of the funds from our Transition Vehicle to purchase carbon credits. We conduct due diligence into projects for all carbon credits we purchase. We participate in key ESG indices to demonstrate our progress and we publish social and environmental performance data annually.</p> <p>Our Head of Developments has overall responsibility for our Sustainability Brief, and our Chief Operating Officer has overall responsibility for our Sustainability Policy.</p> <p>Read more about our environmental commitments and KPIs on page 37 to 39 and in our 2025 Sustainability Progress Report www.britishland.com/SPR</p>
		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 and the KPIs and standards required to achieve them 	

Non-financial area/ Description of business model	Risk areas ¹	Policies	Purpose and scope	Operation and outcome
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.	9	Employee Code of Conduct	<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; our Gender Identity and Transgender Policy; and our Bereavement, Compassionate and Emergency Leave Policy 	<p>British Land remains deeply committed to creating an environment of fairness, inclusion and respect. Our corporate values underpin our commitment to equality, diversity and integrity.</p> <p>We recognise our workforce needs to reflect the communities we serve in order to create spaces that are welcoming to all, and our working practices and employment policies are underpinned by our DE&I Strategy. Progress against the strategy can be found on page 43.</p> <p>The HR Director, General Counsel and Company Secretary has overall responsibility for our employment policies.</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.	6, 8, 9	Sustainability Policy	See previous page	<p>We place great importance on the way we work with communities, suppliers and partners. We believe that communication is key in ensuring we meet our social obligations, and by listening to the needs and concerns of our staff and communities we are better able to provide an environment that is safe, inclusive and welcoming.</p> <p>Our Chief Operating Officer has overall responsibility for our Local Charter and Supplier Code of Conduct; and our Head of Development has overall responsibility for our Health and Safety Policy. All health and safety reports are provided to the Risk Committee. These executives report to the ESG Committee for their area of responsibility.</p> <p>Read more about our social impact commitments and KPIs on pages 40 and 41 and in our 2025 Sustainability Progress Report www.britishland.com/SPR</p>
		Sustainability Brief	See previous page	
		Local Charter	<p>Outlines four key focus areas where we are active in local communities: connection with local communities; supporting educational initiatives for local people; supporting local training and jobs; and providing affordable space</p>	
		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>	
Human rights British Land recognises the importance of respecting human rights and has been a signatory to the UN Global Compact since 2009. 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 Sustainability Progress Report at www.britishland.com/SPR	6, 9, 11	Health and Safety Policy	<p>Details how British Land will meet the requirements of the Health and Safety at Work Act 1974</p> <p>Provides for necessary training around display screen equipment and manual handling</p> <p>Outlines how health and safety matters are managed for staff, colleagues, service providers and others affected by the Company's undertakings</p>	
		Supplier Code of Conduct	See above	
Human rights British Land recognises the importance of respecting human rights and has been a signatory to the UN Global Compact since 2009. 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 Sustainability Progress Report at www.britishland.com/SPR	6, 9, 11	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>	<p>British Land operates a zero-tolerance approach to human rights infringements by any of our suppliers, occupiers or partners. We carry out due diligence on all parties that we work with and require our suppliers to demonstrate the same commitment to the prevention of human rights abuses in their operations. In the past year, 10 audits have been conducted with our highest risk suppliers. The audits returned no significant failings and recommended a small number of improvements. Improvement plans are in place for any supplier scoring less than 80% which only affects one supplier. Our Slavery and Human Trafficking Statement can be found on our website and is reviewed and updated annually at www.britishland.com/modern-slavery-statement</p>

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

STREAMLINED ENERGY AND CARBON REPORTING (SECR)

GREENHOUSE
GAS REPORTING

FY25 in review

Context	Funding the low carbon transition
<p>This year, we made continued progress towards our decarbonisation targets. We have now achieved a 38% reduction in operational carbon intensity and a 19% improvement in operational energy intensity across our managed portfolio compared to our FY19 baselines.</p> <p>We remain committed to reporting energy and carbon emissions on a whole-building basis in alignment with our 2030 strategy. The energy consumption in occupier spaces, where we lack control over procurement decisions and usage patterns, significantly impacts our performance. This whole-building approach requires us to effectively manage the energy consumed in areas under our control whilst continuing to engage and collaborate with our customers on optimising energy performance in their space.</p>	<p>Our Transition Vehicle is funded by our internal carbon levy and our £5m annual float. For developments committed from FY25 we increased our levy by 50% from £60 to £90 per tonne of carbon to better reflect the true cost of carbon.</p> <p>To date, £20m has been committed by the Transition Vehicle on carbon efficient interventions and RGGO. These projects combined are estimated to save c.5,400tCO₂e and c.£5m annually. The Transition Vehicle's current balance available for future commitments is £14m.</p> <p>In FY25, the Transition Vehicle funded the installation of a new air source heat pump at 2 Kingdom Street which will remove gas consumption from the building and is predicted to reduce annual energy consumption by c.18% (vs FY19) once it becomes operational in FY26.</p> <p>All of the figures above are presented on a proportionally consolidated basis.</p>
Operational performance	RE100 and procuring renewable energy
<p>British Land continues to operate its energy management system, which includes ISO 50001 accreditation, at commercial offices, this year also extended to include major retail assets. We made significant progress towards our 2030 targets, despite higher footfall in retail and campuses and acquisition of £738m of retail parks. Through our development pipeline, we are designing a path to best practice operational efficiency. Our 2 Finsbury Avenue modelled operational energy intensity performance is 72kWh per sqm, outperforming building performance benchmarks and showcasing our commitment in energy efficiency.</p>	<p>British Land has been a signatory to RE100 since 2016, which commits us to procuring 100% renewable energy. This year, 97% of landlord procured energy was from renewable sources. Our proportion of renewable gas was 98% this year, whilst renewable electricity was 97%.</p>

Absolute emissions Scope 1 and 2 (tonnes)

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
2019	26,815	8,105

Key

- Location-based methodology
- Market-based methodology

For full details on our reporting criteria and the calculation of our Scope 1 and 2 emissions, please see the methodology in our 2025 Sustainability Progress Report at www.britishland.com/SPR.

Greenhouse gas emissions – intensity

Year ended 31 March		2025	2024	2023
Total portfolio	tCO ₂ e per sqm	0.042	0.043 ¹	nr
Offices	tCO ₂ e per sqm	0.068	0.068 ¹	0.068
Shopping centres	tCO ₂ e per sqm	0.036	0.035	0.031
Retail parks	tCO ₂ e per sqm	0.034	0.034	0.035
Total portfolio	tCO ₂ e per gross rental income (£m) ²	31.05	31.87 ¹	34.43

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		
		2025	2024	2023	2025	2024	2023
Scope 1 (fuel combustion):		5,300	5,446	6,902	29,179	32,222	37,561
Scope 1 (refrigerant loss):		144	126	1,123	-	-	-
Scope 2 (purchased electricity):	Location-based	13,401	12,627	11,739	65,980	62,806	62,733
	Market-based	904	1,555	3,686	-	-	-
Total Scope 1 and 2 emissions and associated energy use		18,846	18,199	19,764	95,159	95,028	100,294
	Location-based	1,186	3,080	5,508	-	-	-
	Market-based						
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 2025 Sustainability Progress Report at www.britishland.com/SPR

Scope 3 emissions

		Tonnes CO ₂ e		
Year ended 31 March		2025	2024	2023
Purchased goods and services		16,432	15,533	15,698
Capital goods		5,041	25,546	– ¹
Fuel and energy related activities (upstream)		5,651	5,370 ²	5,597
Waste generated in operations		156	291	211
Business travel		274	221	236
Employee commuting and working from home		252	249	250
Downstream leased assets	Location-based	93,200	93,205 ²	107,725
Proportion of Scope 3 emissions assured by a third party		100%	100%	100%
Total Scope 1-3 emissions	Location-based	139,851	158,613	149,481

1. No developments completed in the reporting year, making this value 0

2. Restated Scope 1 emissions 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 CO₂e emissions due to CO₂e absorption that occurs during the growth of biogas feedstock. However, as noted below, bioenergy feedstocks do produce CO₂e emissions during combustion, so the 'combustion emissions' are provided below for full transparency.

	UK factor (kg CO ₂ e per kWh)	2025 total (tonnes CO ₂ e)	2024 total (tonnes CO ₂ e)
Biogas			
Net emissions (excl CO ₂ e)	0.00023	7	8
Combustion emissions (incl CO ₂ e)	0.19902	6,401	7,089

Our methodology

We have reported on all 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 90% 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 Energy Security and Net Zero 2024 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 FY25, this accounts for 1% of total reported energy consumption and 1.5% of total reported water consumption.

Gross Rental Income (GRI) from the managed portfolio comprises Group GRI of £338m (FY24: £308m), plus 100% of the GRI generated by joint ventures and funds of £387m (FY24: £379m), less GRI generated assets outside the managed portfolio of £118m (FY23: £116m).

For full details on our reporting criteria and the calculation of Scope 3 value chain emissions, please see the methodology in our 2025 Sustainability Progress Report at www.britishland.com/SPR

For details of our greenhouse gas emissions boundaries, please 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

British Land Group has reported on climate-related financial disclosures for the year ended 31 March 2025 consistent with the TCFD's 2021 guidelines. We consider climate change within our principal risk 'Environmental and Social Sustainability' on page 56 and have therefore complied with all four TCFD recommendations and 11 recommended disclosures:

- Governance – recommended disclosures (a) and (b). Pages 64 to 65
- Strategy – recommended disclosures (a) to (c). Pages 66 to 71
- Risk Management – recommended disclosures (a) to (c). Pages 71 to 72
- Metrics and Targets – recommended disclosures (a) to (c). Pages 72 to 73

In addition, we have considered the sector-specific guidance and recommended disclosures for Materials and Buildings Group. The statement is consistent with the requirements of the Financial Conduct Authority's UK Listing Rule 6.6.6R.

Introduction

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. These sustainability goals are shared by our investors, customers and partners.

In FY25, we continued to make good progress against our 2030 Sustainability Strategy. To ensure that we remain aligned with climate science and the evolving definition of net zero, we plan to review our SBTi targets in line with the SBTi Building sector guidance. Our corporate 2030 targets will remain unchanged, as a sustained marker for our progress.

We are a signatory to numerous external climate commitments, including the Better Buildings Partnership's Climate Commitment, the World Green Building Council's Net Zero Carbon Buildings Commitment and the RE100 commitment to procure renewable energy. Along with these commitments we are a sponsor of the UK's Net Zero Carbon Building Standard (NZCBS).

Following full consistency with the TCFD guidelines over the past few years, we are now developing a formalised transition plan aligned to the Transition Plan Task Force recommendations.

➔ **READ MORE**
about our approach to decarbonisation and climate resilience in our Sustainability Progress Report at www.britishland.com/SPR

Governance

(a) The Board has ultimate oversight of climate-related risks and opportunities and (b) delegates the responsibility for assessing and managing our response to material climate-related issues to the Executive Committee

Climate change is considered within our internal risk management process captured in our principal risk 'Environmental and Social Sustainability', with the external aspects of climate-related risks being incorporated within our 'Major Event/Business Disruption' and 'Political, Legal and Regulatory' principal risks (pages 51 to 58). The key risk indicators we monitor within this principal risk include EPC ratings, the portfolio flood risk vulnerability and the future cost of carbon credits.

Our process of identifying, assessing and managing known risks whilst identifying emerging risks is outlined in our risk management section pages (47 to 50).

The Governance Framework for Climate-Related Issues overleaf outlines the oversight the Board has on climate-related issues and management's role in assessing and managing them.

FY25 Governance in action:

- David Walker (CFO) sustainability training: in his previous role as the COO he led the delivery of the Sustainability Strategy so has extensive knowledge of our climate-related issues and has completed formal sustainability training.
- Emma Cariaga (COO) sustainability training: our new COO was previously Joint Head of Canada Water and a member of our Sustainability Committee so she is well-versed in our Sustainability Strategy and climate-related issues.
- Implemented the increase of our internal levy from £60 per tonne of embodied carbon to £90.
- ESG Committee activities: outlined on pages 86 to 93 including the sustainability-related updates provided to the Board by the Committee Chair.

BOARD

Sustainability Governance Framework

Board of Directors

- Has ultimate accountability for the Group's strategy and risk management.
- Updated on climate-related issues and progress against our science-based carbon and EPC ratings targets at least annually.
- 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.

- Sets our risk appetite for Environmental and Social Sustainability as 'risk averse' signalling the nature and extent of the risk the Group is willing to take in achieving its strategic objectives.
- Considers climate-related issues when making strategic and investment decisions that require Board-level approval.
- Reviews and approves our TCFD disclosure as recommended by the Audit Committee.

ESG Committee

- Meets three times a year, comprised of four independent Non-Executive Directors and attended by the Chief Executive Officer (CEO), Chief Financial Officer (CFO) and Chief Operating Officer (COO).
- Oversees the delivery of our Sustainability Strategy including climate-related issues.
- Monitors our performance and management controls against our Sustainability Strategy (guided by our science-based carbon targets, Pathway to Net Zero and EPC ratings).

Remuneration Committee

- Responsible for setting ESG targets for executive remuneration and updated on progress against these targets three times a year.
- The Long-Term Incentive Plan for Executive Directors includes KPIs linked to the reduction of operational carbon and improvement of operational energy efficiency and the Annual Incentive Plan is linked to our progress on portfolio EPC ratings and our performance in GRESB.
- Environmental KPIs are included in the Remuneration Policy for Executive Directors (see page 109).

Audit Committee

- Reviews and approves evidence of the effectiveness of risk management and internal control processes for climate-related risks throughout the year.
- Assesses significant and emerging climate-related risks as escalated by the Risk Committee twice a year.

EXECUTIVE



Executive Committee

- The Board delegates day-to-day responsibility of delivering the Group's overall strategy to the CEO. He in turn leads the Executive Committee to ensure its delivery (including our Sustainability Strategy).
- The CFO is the Board Director responsible for climate-related issues and chairs the Risk Committee. In the CFO's previous role as the COO he led the Sustainability Strategy.

- The CEO and CFO (Board Directors) have both completed formal sustainability training.
- The COO leads the delivery of our Sustainability Strategy and chairs the Sustainability Committee and Transition Vehicle Committee. The COO gets regular updates from the Head of Environmental Sustainability on climate-related issues.
- Each Executive Committee member has at least one sustainability-related annual objective and supporting objectives are cascaded across their teams.

Sustainability Committee

- Chaired by the COO and includes the CFO, Head of Development, Head of Real Estate and Investment and other senior leaders.
- Monitors progress against our Sustainability Strategy, tracks our climate-related issues and assesses for emerging risks and regulation.
- Reports into the ESG Committee and the Remuneration Committee.
- Meets at least three times a year.

Investment Committee

- Chaired by the Head of Real Estate and Investment with membership spanning the Executive Committee (including the CEO and CFO).
- Climate change and sustainability considerations are fully integrated within our investment and development decisions and are reviewed by our Investment Committee.
- Material climate-related risks and the key risk indicators are considered during acquisition due diligence.

Risk Committee

- Chaired by the CFO with membership across the Executive Committee.
- Accountable for the effective management and reporting of our material climate-related risks.
- Tracks our climate-related key risk indicators and their performance.
- Identifies significant and emerging risks which get escalated to the Audit Committee.

MANAGEMENT



Transition Vehicle (TV) Committee

- Chaired by the COO and comprised of diverse range of senior managers.
- Meets three times a year – approving applications for funding to complete energy savings interventions (improving progress towards our climate-related performance targets and reducing climate-related risks).
- The TV is our mechanism to deliver on our operational energy and carbon targets and is financed by an internal levy on the embodied carbon in developments.

Sustainability team

- Led by the Head of Sustainability the team is responsible for the day-to-day assessment, monitoring and management of climate-related issues.
- The team works with different business areas to identify climate-related issues through a process involving formal horizon scans, trend analysis and stakeholder engagement.
- Identified climate-related risks are incorporated into our risk framework and managed by the appropriate business areas.

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

Strategy

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

Material risk and opportunities identification

TCFD separates climate-related risks into two categories – (1) risks associated with the transition to a lower carbon economy (e.g. policy and legal risks); and (2) risks related to the physical impacts of climate change – both acute (event-driven e.g. floods) and chronic (longer-term shifts in climate patterns e.g. heat stress).

For years we have worked 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 internal key business areas. In FY24 we updated our physical issues modelling and we are now in the process of updating our transition issues modelling.

We used the climate exposure diagnostic metric and the value at risk (VaR) to assess our portfolio's risk from climate-related physical impacts. The climate exposure diagnostic metric assesses an asset's level of exposure based on its location and the severity and intensity of potential impacts. The VaR is the financial impact quantification of associated asset damage and business

interruption from acute physical risks. The VaR analysis considers both the exposure to physical risks and evaluates the potential vulnerabilities and consequences in terms of financial impact. These results are considered as a 'residual' measure as risk adaptation measures could mitigate any potential financial impacts.

Time horizons and scenarios

Transition risks were modelled in two climate scenarios (see below) 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 begin to play an increasingly significant role in 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 current potential acute risks. Post-2050 was chosen for the long term time horizon as this is when future climate scenarios start to meaningfully differentiate from the current climate so when we can expect more frequent and severe climate-related impacts. This also aligns with our portfolio as the standard design life of a building is 60 years.

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 2030	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

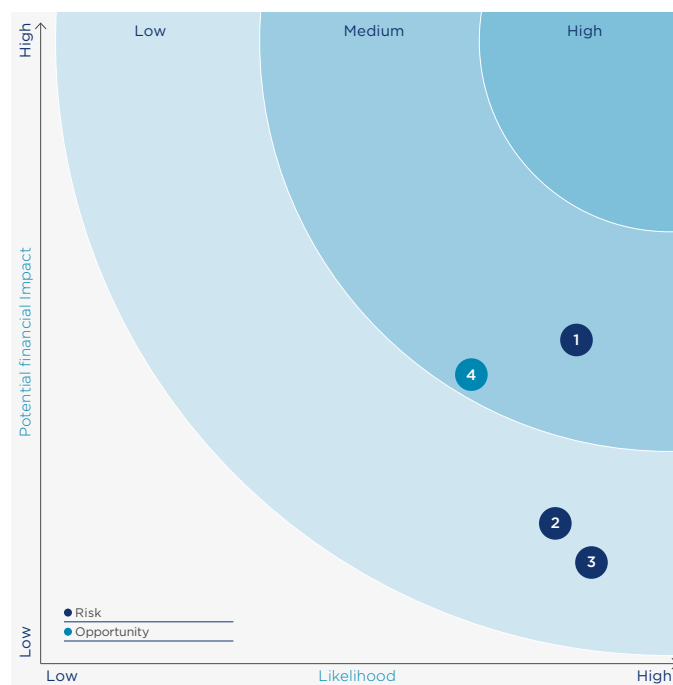
Defining a material risk and/or opportunity

We define a 'material' risk or opportunity in line with the combination of their potential impact, both financial and/or reputational, and their 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 below, with these issues detailed in the next section.



Key

Risk

- 1 Cost of MEES compliance** (long term risk)
- 2 Mean flood risk vulnerability** (short and long term risk)
- 3 Increasing price of carbon credits** (long term risk)

Opportunity

- 4 Increasing customer demand for green low carbon buildings** (ongoing opportunity)

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. In addition, 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.

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', can open doors 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	

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)

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>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>	Mean loss: <£1.5m (pre-insurance)	<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 % ownership). Mean losses are the average loss of modelled events weighted by the probability of their occurrence. These losses are fully insured against and potential losses are shown before the impact of insurance.</p> <p>Since 2007, our (insured) actual annual mean loss is below the modelled value of £1.5m.</p> <p>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 (up to 2030)

Climate scenario	Likelihood	Description of impact	Potential financial impact	Explanation and mitigation
#2 Increasing price of carbon credits (carbon pricing mechanisms)				
Current climate	High	Increased capital expenditure as net zero commitments by corporates leads to increased demand for carbon credits, resulting in higher and/or volatile carbon credit prices	£0.75m for every 100% increase in the price of carbon	<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.</p> <p>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.</p> <p>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 95% of our committed development pipeline. In addition, our internal carbon levy would now cover a carbon credit price increase of up to £90 per tonne.</p>

Material climate-related risks continued

#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.</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 proposed MEES legislation.</p>	£12.5m per year (significant proportion service charge recoverable)	<p>Proposed Minimum Energy Efficiency Standard (MEES) legislation is expected to require all commercial property to be a minimum EPC B by 2030. The estimated retrofit cost across our managed portfolio to be MEES compliant is £100m, implying an annual cost of £12.5m excluding assets in our near and medium term development pipeline recovered through the service charge as part of the standard life cycle replacement.</p> <p>Our Transition Vehicle (see page 38) was established to finance the retrofitting of our portfolio, which aligns (but goes beyond) proposed MEES requirements. A significant portion of this investment will be recovered through the service charge as part of the standard life cycle replacement process. To date £26m¹ has been spent on carbon efficient interventions and 68% of our portfolio (by ERV) is now EPC A or B.</p> <p>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. Figure includes capital expenditure, monies recoverable through service charge and occupier spend in demised spaces

Long term risks (post-2050)

Climate scenario	Likelihood	Description of impact	Potential financial impact	Explanation and mitigation
#4 Future physical damage to assets from river and flash flooding (extreme weather events)				
RCP2.6 (2°C) RCP8.5 (>4°C)	Low to High	<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)</p> <p>Losses in a bad representative year: £61.5m (pre-insurance)</p> <p>RCP8.5 (4C) Mean loss: £3.3m (pre-insurance)</p> <p>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 % ownership).</p> <p>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.</p> <p>Under current market conditions these losses are insured against and would not be suffered by the Group 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 from price premiums. 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.</p> <p>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.</p> <p>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 (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 while we are dependent on operating in a tolerable and safe climate that we also have an impact on climate-related risks and opportunities. Given this and the recognition we have of our role in supporting the equitable transition to a low carbon economy we have embedded sustainability throughout our business.

Material climate-related risks and opportunities have affected delivering 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 Adaptation and mitigation activities Operations	Upgrading the standing portfolio (Risk #3 & Opportunity #1)	<ul style="list-style-type: none"> Environmental audits completed across our standing portfolio. Asset and campus-level business plans incorporate carbon efficient interventions and climate resilience actions where relevant. Progress against our 2030 energy efficiency and carbon-reduction targets monitored quarterly (page 36). 2030 energy efficiency and carbon-reduction targets included within executive remuneration (page 109). 	<ul style="list-style-type: none"> Annual asset-level business plans include capex requirements for carbon efficient interventions. Medium term forecasting incorporates initiatives which support our 2030 energy efficiency and carbon-reduction targets. Development decisions incorporate the environmental impacts of alternative schemes, including refurbishment and redevelopment. Transition Vehicle funds available to pay for carbon efficient interventions.
Products and Services Adaptation and mitigation activities Investment in research and development Access to capital	Developing sustainable buildings (Risks #1, 2, 3 & Opportunity #1)	<ul style="list-style-type: none"> Our Sustainability Brief for our Places¹ sets stretching targets for our standing portfolio and major developments and refurbishments. Low Carbon Materials Working Group established to identify innovative materials and technology to lower embodied carbon. Adopting NABERS UK for all office schemes. Established our Transition Vehicle in 2020 to incentivise reduction in embodied carbon and to fund the cost of decarbonising our portfolio. 	<ul style="list-style-type: none"> Sustainable building certifications can support management of our cost of capital by providing access to green finance. 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 (see page 45).
Value chain Capital expenditure	Internal price of carbon (Risk #2)	<ul style="list-style-type: none"> Internal levy of £90 per tonne of embodied carbon on developments incentivising low carbon development. Pre-purchase carbon credits for our developments at the point of commitment to provide greater certainty over costs. 	<ul style="list-style-type: none"> Funding generated by the levy is available to i) pay for the cost of carbon credits to offset residual embodied carbon in developments and ii) finance carbon efficient interventions on the standing portfolio, managed by our Transition Vehicle (see page 38).
Acquisitions or divestments	ESG criteria assessed as part of acquisitions (Risks #1, 3, 4 & Opportunity #1)	<ul style="list-style-type: none"> ESG criteria are integrated into our due diligence procedure for new acquisitions, including flood risk exposure and EPC rating. 	<ul style="list-style-type: none"> 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. To manage specific risks like flood, where necessary formal flood risk assessments are funded as part of the acquisition's due diligence.

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 equitable 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 % ownership of total insured value). Any potential losses from flooding at our assets in high river flood risk areas are fully insured against.

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 % 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 % ownership of total insured value). 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 Group 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 investigate 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 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 seeking high quality carbon credits while managing cost risk. In FY24 we updated our internal carbon price to £90 per tonne of embodied carbon to better reflect the true cost of carbon and further incentivise development teams to reduce embodied carbon (reducing the quantity of carbon credits needed). We have now pre-purchased carbon credits equivalent to 95% of the embodied carbon in our committed development pipeline.

Transition opportunities:

Our development pipeline's use of NABERS energy star ratings and the upgrading of standing assets as part of our Pathway to Net Zero 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 (pages 47 to 51). 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 (pages 47 to 50). With the Governance and Strategy sections of our TCFD disclosure outlining this process for climate-related issues (pages 64 to 65 and 66 to 71 respectively).

In FY23 we worked with JLL to conduct a double materiality assessment of the most material ESG issues to our business and stakeholders². We ensure to do these double materiality assessments on a regular basis with the next planned for FY26.

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 (pages 52 to 58). 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 (page 65).

Our identified material climate-related risks are monitored as key risk indicators within our principal ‘Environmental and Social Sustainability risk’ (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, 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 checklist 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 now pre-purchase carbon credits for our committed developments to provide greater certainty over the costs and have increased our internal carbon price to £90 per tonne to greater 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 and in our internal risk management process (pages 47 to 51).

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 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% lower embodied carbon intensity at our offices 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% improvement in 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 GRESB 2024: 5* Standing Investments and 5* Development and FTSE4Good 91st 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 109.

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

			2025	2024	2023
Policy and legal ¹	Risk #3	EPCs rated A (by ERV)	13%	8%	3%
		EPCs rated B (by ERV)	55%	50%	42%
		EPCs rated C (by ERV)	21%	23%	30%
		EPCs rated D (by ERV)	5%	12%	17%
		EPCs rated E (by ERV)	4%	5%	6%
		EPCs rated F (by ERV)	0%	1%	1%
		EPCs rated G (by ERV)	1%	1%	1%
		Certificate currently not available (by ERV)	1%	nr	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%	4%
		Assets in high flood risk areas with flood management plans (by British Land % ownership of total insured value) ²	100%	100%	100%

1. EPC data includes retail assets located in Scotland

2. These values only include occupied British Land managed properties

Climate-related opportunities (targets and KPIs)

			2025	2024	2023
Resource efficiency	Risk #2	50% improvement in embodied carbon intensity of current major office developments completed from April 2020 (kg CO ₂ e per sqm)	615	625	608
	Opportunity #1	75% reduction in managed portfolio whole building carbon intensity by 2030 vs 2019 (Offices)	40%	40% ³	40%
		25% improvement in whole building energy intensity of the managed portfolio by 2030 vs 2019 (Offices)	24%	23%	22%
Energy sources	Opportunity #1	Electricity purchased from renewable sources	97%	94%	88%
		On site renewable energy generation (MWh)	1,411	1,772	2,043
Products and services	Opportunity #1	Standing portfolio with green building ratings (by floor area)	33%	48%	48%
		Developments on track for BREEAM Excellent or higher (by floor area, offices)	100%	98%	98%
		Percentage of gross rental income from BREEAM certified assets (managed portfolio)	43%	62%	65%
	Risk #2	Internal price of carbon (£ per tonne)	£90	£60	£60

3. Restated Scope 1 emissions for increased accuracy

All environmental data above except gross rental income from BREEAM and the internal price of carbon is assured by DNV – specific details of scope of assurance can be found in DNV's assurance statement in our 2025 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 greenhouse gas (GHG) emissions and associated energy consumption data are available in the Streamlined Energy and Carbon Reporting (SECR) section of this Report, pages 62 to 63. All our GHG emissions data is subject to 'limited assurance' verification by DNV⁴.

4. Details about our reporting methodology and DNV's assurance statement can be found in our 2025 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 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 21 May 2025 and signed on its behalf by:



Simon Carter
Chief Executive



CORPORATE GOVERNANCE

In this section we aim to show how we have complied with the Code in the year as well as highlighting some of our Board focus areas and achievements.

Code compliance

We are reporting against the 2018 UK Corporate Governance Code (the 'Code') available at [frc.org.uk](https://www.frc.org.uk).

The Board considers that the Company has complied with all provisions of the Code during the year. In relation to Provision 10, which relates to the Board's conclusion as to the independence of Directors, the Board has determined that, notwithstanding her tenure of 10 years as at the date of this Annual Report, Lynn Gladden remains independent in character and judgement and provides important strategic value to the Board. In reaching this decision, the Board received a recommendation from the Nomination Committee which considered all of the circumstances within Provision 10 and noted Lynn's academic background which brings a unique dimension of independent challenge to the Board. Lynn's significant expertise within the field of science and technology and her role as Chair of the Innovation Advisory Council are crucial as the Company progresses this element of the strategy. In order to carefully monitor Lynn's independence going forward, the terms of her letter of appointment will be on the basis of a 12-month term. The Board will have particular consideration to the circumstances relevant to Lynn's independence each year and report the outcome accordingly.



Regent's Place

REPORTING AGAINST CODE PRINCIPLES

The table below has been included to enable shareholders to understand how the principles have been applied.



1. Board leadership and Company purpose

	Pages
A Effective Board	76
B Purpose	4
Values and culture	88 to 92
C Governance framework and Board resources	77
D Stakeholder engagement	16 and 17
E Workforce policies and practices	57 and 132

2. Division of responsibilities

	Pages
F Board roles	82 to 85
G Independence	95
H External appointments and conflicts of interest	81 and 98
I Board policies and processes	80 to 81

3. Composition, succession and evaluation

	Pages
J Appointments to the Board	76
K Board skills, experience and knowledge	96
L Annual Board evaluation	81

4. Audit, risk and internal control

	Pages
M Financial reporting	101 to 103
External auditor and Internal Audit	103 to 105
N Review of the 2025 Annual Report and Accounts	102
O Internal financial controls	106
Risk management	50

5. Remuneration

	Pages
P Linking remuneration with purpose and strategy	107 to 108
Q Remuneration Policy	109
R Performance outcomes in 2025	118 to 128

NON-EXECUTIVE CHAIR’S INTRODUCTION

CORPORATE
GOVERNANCE
REPORT



- Focus in the year**
- Board and Executive changes
 - Strategic oversight
 - Board diversity
 - Remuneration Policy

Dear Shareholder,

It is my privilege to present this Annual Report, my first as Chair of the Company, following a year marked by significant Board and Executive leadership changes, strategic execution and robust financial performance. The subsequent pages of this Governance Report will illustrate how the Board has operated throughout the year and provide insights into the vital work undertaken by each of our committees. I trust you will find it an informative read.

Board and Executive changes

Since the publication of the 2024 Annual Report, there have been several noteworthy changes to the Board and executive management team, as detailed below. An overview of the selection and appointment process can be found in the Nomination Committee report on page 95.

Board and Executive activity	
July 2024	<ul style="list-style-type: none">- Amanda James appointed as Non-Executive Director- Tim Score stepped down as Chair and was succeeded by William Rucker- Laura Wade-Gery stepped down as Non-Executive Director and Chair of the Remuneration Committee and was succeeded by Amanda Mackenzie
September 2024	<ul style="list-style-type: none">- Darren Richards stepped down as Head of Real Estate- Kelly Cleveland, previously Head of Strategy and Investment, appointed to new combined role of Head of Real Estate and Investment
November 2024	<ul style="list-style-type: none">- Bhavesh Mistry stepped down as Chief Financial Officer and was succeeded by David Walker, previously Chief Operating Officer
December 2024	<ul style="list-style-type: none">- Emma Cariaga, previously Joint Head of Canada Water, appointed as Chief Operating Officer. David Lockyer assumed responsibility for Canada Water as Head of Development, working alongside Roger Madelin

Board and Executive activity	
January 2025	<ul style="list-style-type: none">- Preben Prebensen stepped down as Non-Executive Director and was succeeded by Loraine Woodhouse as Senior Independent Director
March 2025	<ul style="list-style-type: none">- Irvinder Goodhew stepped down as Non-Executive Director

Board diversity

I am pleased to report that following Loraine Woodhouse’s appointment as Senior Independent Director in January, the Company now complies with its gender diversity targets under the UK Listing Rules. However, following the departures of Bhavesh Mistry and Irvinder Goodhew, the Company no longer meets the UK Listing Rule targets regarding Board ethnic diversity. A search for a successor for Irvinder is underway. The Nomination Committee remains committed to holding diversity as a key aim alongside prioritising the skills and experience of candidates to meet the Board’s needs.

Strategic oversight

As detailed in the Strategic Report, the Company made significant progress in its strategy to recycle capital through the disposal of interests in Meadowhall and 2 Finsbury Avenue. Capitalising on favourable market conditions in October 2024, we successfully raised equity to part-fund the acquisition of a £441m portfolio of retail parks from Brookfield, marking our first equity raise in 10 years. The Board was pleased by the overwhelming support from shareholders and the wider market for this transaction which formed part of the total £738m of retail parks acquired in the year, solidifying these assets as our preferred retail format.

The Board has provided rigorous oversight and challenge, both in formal meetings and through informal discussions throughout the year. I meet regularly with Simon to discuss the execution of strategic priorities, and Simon ensures he meets with Non-Executive Directors ahead of Board meetings to discuss key decision points to provide additional context.

The case studies on page 79 offer an in-depth analysis of principal board decision making during the year.

Remuneration Policy

The Directors’ Remuneration Report details the proposed Remuneration Policy on pages 108 to 115 which will be presented for approval at the 2025 AGM following a successful programme of shareholder consultation led by Amanda Mackenzie.

AGM

I look forward to welcoming shareholders to the AGM on 15 July 2025, which will once again be held at 100 Liverpool Street. Full details of the event and the proposed resolutions are included in the Notice of Meeting.

William Rucker
Non-Executive Chair

Governance framework

The Board maintains a strong governance framework that ensures accountability and an appropriate culture whilst maintaining a relentless focus on the successful execution of the Company's strategy. The Board delegates appropriate responsibilities to its Committees, which in turn report upward, allowing the Board to make well-informed and timely decisions.

Our key stakeholders

Investors People Customers Communities Suppliers and partners Environment Joint venture partners

Board of Directors

Responsible for setting the Company strategy in a way that promotes the long term sustainable success of the Company, generating value for shareholders and contributing to wider society. Several matters are reserved for the Board including but not limited to significant corporate transactions and approving the Annual Report and Accounts.

Chair

Leads the Board and the effective management of Board meetings. Maintains a collaborative atmosphere and ensures all Directors have the opportunity to contribute. Informs the Board about the views of key stakeholders.

Chief Executive

Responsible for developing and executing the Company's strategy, promoting our culture and sharing key stakeholder views with the Board. Ensures the Board receives high quality information by facilitating access to senior management to develop the Board's understanding of the business.

Senior Independent Director

Provides a sounding board to the Chair, as well as being available to shareholders and other Non-Executive Directors should they have any concerns.

Board Committees

Environmental Social Governance

Responsible for understanding the views of key stakeholders, as well as managing mechanisms to engage with them, and assessing the Company's impact on communities and the environment.

Nomination

Reviews the structure, composition and diversity of the Board, time commitments of Non-Executive Directors and succession plans for Board and Executive Committee members.

Audit

Monitors the financial reporting process, internal control and risk management system. Oversight of Internal Audit, the audit of the financial statements and independence of the external auditor.

Remuneration

Reviews the Remuneration Policy and sets remuneration levels for Executive Directors and senior management. Oversees the Company's overall remuneration strategy and ensures alignment with purpose, culture and strategic delivery.

Executive Committees

Executive

Reports to the Board through the Chief Executive. Supports the Chief Executive to execute the Company's strategy.

Investment

Reports to the Board. Makes capital decisions under delegated authority from the Board.

Disclosure

Reports to the Board. Oversees the disclosure of information to meet our regulatory obligations.

Sustainability

Reports to the ESG Committee. Oversees the Company's activities, development and progress in achieving the 2030 Sustainability Strategy and beyond.

Risk

Reports to the Audit Committee. Monitors and oversees risk management and internal control processes.

Management Committees

Transition Vehicle

Reports to the Investment and Sustainability Committees. Responsible for the operation and funding of sustainability initiatives.

Health and Safety

Reports to the Risk and ESG Committees. Reviews performance against targets and drives action to achieve our health and safety goals and responsibilities.

Community Investment

Reports to the Sustainability and Investment Committees. Oversees the strategic management of the Community Investment Fund.

OUR APPROACH TO GOVERNANCE

Stakeholder engagement and principal Board decisions

The methods used to engage with the Company's stakeholders are outlined on pages 16 and 17. Below are descriptions of how the outputs of that engagement and the wider factors listed within s.172 of the Companies Act are taken into account by the Board when making decisions. The following depicts the process for all Board decisions:

Stakeholder engagement

Bottom-up stakeholder engagement assessing the needs of each relevant stakeholder group.

Management action

Executive-level scrutiny and challenge over management proposals with consequential refinements of the idea.

Proposal and checklist

Checklist appended to each decision paper detailing the impact on every s.172 stakeholder group.

Board meeting and decision

The Board ultimately makes a decision based on shareholder benefit, whilst taking into account the impact on all stakeholders.

The £301m equity raise and linked acquisition of a portfolio retail parks, and the disposal of the Company's interest in Meadowhall Shopping Centre are two principal decisions taken during the year.

Glasgow Fort





Meadowhall disposal

In May 2024, the Board approved the sale of the Company's interest in the Meadowhall Shopping Centre to its joint venture partner, Norges Bank Investment Management.

At the forefront of the decision was the Company's stated intention to recycle capital from mature assets into growth sectors. The Board was confident that there were sufficient opportunities to deploy the net proceeds into retail parks which have been identified by the Company as the preferred retail format of choice due to higher retailer demand, lower capex requirements over the long term and lower occupational costs.

The Board considered the impact to the Company's workforce, specifically those colleagues who might have been directly impacted by the disposal. As part of the transaction, the Company was retained in its pre-existing asset and property management capacity which meant there was no immediate impact on the Company's employees working on the asset.

From an environmental perspective, Meadowhall is situated adjacent to the River Rother resulting in a heightened flood risk status. The Company has worked to mitigate the flood risk to Meadowhall with flood defences and insurance arrangements during its ownership; however, the net impact of the disposal was a lower overall flood risk exposure for the Group.

Overall, the Board concluded that the disposal was aligned with the Company's strategic ambitions and, once the proceeds were deployed, demonstrated earnings-accretive capital activity to shareholders.

£301m equity raise and retail park acquisition

In October 2024, the Board approved an equity raise of £301m through an institutional placing and conditional retail offer in connection with the acquisition of a portfolio of seven retail parks from Brookfield for a total consideration of £441m.

The Board discussed the strong business fundamentals of the acquisition, noting that the assets were 99% occupied and all benefitted from a major superstore anchor. The acquisition reflected a net initial yield of 6.7% and a topped up initial yield of 7.2%, as well as being accretive to earnings per share. Overall, the sites offered an attractive yield and strong rental growth prospects in line with British Land's guidance of 3% to 5%. The Board considered the impact of the transaction to the key financial metrics of the business, noting that whilst there was a marginal negative impact on NTA per share as a result, the overall impact to the Company and its shareholders was positive.

Institutional and retail shareholder appetite to participate in an equity raise was at the forefront of the Board's mind. The Board believed in the strong economic fundamentals of the transaction. Through feedback from regular investor interaction, the Executive Directors were confident that major investors would be supportive of the Company raising equity to fund such a compelling acquisition. The raise was overwhelmingly supported by both institutional and retail investors, with both aspects being materially oversubscribed.

Reputationally, the transaction was consistent with the stated strategy of the business and evidenced British Land's ability to act decisively when presented with an opportunity to grow the Company.

The EPC ratings and flood risk ratings of the new assets were considered as part of the decision-making process. In respect of EPCs, the Board noted that a provision had been made to upgrade the ratings as part of the Company's sustainability initiatives at modest costs. The Company's overall flood risk tolerance remained within risk appetite.

Overall, the Board agreed that the combined transaction of issuing equity and acquiring the portfolio of retail parks represented good value for the Company's shareholders, whilst positively impacting a broad range of wider stakeholders.

OUR APPROACH TO GOVERNANCE CONTINUED

Board activity

The table below presents the Board's activities and key decisions made throughout the year, categorised into the broad areas of strategic focus that the Board prioritises.

Focus area	Board activity	Key decisions
Strategy		
Equity raise	Evaluated market conditions, shareholder sentiment and investment opportunities required to support raising equity	Approved the equity raise of £301m
Retail park acquisition	Considered at various times during the year appropriate opportunities to invest in retail parks	Acquisition of a retail parks portfolio of £441m which was part of a total £738m acquired during the year
Disposals	50% interest in Meadowhall Shopping Centre 25% interest in 2 Finsbury Avenue	Approved these key disposals
Culture and stakeholders		
Employee engagement survey results analysis	Reviewed the employee engagement survey results	Approved the action plan to address areas of lower engagement
Risk		
Risk appetite and key risk indicators	Considered both in the context of the Company's strategy and market outlook	Approved the risk appetite and key risk indicators
Finance		
Financial reporting	Assessed the financial performance of the Group by receiving reports from the CFO and finance team. Received investor feedback following the results presentation and engagement with investors at the roadshows	Approved the 2024 Annual Report and Accounts and half-year report
Budget	Considered the Company's performance, capital plan and expected financial costs	Approved the FY26 budget
Dividend	Considered the Group's reserves and capital position	Approved the interim and final dividends during the year
Debt facilities	Assessed the Group's debt position and ability to leverage this position whilst maintaining an acceptable loan to value ratio in the short to long term	Approved £1.3bn of unsecured debt
Tax	Reviewed the Group's tax policy	Amended and approved our 'Approach to Tax' document
Governance and regulatory matters		
Slavery and human trafficking	Considered the content of the statement	Approved the slavery and human trafficking statement

Board meeting calendar

The calendar sets out the key matters considered at each Board meeting throughout the year.

MAY

Annual Report and Accounts
£150m revolving credit facility



JUL

AGM
Impact of UK election result
Technology strategy



SEP

Equity raise and retail park acquisition
Innovation deep dive
Syndicated revolving credit facility of £730m
Canada Water update
Slavery and human trafficking report
Broadgate campus update



NOV

Half-year results
Interim dividend
Equity market update
Interest rate management policy



JAN

Geopolitical update
Employee survey results



FEB

Strategy offsite
Public bond transaction
Considered macroeconomic effects of geopolitical changes



MAR

Approval of FY26 budget

Board and Committee evaluations

The Board reviews its performance and effectiveness annually. During the year, the Board conducted an internal Board evaluation following the externally facilitated evaluation in 2023/24. The Board recognises the importance of its annual evaluation, whether internal or external, as it provides a crucial opportunity to assess how it has discharged its duties in the year and ways to improve.

Progress against 2024 focus areas

During the year, the Board sought to implement the key takeaways from last year's externally facilitated Board evaluation as detailed below.

Focus area	Action taken
Transitioning to the new Chair	The transition process was managed with clear communication and planning, ensuring continuity in leadership.
Embedding new Non-Executive Directors	The process of onboarding new Directors was enhanced during the year. Comprehensive induction programmes were conducted with new Board members and additional efforts to foster collaboration and integration were made particularly with a new Chair.
Shaping the Board for the future	The Board continues to focus on long term strategic alignment including proactive consideration of skills, experience and diversity that will equip the Board to navigate future challenges.
Board and executive succession planning	Recent changes to the Board and Executive Committee places the Company in a good position for the future. The search for a new Non-Executive Director began during the year following Irvinder Goodhew's departure. Robust succession and contingency plans are in place for all roles.

2025 internal Board evaluation process

The internal evaluation of the Board was conducted by the Company Secretary conducting interviews with each Board member framed by a list of questions, seeking quantitative and qualitative feedback and reporting the outcomes to the Board at the May 2025 Board meeting. Following discussion by the Board, key focus areas for the upcoming year were agreed. The evaluation considered the Board's composition of skills and experiences, including diversity, and its effectiveness. The Senior Independent Director also held a meeting of the Non-Executive Directors without the Chair present to appraise the Chair's performance and running of the Board.

The internal evaluation concluded that the Board and its individual members all continue to operate effectively under the new Chair, with an inclusive culture, and good balance of skills, background and expertise.

The evaluation also assessed the composition and effectiveness of the Board Committees. Considerable time was spent during the year considering the structure of the Committees and whether it remains fit for purpose. Ultimately, the Board agreed that the Committee structure remained suitable and all Committees had worked effectively. Of note, the additional fourth Audit Committee meeting that will be held going forward will enable the Committee to carry out its duties even more effectively.

2025 internal Board evaluation outcomes

1. The Board considered the optimum skill set for any new members of the Board, and consequently commenced a live search process for a new Non-Executive Director.
2. Continue to bring new external perspective into Board meetings including potential contrarian views.
3. Given recent Executive Committee role changes, continue the Board's focus on the executive succession pipeline.

Division of responsibilities

There is a clear written division of responsibilities between the Chair (who is responsible for the leadership and effectiveness of the Board), Chief Executive (who is responsible for managing the Company) and Senior Independent Director (SID). This has been agreed by the Board and is available to view on our website www.britishland.com/committees. A brief overview of their responsibilities can be found on page 77.

Board operation

Regular Board and Committee meetings are scheduled throughout the year. Ad hoc meetings may be held at short notice when Board-level decisions of a time critical nature need to be made, or for exceptional business. Care is taken to ensure that information is circulated in good time before Board and Committee meetings and that papers are presented clearly and with the appropriate level of detail to assist the Board in discharging its duties. The Secretariat assists the Board and Committee Chairs in agreeing agendas in sufficient time before meetings to allow for input from key stakeholders and senior executives. Chairs of Committees are also sent draft papers in advance of circulation to Committee members to give time for their input.

Papers for scheduled meetings are circulated one week prior to meetings and clearly marked as being 'For Decision', 'For Information' or 'For Discussion'. To enhance the delivery of Board and Committee papers, the Board uses a Board portal and tablets, which provide a secure and efficient process for meeting pack distribution. Under the direction of the Chair, the Company Secretary facilitates effective information flows between the Board and its Committees, and between senior management and Non-Executive Directors.

Directors' interests in contracts and conflicts of interest

No contract existed during the year in relation to the Company's business in which any Director was materially interested. In accordance with the Companies Act 2006, the Company's Articles of Association allow the Board to authorise potential conflicts of interest that may arise and to impose such limits or conditions as are deemed necessary. The Company's procedure for managing conflicts of interest by the Directors is as follows. The Board has delegated authority to the Chair (or Senior Independent Director for appointments concerning the Chair) and any other member of the Nomination Committee to consider and provide approval for significant appointments in between scheduled Board meetings. An updated register of situational conflicts of interest is then tabled at the next scheduled Board meeting for approval by the full Board. The register is provided to the Board for review and approval at least twice a year. These procedures have operated effectively during the year.

BOARD OF DIRECTORS

OUR
LEADERSHIP**William Rucker**

Non-Executive Chair

Appointed as Non-Executive Chair in July 2024

**Career and experience**

William is currently Chair of ICG plc and the UK Dementia Research Institute. He was Chair of Marston's Plc for five and a half years immediately before becoming Chair of British Land. William was Chair of Lazard in the UK, an investment bank focused on asset management and financial advisory businesses, which he joined in 1987 from Arthur Andersen where he qualified as a Chartered Accountant. William has extensive experience in the real estate sector having previously been Chair of Crest Nicholson Holdings plc and Quintain Estates and Development PLC.

Skills relevant to British Land

- A wealth of leadership and Board experience in the real estate sector
- Strong communicator and solid understanding of governance
- Brings sharp focus to emerging opportunities in the market
- Transactional and commercial acumen supports British Land's policy of capital recycling
- Creative strategic thinker and driver of delivering growth at pace in line with British Land's values

Significant external appointments

Chair of ICG plc and UK Dementia Research Institute.

**Simon Carter**

Chief Executive

Appointed as Chief Financial Officer in May 2018 and Chief Executive in November 2020

Career and experience

Simon has extensive experience of finance and the real estate sector. He joined British Land from Logicor, the owner and operator of European logistics real estate, where he had served as Chief Financial Officer since January 2017.

Prior to joining Logicor, from 2015 to 2017 Simon was Finance Director at Quintain Estates & Development Plc. Simon previously spent over 10 years with British Land, working in a variety of financial and strategic roles and was a member of our Executive Committee from 2012 until his departure in January 2015. Simon also previously worked for UBS in fixed income and qualified as a chartered accountant with Arthur Andersen. Simon was a Board

member of Real Estate Balance, a campaigning organisation working to improve diversity and inclusion in the real estate industry, until April 2025, and will become President of the British Property Federation in June 2025.

Skills relevant to British Land

- Strategic leadership, fostering innovation and driving impactful change
- Holistic and judicious approach to decision making
- Extensive financial property knowledge
- Commitment to supporting diversity and inclusion in the real estate sector

Significant external appointments

None.

**David Walker**

Chief Financial Officer

Appointed as Chief Financial Officer in November 2024

Career and experience

David joined British Land in 2017 and was appointed Chief Financial Officer in November 2024. He was previously Chief Operating Officer, having served as Interim Chief Financial Officer between 2020 and 2021 and Head of Investor Relations. He qualified as a Chartered Accountant with PwC, before spending over seven years in various roles at Deutsche Bank. Since then, he has worked for over 15 years in Investor Relations, Strategy, Finance and Corporate Development roles within UK listed businesses.

David is on the Board of Equiem, a leading property technology business and Chance to Shine, a cricket youth charity. He was previously the Chair of the Investor Relations Society, serving on the Board

from 2012 to 2022 and between 2014 and 2021 was a Board Director and member of the Audit and Risk Committee of Glebe Housing Association.

Skills relevant to British Land

- Extensive understanding of stakeholder and investment community needs and engagement
- Sound financial knowledge covering financial strategy and planning
- Discipline spanning career at British Land that provides integral executive insight of good breadth and depth
- Dedication to driving sustainable change and growth

Significant external appointments

None.

Board Committee membership key

A Audit Committee	N Nomination Committee
R Remuneration Committee	O Chair of a Board Committee
E Environmental Social Governance Committee	

**Loraine Woodhouse**

Senior Independent Director

Appointed as a Non-Executive Director in March 2021 and Senior Independent Director in January 2025

**Career and experience**

Loraine has extensive experience across all finance disciplines and has worked in many different sectors including real estate and retail.

Loraine is a Non-Executive Director and member of the Audit, Nomination, ESG and Health and Safety Committees of Pennon Group plc. Loraine is also a Non-Executive Director and Audit Chair of Associated British Foods plc. Loraine was Chief Financial Officer of Halfords Group plc for just under four years until retiring in June 2022. Prior to joining Halfords, Loraine spent five years in senior finance roles within the John Lewis Partnership, including Acting Group Finance Director and Finance Director of Waitrose. Prior to that, Loraine was Chief Financial Officer of

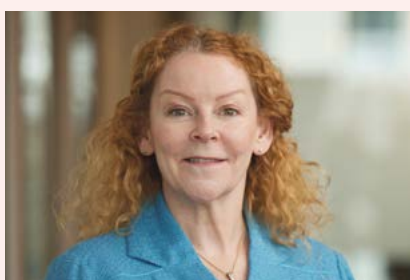
Hobbs, Finance Director of Capital Shopping Centres Limited (subsequently Intu Plc) and Finance Director of Costa Coffee Limited. Loraine's early career included finance and investor relations roles at Kingfisher Plc.

Skills relevant to British Land

- Finance expert with recent and relevant financial experience
- A balanced sounding board and proven leadership within a range of listed businesses providing perspective and challenge
- Wide retail experience providing understanding of our customers

Significant external appointments

Non-Executive Director of Pennon Group plc and Associated British Foods plc.

**Amanda Mackenzie**

Independent Non-Executive Director

Appointed as a Non-Executive Director in September 2023

**Career and experience**

Amanda is currently a Non-Executive Director of Lloyds Banking Group plc where she is Chair of the Responsible Business Committee and a member of the Remuneration Committee, Nomination and Governance Committee and Audit Committee. She is also Non-Executive Chair and Partner of OtherWise Partners LLP.

Amanda was Chief Executive of Business in the Community, which promotes responsible business and corporate responsibility. Prior to that role, she was a member of Aviva's Group Executive for seven years as Chief Marketing and Communications Officer and was seconded to help launch the United

Nation's Sustainable Development Goals. She is also a former Director of British Airways AirMiles, BT, Hewlett Packard Inc and British Gas.

Skills relevant to British Land

- A proven track record in sustainability and representing various stakeholder voices in the boardroom
- Cross-industry experience in listed companies providing strategic and customer insight
- Exposure to international policy and governmental relations

Significant external appointments

Non-Executive Director of Lloyds Banking Group plc.

**Alastair Hughes**

Independent Non-Executive Director

Appointed as a Non-Executive Director in January 2018

**Career and experience**

Alastair has proven experience of growing real estate companies and is a fellow of the Royal Institution of Chartered Surveyors.

Alastair is Chairman of Schroders Real Estate Investment Trust Limited, and a Non-Executive Director of Tritax Big Box REIT and QuadReal Property Group, with over 25 years of experience in real estate markets.

He is a former Director of Jones Lang LaSalle Inc. (JLL) having served as managing director of JLL in the UK, as CEO for Europe, Middle East and Africa and then as CEO for Asia Pacific.

Skills relevant to British Land

- Established figure in the real estate sector with an abundance of strategic and operational knowledge
- A cultivated view of business culture both internally and externally involving suppliers, customers and employees that offers a well-rounded approach

Significant external appointments

Non-Executive Director of Tritax Big Box REIT plc and QuadReal Property Group, and Chairman of Schroders Real Estate Investment Trust.

BOARD OF DIRECTORS CONTINUED

Board Committee membership key

A Audit Committee	N Nomination Committee
R Remuneration Committee	O Chair of a Board Committee
E Environmental Social Governance Committee	

**Lynn Gladden**

Independent Non-Executive Director

Appointed as a Non-Executive Director in March 2015

**Career and experience**

Lynn is recognised as an authority in working at the interface of scientific research and industrial practice. Her critical thinking and analytical skills bring a unique dimension to the Board.

She is Shell Professor of Chemical Engineering at the University of Cambridge, alongside which she has previously held the roles of Pro-Vice Chancellor for Research at the University of Cambridge and Executive Chair of the Engineering and Physical Sciences Research Council (UKRI).

Lynn is a member of the Council for Science and Technology, a trustee of the Faraday Institution and an adviser to

BeyondNetZero, a climate growth equity fund. She is also a fellow of the Royal Society and Royal Academy of Engineering, and a foreign member of the US National Academy of Engineering.

Skills relevant to British Land

- Unrivalled knowledge and expertise in the fields of science and technology and its application to the sustainability agenda
- Proven experience of internal and external interactions ensuring a strong grasp of cultural indicators and public policy processes

Significant external appointments

Shell Professor, University of Cambridge.

**Mark Aedy**

Independent Non-Executive Director

Appointed as Non-Executive Director in September 2021

**Career and experience**

Mark is Chairman of EMEA & APAC, Moelis & Company, the global independent advisory firm. Prior to 2009, Mark was on the Global Executive Committee of Corporate & Investment Banking at Bank of America Merrill Lynch and before that was Head of Investment Banking EMEA at Merrill Lynch.

Formerly, he was the Senior Independent Director of The Royal Marsden NHS Foundation Trust, and an Ambassador and Trustee of the HALO Trust. He is also a Visiting Fellow at Oxford University.

Skills relevant to British Land

- Significant transactional expertise and experience in public and private markets
- Good understanding of policy from global interactions in the finance sector
- Compelling experience in finance and banking enabling sound judgement and approach to risk and decision making

Significant external appointments

Chairman of EMEA & APAC at Moelis & Company.

**Mary Ricks**

Independent Non-Executive Director

Appointed as Non-Executive Director in November 2023

**Career and experience**

Mary is a highly experienced real estate professional who brings over 35 years' experience of the UK, European and the United States property markets. In 2023, she stepped down as President of Kennedy Wilson, a global real estate investment company where she worked for 32 years, overseeing the launch of its European business and subsequent IPO in London in 2014. In 2017 the European business was taken private creating an \$8bn global real estate investment and asset management platform listed in the United States. Mary was Group President of the group from 2018 to 2023, serving as a board member with a focus on the investment and asset management

business. Mary has set up her own family foundation which supports educational and children's charities.

Skills relevant to British Land

- Deep real estate expertise across a variety of markets
- Established public and private markets expertise providing a dynamic approach to our strategic thinking

Significant external appointments

None.



Amanda James

Independent Non-Executive Director

Appointed as Non-Executive Director in July 2024

A

Career and experience

Amanda is an Independent Non-Executive Director of the Board of Auto Trader Group plc and a member of the Audit, Remuneration, Corporate Responsibility and Nomination Committees. She also joined the board of Rightmove plc on 9 May 2025 as an Independent Non-Executive Director and member of the Corporate Social Responsibility and Nomination Committees, and will become Chair of the Audit Committee on 1 June 2025. Amanda was the Chief Financial Officer of NEXT Plc (NEXT), one of the UK's largest FTSE 100 fashion, footwear, and home retailers until July 2024 and retired from NEXT group in September 2024. She has an extensive background in

finance, having been a member of the NEXT finance team for over 28 years, and joined the NEXT board in 2015.

Skills relevant to British Land

- Recent and relevant financial experience
- Strong consumer, retail and multi-channel experience providing invaluable insight into customer needs and bolstering our execution of the strategy

Significant external appointments

Non-Executive Director of Auto Trader Group plc and Rightmove plc.



Brona McKeown

HR Director, General Counsel and Company Secretary

Appointed as General Counsel and Company Secretary in January 2018 and in addition was appointed as HR Director in January 2022

Career and experience

Before joining British Land in January 2018 Brona spent four years at The Co-operative Bank plc, playing a key role in its restructuring as General Counsel and Company Secretary, and part of the executive committee. Prior to that, her experience included a period as Interim General Counsel and Secretary of the Coventry Building Society and a variety of roles over 13 years at Barclays, including Global General Counsel of its Corporate Banking division. Brona trained as a solicitor and spent a number of years at a large London law firm.

Skills relevant to British Land

- Extensive experience in legal and corporate governance matters with significant experience in navigating complex legal landscapes
- Strong skills in leadership, strategic thinking, analysis and delivery applied to the people agenda helping drive a performance culture

Significant external appointments

None.

Attendance

Director	Board	Audit	ESG	Nomination	Remuneration
Mark Aedy	9/9	n/a	2/3	n/a	n/a
Simon Carter	9/9	n/a	n/a	n/a	n/a
Lynn Gladden	9/9	n/a	3/3	n/a	4/4
Irvinder Goodhew	8/8	n/a	n/a	3/4	2/3
Alastair Hughes	9/9	3/3	3/3	5/5	n/a
Amanda James	7/7	2/2	n/a	n/a	n/a
Amanda Mackenzie	9/9	n/a	3/3	3/3	3/4
Bhavesh Mistry	6/6	n/a	n/a	n/a	n/a
Preben Prebensen	7/7	2/2	n/a	4/4	3/3
Mary Ricks	9/9	2/2	n/a	n/a	n/a
William Rucker	6/6	n/a	n/a	3/3	n/a
Tim Score	3/3	n/a	n/a	2/2	n/a
Laura Wade-Gery	3/3	n/a	n/a	2/2	1/1
David Walker	3/3	n/a	n/a	n/a	n/a
Loraine Woodhouse	9/9	3/3	n/a	3/3	3/3

During the year, Irvinder Goodhew, Bhavesh Mistry, Preben Prebensen, Tim Score and Laura Wade-Gery stepped down from the Board.

Mark Aedy was unable to attend the May ESG Committee meeting due to a long-standing travel arrangement. Irvinder Goodhew did not attend the September Nomination and Remuneration Committee meetings due to a family emergency. Amanda Mackenzie could not attend the May Remuneration Committee meeting due to a pre-existing external commitment.

REPORT OF THE ENVIRONMENTAL SOCIAL GOVERNANCE COMMITTEE

DRIVING
POSITIVE
CHANGE

Alastair Hughes
Independent Non-Executive Director

**Focus in the year**

- Overseeing progress against our 2030 Sustainability Strategy
- Continuing to engage with our workforce
- Overseeing progress against our 2030 Diversity, Equality & Inclusion Strategy

Role of the Committee

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

Community and the environment

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

Workforce engagement

- Reviewing workforce engagement mechanisms

Key stakeholders and wider society

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

Our Sustainability section found on pages 36 to 43 provides greater detail on the Company's approach to sustainability, and should be read alongside this report.

Membership and attendance

The membership of the Committee comprises four independent Non-Executive Directors. Biographical details of the Committee members are found on pages 82 to 85.

The Committee met three times in 2024/25 with an additional joint meeting held with the Remuneration Committee. Attendance is set out on page 85. Senior managers from across the business are invited to attend each Committee meeting, together with our Executive Directors.



Engaging with our people to drive positive change remains a key priority for the Committee.

Alastair Hughes

Chair of the ESG Committee



I am pleased to present the report of the ESG Committee for the year ended 31 March 2025.

Sustainability Strategy

Driving forward our 2030 Sustainability Strategy remains at the forefront of our efforts. This year, the Committee was pleased to see significant progress towards our ambitious goals, such as retaining our GRESB 5* rating and the reduction of average embodied carbon intensity across committed, near and medium term office developments. Further detail on progress towards our targets is found in the Sustainability section on pages 36 to 43.

Engaging with our workforce

Our employee-led Networks continue to be instrumental in creating a sense of community and belonging. The Networks play a key role in assisting the Committee in monitoring the Company's culture and as a mechanism of engagement to understand the views of our workforce. The Committee receives regular updates from our Networks and recognises the significant efforts that they make to bring people together. We know that by listening to our people, our work environment is strengthened and positive change is driven.

Diversity, Equality & Inclusion Strategy

Progress towards our 2030 Diversity, Equality & Inclusion (DE&I) Strategy remains a key focus for the Committee, recognising that a diverse team is more representative of our customers and will design better products and make better decisions. During the year, the Committee was pleased with our progress towards our targets and with the positive results of the DE&I Internal Audit review. See page 43 for further detail.

Year ahead

The Committee will continue to oversee how the evolving ESG regulatory landscape impacts the business, in addition to monitoring progress towards our sustainability and DE&I targets. We will also closely review our health and safety processes to ensure that our high standards continue to be adhered to. Overseeing the mechanisms for engaging with our workforce and monitoring culture will remain a priority for the Committee.

Alastair Hughes

Chair of the ESG Committee

Deep dive into activities during the year

The Committee assists the Board in making decisions that are environmentally and socially intelligent, as well as making sound financial sense. This is central in delivering our purpose to create and manage outstanding places.

The Committee operates under three pillars: Environmental; Social; and Governance. These pillars are reflected in our 2030 Sustainability Strategy under Greener Spaces, Thriving Places and Responsible Choices.



Environment

The Committee is responsible for understanding the impact of our operations on the environment. During the year, the Committee received updates on the Greener Spaces pillar of the Strategy, focusing on the objectives set and performance against relevant targets. The Committee discussed our sustainability accreditations and how these demonstrated that we are a leader in delivering the low carbon real estate our customers are demanding. Amongst these achievements, the Committee was pleased that we retained our GRESB 5* rating. As part of this discussion, it was agreed that the Company should aim to prioritise accreditations of strategic importance and value, acknowledging the significant business impact involved in meeting the increasing reporting criteria.

→ **READ MORE**
about our sustainability accreditations on pages 36 to 43

The Committee approved the publication of the report on British Land's approach to the circular economy, recognising the importance of informing the industry about best practices in reusing materials. The Committee received regular updates on the Transition Vehicle, a key mechanism for delivering our energy and carbon targets.

Social

As part of the Thriving Places pillar of the Strategy, the Committee oversees the delivery of the Social Impact Fund and the work of the Social Impact Committee. A key highlight presented to the Committee was that, for the seventh consecutive year, the Company was listed in the Social Mobility Foundation Index Top 75. This reaffirmed our commitment to recognising talent irrespective of an individual's social background. The Committee also received updates on our social value target to generate £200m of direct social and economic value by 2030.

Governance

As part of the Responsible Choices pillar of the Strategy, the Committee monitors progress against our DE&I Strategy and oversees the mechanism for engaging with the workforce on behalf of the Board. The Committee assesses and monitors our culture to ensure it is aligned with our purpose, strategy and values. The Committee oversees the work of the Sustainability Committee; see page 65 for further information on our sustainability governance framework. The Committee oversees the work of the Health and Safety Committee and, during the year, monitored our health and safety systems through quarterly reporting. The Committee also monitored our processes and mechanisms for building relationships with customers, suppliers and other stakeholders.

Activities during the year

MAY

Sustainability Strategy update
2024 sustainability reporting update
ESG Committee Report approval within the 2024 Annual Report and Accounts
Network presentations (Wellbeing and Pride)
Construction, health and safety update



NOV

Sustainability Strategy update
DE&I Strategy update
Network presentations (Sports & Social and Cycling)
Construction, health and safety update



MAR

Joint meeting with the Remuneration Committee to review the employee engagement survey results through a diversity lens
Sustainability Strategy update
Network presentations (NextGen and Sustainable)
Construction, health and safety update
Supplier Code of Conduct review

REPORT OF THE ENVIRONMENTAL SOCIAL GOVERNANCE COMMITTEE CONTINUED

Focus on culture

The Board sets the tone from the top to foster a culture that aligns with our purpose, strategy and values. Our culture shapes how we achieve our strategy and embodies how we operate as a business.

The Board has delegated oversight of assessing and monitoring our culture to the ESG Committee. The Chair of the Committee provides updates to the Board, allowing the Board to stay informed on cultural developments and ensure alignment with our strategic objectives.

OUR PURPOSE

Our purpose is to create and manage 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 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 to thrive.

DRIVES OUR STRATEGY



For more information please see our Business Model on pages 14 to 15

UNDERPINNED BY OUR VALUES

Deliver at Pace, Listen and Understand, Build for the Future, Bring your Whole Self and Be Smarter Together.

TO SHAPE OUR CULTURE

We have a diverse, inclusive and ambitious culture so we can develop, attract and inspire the best people to deliver our strategy.

How the Board monitors culture

The snapshot below highlights some of the key metrics for FY25, which are aligned to our values, and that are visible to the Non-Executive Directors through our Governance structure. For further information on our Governance structure, see page 77.

The Board, through the ESG Committee, will continue to focus on using our employee-led Networks and engagement survey results as key cultural indicators.

BE SMARTER TOGETHER	BRING YOUR WHOLE SELF	LISTEN AND UNDERSTAND	BUILD FOR THE FUTURE	DELIVER AT PACE
8,055 training hours across the business	90% of employees agree that diversity is a stated value or priority for the Company	79% employee engagement score in FY25	100% of people working at our places on our behalf paid at least the real Living Wage (see page 43 for further detail)	£2.2bn of financing activity in the year
10 employee-led Networks	83% of employees felt they can be their authentic self at work	100% of Risk Committee members agree or strongly agree that the Risk Committee adds value to our risk management process	Business transformation Improved efficiency across the business by launching our end-to-end lease approval application	4 weeks to complete joint venture with Modon Holding to deliver 2 Finsbury Avenue
12 staff meetings with all employees invited to attend and members of our Executive Committee presenting	20% ethnicity pay gap	93% of employees stated they are able to arrange time out of work when needed	71 internal job movements or promotions	2 weeks to complete £301m equity raise
90% participation rate in employee engagement survey in FY25	13.6% gender pay gap	85% of employees felt they have access to the necessary learning and development needed to do their job well	75 people early on in their careers participated in our work experiences programmes	20 days was the average number of days in which we settled Group invoices during FY25
80% of employees felt that they are encouraged to be innovative even though some of their initiatives may not succeed	36% female representation at senior management level	93% of employees are proud to work for the Company	£11.3m of direct social value generated in FY25 (see page 41 for further detail on social value)	Digital skills drive launched Encouraging new technology and targeting improved productivity

REPORT OF THE ENVIRONMENTAL SOCIAL GOVERNANCE COMMITTEE CONTINUED

Workforce engagement statement

Our key engagement mechanisms are described in this section, including a review of the effectiveness and relevant impact and outcomes.

The ESG Committee is our prescribed mechanism for workforce engagement in accordance with Provision 5 of the Code. We believe that having a committee responsible for engagement with the workforce provides greater resource at Board level dedicated to engagement than designating a single Non-Executive Director.

Further information on workforce engagement can be found on pages 17 and 43.



Employee engagement survey

- We regularly survey to assess employee engagement levels and identify any areas of concern.
- The ESG Committee and Remuneration Committee hold an annual joint meeting to assess the results of the survey through a diversity lens. Trends are analysed over time and used to monitor the impact of initiatives.

Director engagement

- Our 'NED Breakfast' programme offers employees an opportunity to have an informal breakfast with our Non-Executive Directors, allowing the Board to have direct engagement with employees.
- The NextGen Network hosts the Fireside Chats series, featuring Executive Committee and Board members. These sessions are open to all employees, providing an opportunity for direct engagement with leadership.

Linking remuneration

- Our Company-wide Share Incentive Plan and SAYE schemes operate for the benefit of our employees, with 95% of eligible employees investing in British Land shares through these schemes.
- There is a link between the formulaic calculation of outcomes in respect of the financial targets for Executive Director bonuses and the bonus outcomes of the wider workforce.

Employee-led Networks

- Network chairs regularly present at our Executive Committee and ESG Committee meetings to highlight issues affecting our people and provide a forum for discussion.
- The Networks cover a wide range of topics, from promoting sports and social activities to supporting diversity and inclusion initiatives.

Internal communications

- Our Internal Communications team sends a fortnightly Company-wide email that highlights key business activities.
- We have a biweekly Network News feature detailing upcoming events.
- There are monthly staff meetings led by our Executive Committee that feature updates from across the business.

Review of effectiveness

- Employee engagement was strong, with a survey participation rate of 90%, and an overall engagement score of 79% which was 12% higher than the national benchmark.
- As a workforce engagement mechanism, having the detailed survey responses, which can be analysed through a diversity perspective, provides management and the Board with rich data through which to ensure cultural cohesion.

Impact and outcomes

- The outcome of the responses to our 2024 survey indicated that enhancing our systems and processes, as well as improving the quality of career conversations, will remain key focus areas for the business.
- From a diversity perspective, we will continue to focus on reducing the gender and ethnicity pay gaps and ensure support is provided for inclusion initiatives.

Review of effectiveness

- The Committee noted the success of the Fireside Chats series in providing an insight into the role of the Board and Executive.
- The Committee decided to implement regular employee listening sessions (outside the employee-led Network process), led by Non-Executive Directors, to further strengthen our engagement with our workforce and monitor our culture.
- The Committee Chair will report to the Committee and the Board on any key themes and priorities identified.

Impact and outcomes

- The NED Breakfast programme and Fireside Chats series will continue to allow the Board to engage with the workforce and understand employee views when making decisions.
- Two members of the Committee held the first employee listening session and reported back on key themes.
- The Committee agreed to hold employee listening sessions ahead of each meeting, covering topics on culture, recognition in the workplace, DE&I and communication from leadership.

Review of effectiveness

- The Remuneration Committee oversees the overall remuneration strategy and ensures it aligns with our purpose, culture and the long term strategic delivery of the business.
- Encouraging the involvement of employees in the Company's financial performance through share ownership continues to be an effective mechanism of engagement.

Impact and outcomes

- Our Chief Executive reports on our full-year results at our May staff meeting, allowing employees to understand our financial performance and outlook.
- The link between the financial targets and bonuses helps promote a unified approach to achieving corporate objectives and rewarding our employees.

Review of effectiveness

- Our Networks are instrumental to many of the employee initiatives overseen by the Committee.
- The Committee recognises that hearing from the Networks provides a valuable opportunity to understand how employees are collaborating and influencing the broader inclusion and equality agenda within the Company.

Impact and outcomes

- The Committee heard from seven Networks, with four example case studies featured on pages 92 to 93. In addition to those highlighted in the case studies, the Committee also heard from the Sports & Social, Cycling, and Sustainable Networks.

Review of effectiveness

- The monthly staff meetings serve as a vital platform for communication, ensuring that employees are aligned with our objectives.
- The Committee recognises the importance of our internal communications methods in fostering a cohesive work environment and promoting transparency across all levels of the business.

Impact and outcomes

- Executive Committee members' regular engagement with employees continues to have a positive impact and contribute to the collaborative culture.

REPORT OF THE ENVIRONMENTAL SOCIAL GOVERNANCE COMMITTEE

CONTINUED

EMPLOYEE-LED NETWORK CASE STUDIES

REACH Network

The Committee received an update from the Co-Chairs of the REACH (Race, Equality, and Celebrating Heritage) Network. The Network's purpose was to increase the wellbeing and success of minoritised ethnic colleagues throughout the Company. Key initiatives included having guest speaker events, collaborations with external businesses for Black History Month and celebrating diversity and inclusion through various cultural events. The Committee noted the various challenges that the Network faced such as, maintaining momentum, planning and resource, and attendance. The Co-Chairs were keen that the REACH Network supported the business in reviewing the 2030 DE&I Strategy at its halfway point.

Outcome:


The Committee noted the importance of the role the Network was having in supporting our DE&I Strategy. The Committee agreed the key actions were to support the Network through continued monitoring of our DE&I targets and ensuring the communication of our strategy remained prominent.

Wellbeing Network

The Committee received an update from the Chair of the Wellbeing Network. It was reported to the Committee that the Network had adopted a holistic approach to employee wellbeing, encompassing mental, physical and financial aspects. The goal of the Network was to create an environment where mental, physical and financial wellbeing is integrated into all aspects of the Company. Key initiatives included events and discussions for Stress Awareness Month, World Mental Health Day and World Wellbeing Week, alongside financial education workshops.

Outcome:

The Committee acknowledged the role of the Network in supporting employees and promoting a transparent and healthy work environment. After discussion, the Committee agreed on the importance of empowering managers to recognise signs of employee pressure and being able to have wellbeing conversations with their teams. It was agreed this message would be reinforced through refreshed manager training.

A photograph of three people smiling at a REACH Network event. On the left is a Black woman with short dark hair wearing a black and white patterned jacket. In the center is a woman with long dark hair wearing a black top. On the right is a man with dark hair wearing a black turtleneck. They are standing in front of a wall with colorful abstract art and a red patterned curtain.

REACH Network event, celebrating Black History Month and embracing the theme for the year, Reclaiming Narratives

Pride Network

The Committee received an update from the Co-Chairs of the Pride Network. The Network's purpose encompasses community, education and celebration. It is dedicated to providing a supportive Network for LGBT+ employees, creating a sense of belonging and inclusion. Through its educational initiatives, the Network highlights critical issues and promotes awareness of relevant charities. In addition, it commemorates significant events such as LGBT+ History Month and Pride Month, enhancing visibility and recognition of the LGBT+ community. The Committee noted that several Company policies had been reviewed to ensure they used inclusive language for LGBT+ individuals.

Outcome:

The Committee recommended that HR consider collaborating with the Pride Network to expand the reverse mentoring scheme, following the success the REACH Network achieved with piloting the scheme in 2024. The Committee agreed that including reverse mentoring by LGBT+ employees would continue to promote inclusivity.

NextGen Network

The Committee received an update from the Chair of the NextGen Network. The mission of the Network was to represent and support the next generation of property professionals by helping early career starters develop necessary skills. They do this by supporting the integration of new employees, providing networking opportunities, and creating a community of support for colleagues. The Committee noted the challenges around event attendance and turnover of members. The Network Chair outlined their strategy to address these challenges, emphasising the importance of organising more focused events and developing succession plans for members.

Outcome:

The Committee recognised the need for more tailored and focused events to ensure employee engagement at an early stage of careers. The Committee members expressed their willingness to participate in the Fireside Chats series hosted by the NextGen Network, acknowledging its proven effectiveness as a workforce engagement tool.

REPORT OF THE NOMINATION COMMITTEE

ENSURING A
BALANCED AND
DIVERSE BOARD

William Rucker
Non-Executive Chair

**Focus in the year**

- Selection and appointment of David Walker as CFO
- Non-Executive Director succession planning
- Board diversity

Role of the Committee

The primary role of the Nomination Committee is to:

- Review the structure, composition and diversity of the Board
- Develop succession plans for Directors and senior management
- Review the time commitments required from Non-Executive Directors

Membership and attendance

The membership of the Committee comprises four independent Non-Executive Directors. In particular, Chairs of the Audit, Remuneration and ESG Committees are members thus ensuring the Committee most efficiently takes account of the risk, remuneration and diversity priorities of other Board Committees.

Biographical details of the Committee members can be found on pages 82 to 85.

The Committee met five times during the year with attendance set out on page 85. The CEO, Company Secretary and Head of Secretariat are invited to attend each Committee meeting.



The Nomination Committee supports the Board on composition, succession and diversity matters.

William Rucker

Chair of the Nomination Committee



I am pleased to present the report of the Nomination Committee for the year ended 31 March 2025.

As detailed in the opening of the Governance Report on page 76, there have been material changes to the composition of the Board and Executive Committee during the year. The appointments of Amanda James as a Non-Executive Director and myself as Chair were disclosed in the 2024 report.

Selection and appointment of David Walker as CFO

During the year ended 31 March 2025, the Board approved the appointment of David Walker as Chief Financial Officer with effect from 20 November 2024 and the appointment of Loraine Woodhouse as Senior Independent Director with effect from 31 January 2025.

David's appointment followed a thorough search process that considered both internal and external candidates and was closely aligned with the selection and appointment process detailed on the following page.

Non-Executive Director succession planning

The Nomination Committee considered the appointment of Loraine Woodhouse as Senior Independent Director in January 2025. Loraine, already Chair of the Audit Committee and member of the Remuneration and Nomination Committees, has an in-depth knowledge of the business and appropriate remaining tenure as an independent Non-Executive Director. The Board was pleased to approve Loraine's appointment as Senior Independent Director.

Board diversity

The Committee continuously reviews the diversity of the Board and Executive Committee both in terms of the requirements under the UK Listing Rules and British Land's own more stretching Board Diversity and Inclusion Policy. The Committee is pleased that as at 31 March 2025, the Board met and exceeded its targets in respect of gender. Following the departure of Bhavesh Mistry and Irvinder Goodhew during the year, the Board did not meet its target in respect of ethnicity as at the reporting date. A full description of the Board's diversity, and areas of focus for the year ahead, are included on page 97.

William Rucker

Chair of the Nomination Committee

Responsibilities

Director search, selection and appointment process

The Committee oversees the search, selection and appointment process for Board appointments. The process is conducted in accordance with the Board Diversity and Inclusion Policy and the Selection and Appointment Process, which are both explained later in this Report. Russell Reynolds Associates, the executive search firm was appointed in the search for the CFO and has no other relationship with the Company or individual Directors. The firm has adopted the Voluntary Code of Conduct for Executive Search Firms on gender diversity and best practice.

Induction, Board training and development

Each new Director is invited to meet with the Company Secretary and Head of Secretariat to discuss their induction needs in detail, following which the programme is tailored specifically to their requirements and adapted to reflect their existing knowledge and experience.

Each induction programme will generally include:

1. Meetings with the Chair, Executive Directors, Committee Chairs, external auditor and remuneration consultants (as appropriate).
2. Information on the corporate strategy, investment strategy, financial position and tax matters (including details of the Company's REIT status).
3. An overview of the property portfolio provided by members of the senior management team.
4. Visits to key assets.
5. Details of Board and Committee procedures and Directors' responsibilities.
6. Details of the investor relations programme.
7. Information on the Company's approach to sustainability.

The Committee also has responsibility for the Board's training and professional development needs. Directors receive training and presentations during the course of the year to keep their knowledge current and enhance their experience.

Board and Committee composition reviews and appointments

During the year, the Committee reviewed the broader composition and balance of the Board and its Committees, their alignment with the Company's strategic objectives and the need for progressive refreshing of the Board.

The Committee is satisfied that, following the Board effectiveness evaluation, the Board and its Committees continue to maintain the appropriate balance of skills and experience required to fulfil their roles effectively.

Details of significant external appointments taken on by Directors during the year can be found on page 98. These appointments are expected to enhance the Directors' expertise and allow them to bring greater insight to their role at British Land. All significant external appointments are subject to British Land approval prior to being accepted. Further information about our Conflicts of Interest Policy can be found on page 81.

Independence and reappointment

The independence of all Non-Executive Directors is reviewed by the Committee annually, with reference to their independence of character and judgement and whether any circumstances or relationships exist which could affect their judgement. The Board is of the view that the Non-Executive Directors each remain independent. The Committee also considers the time commitment required and whether each reappointment would be in the best interests of the Company. Consideration is given to each Director's contribution to the Board and its Committees, together with the overall balance of knowledge, skills, experience and diversity.

The Committee concluded that each Non-Executive Director continues to demonstrate commitment to their role as a member of the Board and its Committees, discharges their duties effectively and makes a valuable contribution to the leadership of the Company for the benefit of all stakeholders.

In consideration of the reappointment of Lynn Gladden, the Committee made a recommendation to the Board that notwithstanding her tenure of over nine years, she remains independent in accordance with the other circumstances listed in Provision 10 of the Code. Lynn's significant expertise in the field of science and technology is unique to the Board's skill set and provides crucial insight into this relatively new area of the Company's strategy. The reappointment will be on a rolling year basis, whereby the Committee and Board will be able to consider regularly whether Lynn remains independent.

The Committee recommended to the Board that all serving Directors be put forward for appointment and reappointment at the 2025 AGM.

Selection and Appointment Process overview

Role brief

The Committee only works with external search agencies that have adopted the Voluntary Code of Conduct for Executive Search Firms on gender diversity and best practice. The Committee and agency work together to develop a comprehensive role brief and person specification, aligned to the Group's values and culture. This brief contains clear criteria against which prospective candidates can be objectively assessed.

Longlist review

The external search agency is challenged to use the objective criteria for the role to produce a longlist of high quality candidates from a broad range of potential sources of talent. This process supports the creation of a diverse longlist. The Nomination Committee selects candidates from this list to be invited for interview.

Interview

A formal, multi-stage interview process is used to assess the candidates. For each appointment the choice of interviewer is customised to the specific requirements of the role. All interview candidates are subject to a rigorous referencing process.

Review and recommendation

The Committee ensures that, prior to making any recommendation to the Board, any potential conflicts and prospective Directors' existing significant time commitments have been satisfactorily reviewed.

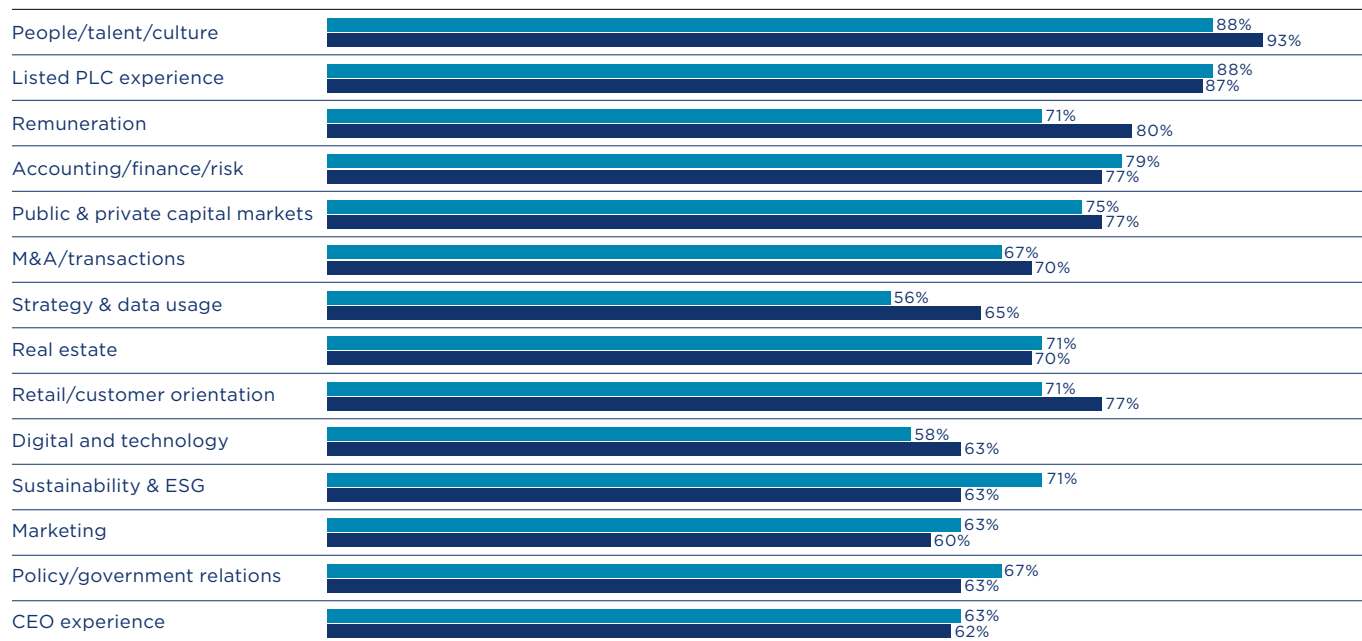
REPORT OF THE NOMINATION COMMITTEE CONTINUED

Demonstrating our skills

Our skills matrix has been updated to show the additional skills brought to the Board with the appointment of Amanda James and William Rucker, as well as the impact of the departures of Laura Wade-Gery, Tim Score, Preben Prebensen and Irvinder Goodhew during the year.

The percentage shows the outcome as a proportion of the maximum score available. The Committee uses this data when considering Non-Executive Director appointments.

Skills matrix



● 2024 ● 2025

Succession planning

The Committee is responsible for reviewing the succession plans for the Board, including the Chief Executive. We recognise that successful succession planning includes nurturing our own talent pool and giving opportunities to those who are capable of growing into more senior roles.

Diversity is a key consideration for the Committee when contemplating appointments to the Board. An outline of the Company's Board Diversity and Inclusion Policy and performance against it is provided on the following page.

The Committee uses the skills matrix to review which skills and expertise are held by the Board and where we can strengthen our skill set for current and future strategic needs. This is considered in conjunction with the tenure of Directors on the Board.

The Chief Executive and HR Director prepare succession plans for Executive Committee members and senior management in critical roles for consideration by the Committee. The wider Board are invited to be involved as appropriate. The succession plans are reviewed annually, ensuring a strategic approach across short, medium and long term horizons. Additionally, all succession plans are assessed taking account of the Company's overarching diversity targets. The Committee notes that the remit of the ESG Committee includes consideration of the extent to which the business is developing a diverse pipeline for succession to senior management roles.

Following the significant recent changes to the Board and the Executive Committee, a succession planning review will be held in July 2025.

Non-Executive tenure as at 31 March 2025 (years)

Lynn Gladden	10.0
Alastair Hughes	7.2
Loraine Woodhouse	4.1
Mark Aedy	3.6
Amanda Mackenzie	1.6
Mary Ricks	1.4
Amanda James	0.8
William Rucker	0.7

Board Diversity and Inclusion Policy

The Board Diversity and Inclusion Policy recognises the benefits of diversity in its broadest sense and sets out the Board's ambitions and objectives regarding diversity at Board and senior management level. We believe that in order to achieve our strategy we need a diverse Board that reflects the places we develop and manage. The policy notes that appointments will continue to be made on merit against a set of objective criteria, which are developed in consideration of the skills, experience, independence and knowledge which the Board as a whole requires to be effective. The policy also describes the Board's firm belief that diversity in the boardroom has a positive effect on the quality of decision making. The policy applies to the Board and its Committees.

The policy aligns with the recommendation of the 2023 Parker Review to introduce a percentage target for ethnic minorities in senior management, and aligns with the requirements of the UK Listing Rules other than in respect of ethnic diversity, where the Board has set a more stretching ambition.

The objectives from the policy in force for the year ended 31 March 2025 included:

- the intention to maintain a balance such that at least 40% of the Board are women;
- the intention to maintain at least two Directors from a minoritised ethnic background;
- the intention for at least one of the Chair, Chief Executive Officer, Chief Financial Officer or Senior Independent Director to be a woman;
- to achieve a gender split such that at least 40% of senior management are women and an ethnic diversity split such that 15% of senior management are from a minoritised ethnic background (senior management is defined as the Executive Committee and its direct reports); and
- to ensure that there is clear Board-level accountability for diversity and inclusion for the wider workforce.

The Board recognises that there will inevitably be times where the gender and ethnic diversity proportions may fall below these objectives due to tenure limits and succession timing; however, they are the Board's long-term intentions.

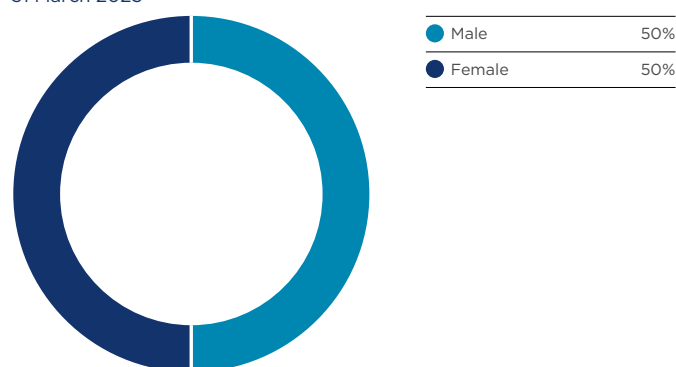
As at 31 March 2025, which is our chosen reference date in accordance with the UK Listing Rules, the Board had a gender balance of 50% women and is pleased to have appointed Loraine Woodhouse as Senior Independent Director during the year. The methodology for calculating this is the same as that used to calculate the ethnic background and gender identity of the Board and Executive Committee on the following page.

As at the reference date, there are no Directors from a minoritised ethnic background appointed to the Board. Bhavesh Mistry stepped down as CFO in November and Irvinder Goodhew stepped down in January as a Non-Executive Director in order to avoid a potential conflict of interest, having taken up an Executive position at CBRE, which is one of the Company's property valuers. Both departures were unforeseen at the beginning of the year, and the Nomination Committee will seek to improve the ethnic diversity of the Board at the next appropriate opportunity.

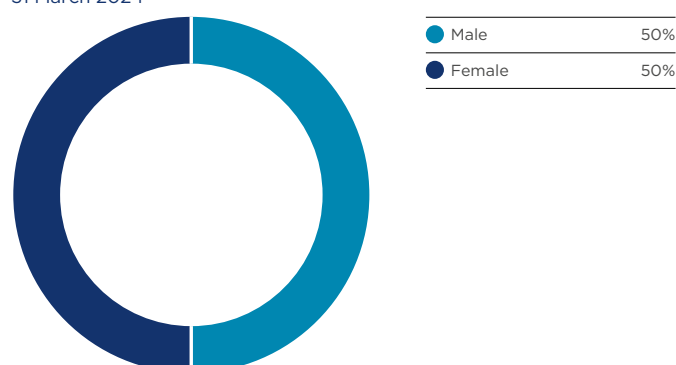
The Board reviewed the policy during the year and agreed to maintain the aspirational target for two Directors from a minoritised ethnic background, notwithstanding the current Board composition.

Board gender balance

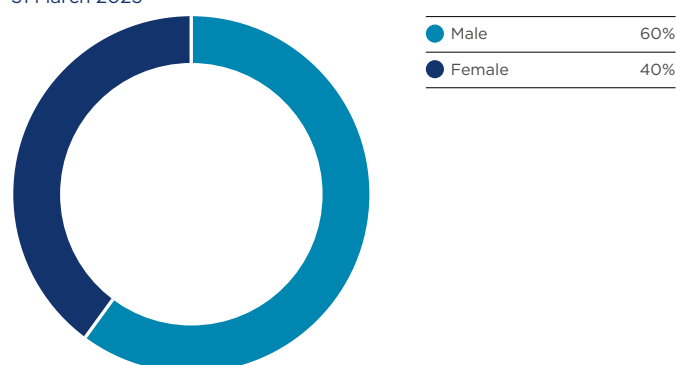
31 March 2025



31 March 2024



31 March 2023



As at 31 March 2025, the gender diversity for senior management, as previously defined, was 36.0% women, up from 35.6% in 2024. The Board and management are acutely aware of the need for more senior women. This year we have continued our targeted development programmes for women at the mid-level of the organisation to help them achieve their full potential and develop our talent pipeline.

As at 31 March 2025, 10% of our senior management team were from a minoritised ethnic background.

Clear accountability for diversity and inclusion is delivered through the ESG Committee, which monitors progress against diversity and inclusion objectives and relevant initiatives at British Land. Progress towards our 2030 Diversity, Equality and Inclusion Strategy is a core focus as we recognise that a diverse team is more representative of our customers and will design better products and make better decisions. Our Board Diversity and Inclusion Policy and Company Diversity, Equality & Inclusion Strategy together enable us to bring in people of wide-ranging talent and experience, diversity of thought and bolster decision making allowing us to continue to achieve our strategy.

Board diversity

	Number of Board members	% of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	% of executive management
Men	5	50	3	4	57
Women	5	50	1	3	43
Other	-	-	-	-	-
Prefer not to say	-	-	-	-	-

	Number of Board members	% of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	% of executive management
White British or other White (including minority-white groups)	10	100	4	7	100
Mixed/Multiple ethnic groups	-	-	-	-	-
Asian/Asian British	-	-	-	-	-
Black/African/Caribbean/Black British	-	-	-	-	-
Other ethnic group	-	-	-	-	-
Not specified/prefer not to say	-	-	-	-	-

The table above sets out the ethnic background and gender identity of the Board and Executive Committee as at 31 March 2025, which is our chosen reference date in accordance with the UK Listing Rules. The data was collected by the Head of Secretariat via individual questionnaires and informs the status of our Board Diversity and Inclusion Policy targets. Board and Executive Committee members were asked to confirm, where applicable, if there had been any change to their previous response as at the reference date. The forms set out the table as it is above and individuals were asked to indicate which categories are applicable to them. There have been no changes in Board composition since the reference date.

Board and Committee effectiveness

An internal Board effectiveness evaluation was conducted during the year, as part of which the Committee was determined to have operated effectively. Further detail regarding the outcomes of the evaluation can be found on page 81.

The Committee also reviewed its terms of reference during the year and no changes were recommended. The terms are available on our website www.britishland.com/committees.

Board composition review

The Committee annually reviews the structure, size and composition of the Board. This review considers the skills and qualities required by the Board and its Committees as a whole in light of the Group's long term strategy, external environment and the need to allow for progressive refreshing of the Board. The review identifies the specific skills required by new appointees and guides the Committee's long term approach to appointments and succession planning.

External appointments

During the year, the Board defined significant appointments to include the appointment to the Board of any listed company, or any appointment where the expected time commitment is more than five days a year. Further detail about the Board Conflicts of Interest Policy can be found on page 81.

During the year under review two Non-Executive Directors received prior approval in respect of significant external appointments. They were:

- Loraine Woodhouse was appointed as Non-Executive Director and member of the Audit and Remuneration Committees of Associated British Foods plc with effect from 1 October 2024 and Chair of the Audit Committee from 24 April 2025; and
- Amanda James was appointed as a Non-Executive Director and member of the Audit, Nomination and Corporate Social Responsibility Committees of Rightmove plc with effect from 9 May 2025 and Chair of the Audit Committee from 1 June 2025.

In each case, the Board considered that the appointments would not impact Loraine's or Amanda's ability to dedicate sufficient time to their commitments at British Land. The appointments will also provide them with valuable exposure to diverse strategic challenges and enable them to bring fresh insight to their roles at British Land.

Key areas of focus for the coming year

A key area of focus for the Committee in the upcoming year will be the search process that is currently underway for a new Non-Executive Director.

The Committee will continue to monitor the skills and experiences of Board members to ensure that the Board is equipped to advance the Company's strategy and performance. From an Executive Committee perspective, the Committee will continue to support the Board and Chief Executive in ensuring appropriate succession planning continues and that diversity forms a key part of that process.

REPORT OF THE AUDIT COMMITTEE

MONITORING
QUALITY AND
INTEGRITY

Loraine Woodhouse
Independent Non-Executive Director

**Focus in the year**

- Committee changes
- Canada Water valuation tender
- Technology

Role of the Committee**Corporate and financial reporting**

- Ensures the integrity of the financial statements and formal announcements relating to the Group's financial performance and evaluates significant financial judgements and estimates
- Fair, balanced and understandable assessment

External Audit

- Monitors the independence, effectiveness and remuneration of the external auditor, and recommends to the Board their appointment and non-audit services policy

Internal Audit

- Monitors and reviews the Internal Audit Plan and effectiveness of the internal auditor

Risk management and internal control

- Monitors risk management and the Company's system of internal control including financial controls and reviewing the going concern and long term viability statement

Investment and development property valuations

- Monitors the effectiveness of the Company's valuers and valuation process, assumptions, judgements and resulting outcomes

Membership and attendance

The Committee comprises four Non-Executive Directors. Loraine Woodhouse and Amanda James both have recent and relevant financial experience and as a whole the Committee has competence relevant to the sector.

Biographical details of the Committee members are found on pages 82 to 85.

The Committee met three times in 2024/25 with attendance set out on page 85.



Collectively, Amanda, Mary and David's contributions have enhanced and diversified the Committee's strategic approach.

Loraine Woodhouse

Chair of the Audit Committee

**Committee changes**

During the year, Preben Prebensen and Bhavesh Mistry stepped down from the Board. I would like to thank both for their tenure and significant contributions to the Committee and Board, and wish them the best in their future endeavours. Meanwhile, Amanda James and Mary Ricks joined the Committee, bringing fresh perspectives from their financial and global real estate background respectively, and their insight has enhanced our collective ability to critically analyse matters brought to the Committee. We also welcomed David Walker as CFO, whose extensive experience at British Land complements the skill set of the Committee. Together, Amanda, Mary and David's contributions have strengthened and diversified the Committee's strategic approach.

Canada Water valuation tender

A valuation tender was carried out due to policy requirements that necessitate the regular rotation of valuers of portfolio assets. The tender involved Cushman & Wakefield (C&W), CBRE and Knight Frank. As part of the tender process, C&W and CBRE conducted a Phase 1 valuation for Canada Water and following a review, C&W were chosen as the new valuer as they were thought to be best placed to appropriately assess the value of the campus and future of the development. In December, C&W conducted a shadow valuation of Canada Water alongside the current valuers to ensure an effective transition. PwC, our external auditor, reviewed the shadow valuation and performed year end testing on the final valuation.

Technology

The Committee received detailed updates on our technology strategy and technology risk during the year. The strategy covers four pillars: modernising the Company's applications and upskilling our employees, implementing artificial intelligence and new technologies, optimising data processes, and creating efficiencies in our technology services. The Committee was pleased with the significant progress made against each of the pillars and was reassured that the correct priorities are in place for the upcoming year. In addition, the Committee was content with the robust controls and processes around our technology risks.

Year ahead

- Continue to enhance our key ESG reporting and technology controls
- Monitor the implementation of investment in our technology
- Monitor key risk areas, particularly those scheduled for review by the internal auditor
- Continue to plan and prepare for corporate governance reforms and take appropriate action in a timely manner

Loraine Woodhouse

Chair of the Audit Committee

REPORT OF THE AUDIT COMMITTEE CONTINUED

Investment and development property valuations

The external valuation of British Land's property portfolio is a significant area of judgement as it is a key determinant of the Group's balance sheet and financial performance and the remuneration of the Executive Directors and senior management. The Group's valuers are CBRE, Knight Frank, Jones Lang LaSalle and C&W. As at 31 March 2025, the portfolio was valued at £9.5bn.

Key matters discussed in the year:

- yield movements, current and future rental levels, and benchmarking;
- costs to complete developments;
- trends affecting occupational and investment retail and office sectors, logistics market and Canada Water;
- availability of comparable market evidence;
- tender and change of valuer for Canada Water; and
- biannual qualitative review of valuers' service level.

The valuers present their reports which include details of the valuation process, market conditions and any significant judgements made. The external auditor assesses the valuations and valuation process, having had full access to the valuers to determine that due process has been followed and appropriate information used, before separately reporting its findings to the Committee. The Group's valuers and external auditor have confirmed to the Committee that the process undertaken by British Land to ascertain the valuation of its real estate portfolio is robust. British Land has fixed fee arrangements in place with the valuers in relation to the valuation of wholly-owned assets, in line with the recommendations of the Carsberg Committee Report.

The Committee allocates time to ensure the rigorous monitoring and review of the effectiveness of its valuers as well as the valuation process itself. The biannual effectiveness review is also subject to rigorous internal review by our Analysis and Internal Audit team. In November and May, the Committee considered the following factors and determined that the valuers remained effective:

- Market testing, which involves comparing new lettings and rent reviews against the market.
- Benchmarking, which involves reviewing prime market yields and valuation movements on our assets between valuers as well as comparing valuation movements to peers.
- Availability of market evidence is assessed to understand any potential margin for error.
- Valuation outliers are reviewed on our valuation movements with any variances analysed.

Activities during the year**MAY**

Valuer reports and effectiveness
2024 Annual Report and Accounts, preliminary announcement and FBU assessment
Going concern and viability assessments
Sustainability assurance, Internal and External Audit reports
Corporate Governance Code compliance
Principal risk and internal control effectiveness review
Reappointment of BDO

**NOV**

Valuer reports and effectiveness
Going concern and viability assessments
2025 half-year results and preliminary announcement and financial reporting judgements
Technology risk and strategy update
Principal risk and internal control effectiveness review
Internal and External Audit reports
External Audit plan, fees and engagement letter
Risk and internal control update
Insurance update

**MAR**

Going concern and viability assessments
Sustainability Progress Report
Financial reporting judgements
Principal and emerging risks assessment and review of risk appetite
Whistleblowing report
Data privacy compliance report
Effectiveness of the Committee, Internal and External Audit
Tax and Compliance updates

From 1 April 2025 the Committee will increase the number of meetings to four per year to assist in the effective and consistent oversight of our areas of responsibility.

Corporate and financial reporting

The financial reporting process is overseen by the Audit Committee and assessed by the external auditor. It is managed using documented accounting policies and reporting formats supported by detailed instructions and guidance on reporting requirements.

As part of the process, the Committee reviewed the content and tone of the preliminary and half-year results and the Annual Report and Accounts and made recommendations to the Board regarding their accuracy and appropriateness. In addition, the Disclosure Committee regularly reviews ad hoc events, draft financial reports and valuation information during the interim and full-year reporting process and determines, with external advice from legal and financial advisers as required, whether inside information exists and the appropriate disclosure requirements.

During its review of the Annual Report and Accounts, the Committee considered the following:

- accounting policies and practices including any new standards introduced during the year;
- key financial reporting matters including major transactions (further detail provided later in this report) as well as other financial reporting items such as the FRC's Corporate Reporting Review and any other significant matters and accounting judgements; and
- key messaging, particularly matters considered important to the Group by virtue of their size, complexity, level of judgement required and potential impact on the financial statements and wider business model.

Once the Committee completes its overarching review, it considers whether, in its opinion, the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable (FBU), and whether it provides the information necessary for stakeholders to assess the Company's position, performance, business model and strategy.

The Committee has satisfied itself that the controls over the accuracy and consistency of the information presented in the Annual Report and Accounts are robust. The Committee reviewed the procedure undertaken to enable the Board to provide the FBU confirmation to shareholders. In particular, the Committee contemplated the specific considerations in the 2025 Annual Report and Accounts found overleaf to ensure that they did not have an adverse impact on the balance and fairness of the report.

The Board is responsible for preparing the Annual Report and Accounts and confirms in the Directors' Responsibilities Statement on page 134 that it believes that the Annual Report and Accounts, taken as a whole, is FBU. An overview of the FBU review process and its key considerations is provided opposite.

Fair, balanced and understandable review process

01

MANAGEMENT REVIEW

Key members of the management team independently review the Annual Report and Accounts, challenging its accuracy, consistency and appropriateness. Management then come together to discuss and determine any suitable changes which are overseen by the Committee.



02

REGULAR AUDIT COMMITTEE REVIEW

The Committee reviews the Annual Report and Accounts from the early stages of the drafting process before turning to its dedicated FBU review once it is nearly finalised. This provides sufficient time for feedback prior to formal consideration by the Board.



03

VERIFICATION

A group of individuals from across the business verify all factual content and provide assurance that all information is correct.



04

EXTERNAL AUDITOR REVIEW

PwC consider whether there are any material inconsistencies in the information provided in the Annual Report and Accounts and reports its findings to the Committee.



05

RECOMMENDATION TO THE BOARD

The Board considers the Committee's recommendation that the Annual Report and Accounts as a whole is FBU.

REPORT OF THE AUDIT COMMITTEE CONTINUED

Fair, balanced and understandable review considerations

FAIR

Is the Annual Report open and honest?
Do we show our progress over time and is there consistency in our metrics and measurements?

BALANCED

Do we report weaknesses, difficulties and challenges alongside successes?

UNDERSTANDABLE

Do we explain our business model, strategy and accounting policies simply, using precise, clear language?
Are we clearly signposting to where additional information can be found?
Do we have a consistent tone?
Do we break up lengthy narrative with quotes, tables, case studies and graphics?

SPECIFIC CONSIDERATIONS IN THE 2025 ANNUAL REPORT

Appropriate metrics that will allow investors and other stakeholders to assess the Company's performance.
Appropriateness of setting a Total Accounting Return target of 8% to 10% based on past performance.
Ensuring statements included in the report are useful in assisting the understanding of the business.

The Committee reviewed management's analysis supporting the preparation of the financial statements on a going concern basis. This included consideration of forecast cash flows, availability of committed debt facilities, sensitivity analysis and expected covenant headroom. The external auditor also reviewed management's assessment. The Committee satisfied itself that the going concern basis of preparation remained appropriate.

The Committee also reviewed management's assessment of whether the Group's long term viability appropriately reflects the prospects of the Group and covers an appropriate period of time. This included consideration of whether the assessment adequately reflected the Group's risk appetite and principal risks as disclosed on pages 51 to 58; whether the period covered by the statement was reasonable given the strategy of the Group and the

environment in which it operates; and whether the assumptions and sensitivities identified and stress tested represented severe but plausible scenarios in the context of solvency or liquidity.

The Committee agreed with management's assessment and recommended the viability statement to the Board. The viability statement, which includes our going concern statement and further details on this assessment, is set out on page 59.

Significant matters considered during the year in relation to the financial statements are set out below and should be read in conjunction with the Independent Auditor's Report on pages 136 to 142 and the significant accounting policies disclosed in the notes to the financial statements.

Significant issues considered

Significant matters

Outcome

Valuation of property portfolio

The valuation of investment and development properties conducted by external valuers is inherently subjective as it is undertaken on the basis of key assumptions made by the valuers which may not prove to be accurate. The outcome of the valuation is significant to the Group in terms of investment decisions, results and remuneration. Selected external valuers presented their reports to the Committee prior to the half-year and full-year results, providing an overview of the UK property market and summarising the performance of the Group's assets. Significant judgements made in preparing these valuations were highlighted by the external valuers and discussed by the Committee.

The Committee analysed the reports and reviewed the valuation outcomes, challenging whether the key assumptions made by the external valuers were appropriate. The Committee queried the valuers on how the challenging macroeconomic environment, including heightened interest rates, had impacted valuations. The Committee also challenged the valuers on the availability of transactional evidence to support their valuations, particularly within the London office market. The Committee was satisfied with the valuation process and the effectiveness of the Company's valuers. The Committee approved the relevant valuation disclosures to be included in the Annual Report.

Significant issues considered continued**Significant matters****Outcome****Accounting for significant transactions**

The accounting treatment of significant property acquisitions, disposals, financing and leasing transactions is a recurring risk for the Group with non-standard accounting entries required, and in some cases management judgement applied. The Committee reviewed management papers on key financial reporting matters, including those for significant transactions, as well as the external auditor's findings on these matters. In particular, the Committee considered the accounting treatment of the formation of a joint venture with Modon Holding in respect of 2 Finsbury Avenue. The external auditor separately reviewed management's judgements in relation to these transactions and determined that the approach was appropriate.

The Committee was satisfied that the accounting treatment and related financial disclosure of significant transactions was appropriate.

Taxation and REIT compliance

The Group benefits from tax advantages as a REIT. Income and chargeable gains on the qualifying property rental business are exempt from corporation tax. Several tests were conducted during the year to ensure the Group remains firmly within the limits that defines it as a REIT, including in relation to forecasts. The Committee further reviewed the appropriateness of taxation provisions made and released by the Group during the period. It considered papers prepared by management and discussed the views of the external auditor to obtain assurance that amounts held were commensurate with the associated risks.

The Committee reviewed the frequency of the testing and noted the margin by which the Group complied with the REIT requirements. The Committee was satisfied that good judgement had been made.

The Committee was satisfied that the taxation provisions were appropriate. 'Our Approach to Tax', which was reviewed and updated by the Committee in the year, is available at www.britishland.com/taxstrategy.

External Audit

Audit firm	PricewaterhouseCoopers
Original date of appointment	18 July 2014
Tender completed	February 2024
Lead partner, tenure	Saira Choudhry, 1 year
FY25 non-audit fee as % of total audit fee	56%

The Committee is responsible for overseeing the relationship with the external auditor and for considering their terms of engagement, remuneration, effectiveness, independence and continued objectivity. The Committee reviews annually the audit requirements of the Group, for the business and in the context of the external environment, placing great importance on ensuring a high quality, effective External Audit process. BDO provides audit services to a number of wholly-owned subsidiaries and several joint venture companies that are not within the scope of the Group audit.

Change of External Audit partner

During the year, Sandra Dowling rotated off the audit engagement and Saira Choudhry was appointed as lead audit engagement partner as per the requirement for a rotation every five years. The Committee is grateful for Sandra's keen oversight and guidance during her tenure and welcomes Saira to her new position, noting her immediate role of overseeing the implementation of the new External Audit plan.

Changes to the External Audit plan

During the year, PwC reallocated audit resources due to the 50% disposal of 2 Finsbury Avenue into a new joint venture. The Committee was satisfied with the PwC team's timely adjustment of time and focus. The risk assessment and scope of the audit remained unchanged, and no update to the External Audit plan was necessary.

Non-audit services and fees

The Committee discussed the audit fee for the 2025 Annual Report with the external auditor and approved the proposed fee on behalf of the Board.

The Group has adopted a policy for the provision of non-audit services by the external auditor in accordance with the FRC's 2024 Revised Ethical Standard. The policy helps to safeguard the external auditor's independence and objectivity. The policy allows the external auditor to provide non-audit services to British Land where they are considered to be the most appropriate provider for audit related services, including formal reporting relating to borrowings, shareholder and other circulars and work in respect of acquisitions and disposals.

In some circumstances, the external auditor is required to carry out the work because of their office. In other circumstances, selection would depend on which firm was best suited to provide the services required. Further, Committee approval is required where there might be questions as to whether the external auditor has a conflict of interest. The approval limits for non-audit services are below and subject to review:

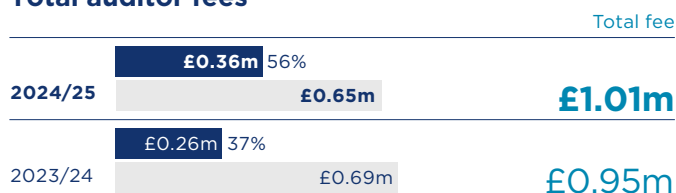
Value	Approval required
Up to £25,000	CFO
£25,001 to £100,000	Committee Chair
£100,001 and above	Committee

REPORT OF THE AUDIT COMMITTEE CONTINUED

In addition, the total non-audit fee in the current year is limited to 70% of the average of the audit fees paid in the last three consecutive years. The ratio of audit to non-audit fees is calculated in line with the methodology set out in the FRC's 2024 Revised Ethical Standard. The Committee is satisfied that there is significant headroom before reaching this upper limit.

Total fees for non-audit services, primarily relating to a review of interim financial statements and formal reporting relating to borrowings, amounted to £0.36m, which represents 56% of the total Group audit fees payable for the year ended 31 March 2025. Details of fees charged by the external auditor during the year are set out on page 156. The Committee is satisfied that the Company has complied with the provisions of the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Processes and Audit Committee Responsibilities) Order 2014, published by the Competition and Markets Authority on 26 September 2014.

Total auditor fees



Key

- Non-audit fees
- Audit fees

Independence

PwC provides the Committee with an annual report on its independence, objectivity and compliance with statutory, regulatory and ethical standards. In accordance with the FRC's requirements, a tender of the audit firm was conducted at 10 years and the lead audit engagement partner and senior members of the audit team were rotated in the year. For the year ended 31 March 2025, as for the prior year, the external auditor made the following confirmations:

- at each Committee meeting, that it remains independent;
- that PwC complies with the FRC's Ethical Standards; and
- an annual letter of confirmation stating its independence and that it maintains appropriate internal safeguards to ensure its independence and objectivity.

The Committee further received confirmation that:

- non-audit services provided by PwC as detailed above complied with the Group's non-audit policy and the requirements of the FRC's Ethical Standard;
- the Group has not employed members of the PwC audit team or any PwC partners during the year; and
- PwC confirmed compliance of its staff and partners with PwC's internal policies and process around independence, including that no partners or staff held any financial interest in British Land.

After taking the above factors into consideration, the Committee concluded that PwC remained independent during the year.

Effectiveness

The Committee held private sessions with the external and internal auditor three times during the year. These meetings are held without management present to enable the auditors to raise any issues of concern. In addition, the Chair of the Committee holds private meetings with the external auditor and internal auditor separately before each meeting and additional meetings are held on request.

The annual evaluation of the external auditor's performance was undertaken in March 2025. The auditor completes a self-assessment paper and key stakeholders also complete a questionnaire, including senior members of the Finance, Tax, Strategy and Secretariat teams as well as members of the Committee, the Chief Executive, CFO and Chair. The questionnaire took into account the following:

- robustness of the overall audit process and auditor challenge, including independence, audit strategy and plan, and quality control;
- quality of delivery of the audit and service provided including project management and their working relationships with management and the Committee Chair;
- quality of reporting to the Committee and management including planning and significant judgements; and
- quality of the people including their experience and technical knowledge.

The scores and feedback are shared with the external auditor and compared against their self-assessment, and proposed actions for the coming year are curated. The main areas of focus in the upcoming year include ensuring proactivity in project management of less critical matters and ensuring subsidiary statutory accounts are agreed in good time.

The feedback received from the survey included good communication from the external auditor and improved efficiency in finalising joint venture statutory accounts. Each category was rated 'good', being the highest rating obtainable. Overall, the Committee was impressed with the External Audit team's efficiency in how it understands the Company and its systems and processes, their strength of expertise, nature and quality of the external auditors' report, and robustness and perceptiveness of the team in its handling of key accounting and audit judgements.

The Committee uses Audit Quality Indicators (AQIs) to assess PwC's audit quality which are extremely useful to aid the assessment of the external auditor. The AQIs used during the half and year end include:

1. Experience and continuity of the audit team.
2. Percentage of total hours spent on the engagement by the audit partner, director and specialists.
3. Number of audit misstatements, both adjusted and unadjusted.

The Committee monitored any developments against the AQIs and was satisfied that no risks to the audit quality were identified. The Committee also reviewed the auditor's management letter which it thought was based on a good understanding of the business. In addition, the Committee was impressed with the continuous implementation and improvement of the use of technology in the audit process.

The Committee considered the FRC's Audit Quality Review report in relation to the Group's audit. Following challenge from the Committee about the report, PwC highlighted that it had retained strong scores in each of the areas relevant to the audit of the Group.

In assessing the auditor's professional scepticism and quality of challenge, the Committee considered the insight and feedback provided by the auditor, particularly the usefulness of their assessment of valuations and oversight of the Annual Report and Accounts.

After considering the annual evaluation survey, noting those areas for improvement in the coming year, AQIs and other pertinent factors, the Committee concluded that the quality of the external auditor's work, and the level of challenge, knowledge and competence of the audit team, had been maintained at an appropriate standard during the year.

Internal Audit

The role of Internal Audit is to act as an independent and objective assurance function, designed to improve the effectiveness of the governance, risk management and internal controls framework in mitigating the key risks to British Land. Deloitte, in their second year of appointment, provided Internal Audit services to British Land during the financial year and attended all Committee meetings to present their audit findings alongside the status of management actions.

During the year, the internal auditor reported on progress made against its three-year Internal Audit strategy covering FY24 to FY26. Internal audits completed during the year included:

1. Key financial and operational controls
2. Corporate procurement
3. Group health and safety management
4. GDPR
5. IT disaster recovery/business continuity planning
6. Retail key operational controls
7. Diversity and inclusion (2030 strategy)
8. Joint venture governance
9. ESG social reporting
10. Lead to lease system operation

Overall, no significant control issues were identified although several process and control improvements were proposed.

Effectiveness

The annual effectiveness review of the internal auditor included: consideration of whether objectives defined in the Internal Audit charter had been met; review of the quality of the Internal Audit work undertaken; and the skills and competence of the Internal Audit teams. Key stakeholders across the Group, including the Head of Strategy and Investor Relations, Head of Secretariat, HR Director, General Counsel and Company Secretary, Head of Information Security and Head of Risk and Internal Control, completed a questionnaire to assess the effectiveness of the internal auditor, taking into account the same four areas assessed as the external auditor effectiveness questionnaire detailed on the previous page. The results showed that the internal auditor had improved in robustness of processes, being rated 'good' in each category, the highest rating obtainable.

The Committee concluded that Deloitte had discharged its duties as internal auditor effectively throughout the year. In particular, the Committee was impressed with their pragmatic and communicative approach.

Risk management and internal control

The Board has delegated responsibility for establishing and maintaining the effectiveness of the Group's risk management and internal control framework to the Committee.

A detailed summary of the Group's risk management and internal controls framework is set out in the 'Managing risk in delivering our strategy' section on pages 47 to 50.

The Group has adopted the 2018 Corporate Governance Code, best practice recommendations in the FRC 'Guidance on risk management, internal control and related financial and business reporting' and the Company's internal control framework operates in line with the recommendations set out in the internationally recognised COSO Internal Control Integrated Framework. The Committee has spent significant time considering recent and upcoming corporate governance reforms. The Company will comply with the 2024 Corporate Governance Code in next year's Annual Report and the new Provision 29 in the following year as it is effective for financial years beginning on or after 1 January 2026.

Risk management

The Committee oversees the identification and assessment of principal and emerging risks, key risk indicators and risk appetite. The Committee received biannual assessments of the most significant risks facing the Company which indicated the exposure level and risk impact.

At the full and half year, the Committee reviewed the Group's principal and emerging risks, including consideration of how risk exposures have changed during the period. Both external and internal risks are reviewed and their effect on the Company's strategic aims considered. The assessment of emerging risks includes a bottom-up review of all business units and a deep dive by the Risk Committee. The Audit Committee made a recommendation to the Board regarding the identification and assessment of principal and emerging risks. The Board accepted the Committee's recommendation.

The Committee provides particularly significant oversight of the Company's technology risk and strategy, recognising that this is an area of relative immaturity among companies more broadly, and therefore requires detailed oversight.

The Committee also allocates time to consider the Group's whistleblowing arrangements to ensure that they enable all staff, including temporary and agency staff, suppliers and occupiers, to report any suspected wrongdoing. These arrangements, which are monitored by the HR Director, General Counsel and Company Secretary, and reviewed by the Committee annually, include an independent and confidential whistleblowing service for staff provided by a third party. The Committee received a summary of all whistleblowing reports received during the year and concluded that the response to each report by management was appropriate. The whistleblowing reports were also relayed to the Board by the Committee Chair.

REPORT OF THE AUDIT COMMITTEE CONTINUED

At the request of the Remuneration Committee, the Audit Committee considers biannually the level of risk taken by management and whether this affects the performance of the Company. The Remuneration Committee takes this confirmation into account when determining incentive awards granted to the Executive Directors and senior management. Taking into account reports received on internal key controls and risk management, and the results of the Internal Audit reviews, the Committee concluded that for the year ended 31 March 2025 there was no evidence of excessive risk taking by management which ought to be taken into account by the Remuneration Committee when determining incentive awards.

For the first time this year, to assist in ensuring the robustness of the Company's risk culture, the Risk Committee conducted an effectiveness survey which showed that all Risk Committee members agreed or strongly agreed that the Risk Committee adds value to risk management and supports the Company's strategic objectives. Following the outcome of the survey, action was taken to enhance risk culture across the business involving the Head of Risk and Internal Control presenting to various teams across the business, clarifying the key risk roles in the business and encouraging escalation of risk issues or exceptions and discussing key business unit risks.

Internal controls

Half yearly, in conjunction with the internal auditor, management reports to the Committee on the effectiveness of internal controls, highlighting control issues identified through the exceptions reporting and key controls testing across all key operational and financial controls. Risk areas identified are considered for incorporation in the Internal Audit plan and the findings of internal audits are taken into account when identifying and evaluating risks within the business. Key observations and management actions are reported to, and debated by, the Committee. For the year ended 31 March 2025, the Committee has not identified, nor been advised of, a failing or weakness which it has deemed to be significant.

The operational risk management framework operates to reduce the risk of financial misstatement. Key controls are owned by senior managers who report on compliance biannually to the Risk Committee. All high and medium risk-rated key financial and operational controls are reviewed by Internal Audit across a three-year cycle as a minimum. The Head of Risk and Internal Control also performs biannual sample testing across key financial and operational controls, and reports exceptions to the Audit Committee.

Effectiveness

The effectiveness of the risk management and internal control framework is consistently reviewed by the Committee throughout the year. The Committee receives detailed reports on the operation and effectiveness of the internal controls from the internal auditor and management team. The External Audit provides an additional layer of assurance at the half-year and full-year end where any remarks relating to potential enhancements to internal controls are considered.

The Committee also received reports from across the business throughout the year to assist it in its assessment of the robustness and effectiveness of the risk management and internal control framework, including:

1. Internal Audit reports on the programme of internal audits completed.
2. External auditor's recommendations on the Group financial control environment.
3. Whistleblowing and anti-bribery policies and whistleblowing reports.
4. Reviewing the activities of the Risk Committee, receiving minutes of all its meetings and discussing any significant matters raised.
5. Technology risk and strategy.
6. Other updates relating to insurance, data privacy and compliance, including any suspected fraudulent activities and relevant investigations.

On recommendation by the Committee, the Board confirms that the framework has been in place for the year under review and up to the date of approval of the Annual Report and Accounts including all material controls consisting of financial, operational, compliance and reporting controls, which have been regularly reviewed throughout the year.

DIRECTORS' REMUNERATION REPORT

ALIGNING
INCENTIVE
WITH STRATEGY

Amanda Mackenzie
Independent Non-Executive Director

**Focus in the year**

- Assessing Executive performance during the year against remuneration performance measures
- Setting performance measures and remuneration levels for the year ahead
- Agreeing remuneration packages for the new CFO and Executive Committee role changes
- Developing the 2025 Remuneration Policy and engaging with shareholders

Role of the Committee**Remuneration Policy**

- To set and review the Remuneration Policy and practices for Executive Directors and senior management

Remuneration strategy

- To oversee the overall remuneration strategy for the Company and ensure it aligns with the purpose and culture and is clearly linked to the successful delivery of the long term strategy of the business

Remuneration outcomes

- To scrutinise the performance of the Company, Executive Directors and management to ensure appropriate remuneration is commensurate with performance outcomes

Membership and attendance

The membership of the Committee comprises three independent Non-Executive Directors. Biographical details of the Committee members are found on pages 82 to 85.

The Committee met four times in 2024/25 with an additional joint meeting held with the ESG Committee. Attendance is set out on page 85. As well as Committee members, the Chair of the Board, CEO, CFO, GC Co Sec & HR Director, Reward, Talent and Performance Director and Head of Secretariat are invited to attend each meeting.



Scrutinising performance against remuneration targets and aligning remuneration policy with strategy, culture and shareholder interests

Amanda Mackenzie

Chair of the Remuneration Committee

**Company performance**

Management has delivered another strong year of operational performance against varying levels of macroeconomic uncertainty. As discussed in detail on pages 8 to 11, there were periods during the year where market conditions enabled the Company to recycle capital, raise equity and grow the business. The market retracted sharply during the second half of the financial year, and management focused on the controllables, ran the business efficiently and made preparations to take advantage when favourable market conditions return.

The Executive Directors have performed strongly against the Annual Incentive Plan performance measures. Development profit remains behind target, however this is driven by the materially different economic conditions that existed at the commencement of the developments that are completing now. Management expects development to be a source of profit for the business in the coming years.

Underlying Profit for the year is at the stretch level of £279m which represents extremely strong financial performance amidst a challenging market backdrop.

At the same time as maintaining a core focus on earnings, the management team has also exceeded expectations on the ESG related AIP measures, both in maintaining a GRESB 5* rating and in the overall improvement in the EPC accreditations across our estate.

2025 remuneration outcomes

The Committee considered that the 2022 Remuneration Policy has operated effectively during the year and the Committee has therefore not exercised discretion to alter the formulaic remuneration outcomes for the Executive Directors. As a result, Simon Carter's AIP outcome resulted in a bonus of 122% of salary.

David Walker was appointed as CFO on 20 November 2024. All aspects of his remuneration for the year ended 31 March 2025 as reported within this report relate only to the portion of the year that he served as CFO. Accordingly, David's AIP outcome for the period from 20 November 2024 to the year-end resulted in a pro-rated bonus of 44% of his annual salary.

Bhavesh Mistry stepped down from the Board as CFO on 20 November 2024. The remuneration he received for the period of the year that he served as CFO is reported within this Directors' Remuneration Report. He was not eligible to participate in the AIP for the year ending 31 March 2025 and all unvested share awards, including the 2022 LTIP grant, lapsed upon his resignation.

The 2022 LTIP grant will vest on 21 July 2025 at a rate of 50%. The Committee notes that performance is driven by Total Property Return outperformance relative to the sector weighted MSCI index, as well as the achievement of the stretch performance targets for energy and carbon reduction.

DIRECTORS' REMUNERATION REPORT CONTINUED

2024 remuneration outcomes

The AIP outcomes published in the 2024 Annual Report were final and not subject to change following publication.

The 2021 LTIP vested at 40% as disclosed in the 2024 Annual Report. The vesting performance in the 2024 Report included an estimated outcome of nil vesting for the Total Accounting Return performance measure as the results of the full FTSE 350 comparator group were not available. The final outcome was below the threshold level relative to the comparator group and therefore the portion of the LTIP subject to the Total Accounting Return performance measure lapsed as forecasted.

Gender and ethnicity pay gaps

The British Land gender pay gap has decreased to 13.6% from 19.4% during the year and the ethnicity pay gap has increased from 17.4% to 20%. The Committee was reassured by the employee engagement survey where scores agreeing that "I believe my total compensation is fair, relative to similar roles at other companies" were virtually the same for males, females, minoritised ethnic and white employees.

The improvement in the gender pay gap follows the reconstitution of the Executive Committee, the gender balance of which has improved from 33% to 43% female representation year-on-year.

The ethnicity pay gap has increased during the year following both the departure of Bhavesh Mistry as CFO and increased diversity among our most junior and therefore lowest paid entry level hires. As a result of the Company's relatively small number of employees, very senior leavers have a disproportionate impact on our gender and ethnicity pay gaps. We remain committed to our stretching ethnicity targets at all levels as detailed on page 97 of the Nomination Committee report.

CFO remuneration

The Committee considered third party benchmarking, relative comparisons to industry peers and the remuneration level of the departing CFO when agreeing the remuneration package for David Walker ahead of his appointment as CFO.

David's salary was set at £490,000 on appointment and in accordance with the Policy, he receives a cash pension allowance of 15% of salary. David's bonus opportunity for 2025 following his appointment was 150% of salary, pro-rated for the period of the year in which he served as CFO. David was not CFO when the 2024 LTIP award was granted and he therefore received an award commensurate with his COO role at that time.

2025 Remuneration Policy

The Committee believes that the 2022 Policy remains largely appropriate and continues to incentivise management to deliver attractive shareholder returns.

Following a period of shareholder consultation, the Committee, with the full support of the Executive Directors, was pleased to incorporate requests from a number of shareholders for a Total Shareholder Return performance measure within the LTIP. The proposed 25% weighted measure replaces the equally weighted Total Property Return measure for the 2025 LTIP awards. TSR will be measured on a relative basis against a market cap weighted index of FTSE 350 property companies.

The Committee recognises that this change further aligns Executive Director performance with shareholder interests.

Recommendation

On behalf of the Board, the Committee recommends the 2025 Remuneration Policy as set out on pages 108 to 115 and the full Directors' Remuneration Report to shareholders for approval at the 2025 AGM.



Amanda Mackenzie

Chair of the Remuneration Committee

New 2025 Remuneration Policy

The proposed 2025 Policy, which remains largely unchanged from the 2022 Policy, will take effect, subject to shareholder approval, from the conclusion of the AGM on 15 July 2025.

Review process and shareholder consultation

The Committee, with input from the Company's Remuneration Consultant and executive management, reviewed the Policy in detail, considering the strategy of the business, shareholder feedback and market practice. The Committee considered that the 2022 Policy remained structurally appropriate and proposed no changes to the Policy when the shareholder consultation process began.

The Committee Chair wrote to major shareholders seeking feedback on the proposed Policy and how it is operated. The Company Secretary and Committee Chair met with a number of shareholders at their request during the consultation process. Following feedback from a number of shareholders, a change was made to the performance measures in the operation of the Long-Term Incentive Plan.

Proposed changes

The only material change is in the operation of the 2025 Policy in comparison to the 2022 Policy. This is the addition of a 25% weighted element within the LTIP which measures relative Total Shareholder Return performance against a market cap weighted index of FTSE 350 property companies. It is proposed that this measure replaces the 25% weighted relative Total Property Return element from the 2022 Policy. We have also recast the headings of the strategic objectives under the AIP to align with our five levers of growth.

All other aspects of the AIP and LTIP remain unchanged, although the Committee has highlighted its intention to continue to monitor the appropriateness of GRESB as an external ESG benchmark in relation to the AIP at the beginning of each performance year. The Committee has also proposed a minor amendment to the Policy to be able to provide Non-Executive Board members with a small retirement gift as detailed on page 112.

New 2025 Directors' Remuneration Policy

2022 Policy (existing) compared to 2025 Policy (proposed)

2022		2025	
Salary and pension		Salary and pension	
Salary		Salary	
<ul style="list-style-type: none"> Set with reference to benchmarking and experience of the candidate Subject to annual review 		<ul style="list-style-type: none"> Set with reference to benchmarking and experience of the candidate Subject to annual review 	
Pension		Pension	
<ul style="list-style-type: none"> 15% of basic salary aligned with the majority of the workforce 		<ul style="list-style-type: none"> 15% of basic salary aligned with the majority of the workforce 	
Operation of AIP		Operation of AIP	
Profitability		Profitability	
<ul style="list-style-type: none"> Total Property Return vs MSCI (weighted by sector) 	20%	<ul style="list-style-type: none"> Total Property Return vs MSCI (weighted by sector) 	20%
<ul style="list-style-type: none"> Annual Profitability 	30%	<ul style="list-style-type: none"> Annual Profitability 	30%
<ul style="list-style-type: none"> Development Profit 	10%	<ul style="list-style-type: none"> Development Profit 	10%
Environmental		Environmental	
<ul style="list-style-type: none"> The Global Real Estate ESG Benchmark (GRESB) 	10%	<ul style="list-style-type: none"> The Global Real Estate ESG Benchmark (Currently GRESB) 	10%
<ul style="list-style-type: none"> Improvement in EPC ratings across estate 	10%	<ul style="list-style-type: none"> Improvement in EPC ratings across estate 	10%
Strategic objectives	20%	Strategic objectives	20%
<ul style="list-style-type: none"> Realising the potential of our campuses Progressing value accretive development Targeting the opportunities in Retail & Fulfilment Active capital recycling People and sustainability 		<ul style="list-style-type: none"> Like-for-like growth Developments Cost control Capital recycling Fee income 	
Operation of LTIP		Operation of LTIP	
Total Property Return vs MSCI	25%	Total Shareholder Return	25%
<ul style="list-style-type: none"> Relative performance against sector weighted benchmark 		<ul style="list-style-type: none"> Relative performance against a market cap weighted index of FTSE 350 property companies 	
Total Accounting Return	50%	Total Accounting Return	50%
<ul style="list-style-type: none"> Absolute performance over the 3-year performance period 		<ul style="list-style-type: none"> Absolute performance over the 3-year performance period 	
ESG		ESG	
<ul style="list-style-type: none"> Reduction in operational carbon 	12.5%	<ul style="list-style-type: none"> Reduction in operational carbon 	12.5%
<ul style="list-style-type: none"> Reduction in operational energy 	12.5%	<ul style="list-style-type: none"> Reduction in operational energy 	12.5%

Approach to GRESB

The Committee continues to believe that GRESB remains the most relevant third party measure through which to assess the Company's ESG performance on a relative basis. Given the changing ESG landscape however, the Committee will continue to assess the relevance of GRESB and reserves the ability to select a different third party index at the beginning of each performance year.

Approach to strategic objectives

The Committee maintains flexibility to recast the headings of the strategic objectives at the beginning of each performance year, in order that they align with the strategic priorities of the business on an annual basis.

DIRECTORS' REMUNERATION REPORT CONTINUED

New 2025 Directors' Remuneration Policy

Fixed remuneration

Operation (and strategic purpose)	Maximum opportunity	Performance conditions
Basic salary To attract, motivate and retain talented Executive Directors.		
<p>The level of basic salary is set taking into account the scope and responsibilities of the role and the level of remuneration paid at companies of broadly similar size.</p> <p>Basic salaries are normally reviewed annually by the Remuneration Committee, with increases usually taking effect on 1 April for the subsequent year. Employment conditions and salary increases throughout the Group are taken into account when basic salaries are reviewed.</p> <p>Changes in the scope of an Executive Director's role may result in a review of salary.</p>	<p>The maximum level of basic salary will not be greater than the current salary as increased, typically in line with the market and general salary increases throughout the Group.</p> <p>If an individual is appointed at a lower salary, for example, to reflect inexperience as a listed company Director, larger increases may be awarded over future years as they prove their capability.</p>	Not applicable.
Car allowance, benefits and all-employee share schemes To provide a car allowance and set of benefits which support the Executive Director and encourage participation in the all-employee share schemes.		
<p>A car allowance may be paid or a company car may be provided to Executive Directors.</p> <p>Executive Directors are eligible to receive other taxable and non-taxable benefits, that may include:</p> <ul style="list-style-type: none"> - private medical insurance (covering the Director and family) - life assurance cover - permanent health insurance - access to independent actuarial, financial and legal advice when necessary - gym membership, subsidised by the Company - annual medical checks - relevant professional subscription fees - other benefits on substantially the same basis as other employees. <p>Executive Directors are eligible to participate in British Land's Share Incentive Plan (SIP), Sharesave Scheme and any other future plans on the same basis as other eligible employees.</p> <p>The Company provides Directors' and Officers' Liability Insurance and may provide an indemnity to the fullest extent permitted by the Companies Act.</p>	<p>The maximum car allowance is £20,000 per annum.</p> <p>The maximum cost of other taxable and non-taxable benefits permitted under the Policy is the amount required to continue providing benefits at a similar level year-on-year.</p> <p>The maximum opportunities under the SIP, Sharesave Scheme and any subsequent plans are set by the rules of the schemes and may be determined by statutory limits.</p>	Not applicable.
Pension or pension allowance To provide an appropriate level of pension in retirement for Executive Directors.		
<p>Executive Directors may receive pension benefits through a defined contribution scheme or cash allowance in lieu of pension contributions.</p> <p>Cash allowances in lieu of pension contributions would typically be paid at the same level of salary as Company contributions under the defined contribution arrangement.</p> <p>Unless already a member of the legacy defined benefit scheme, Directors will not be able to participate in it.</p>	<p>Employer pension contributions to Executive Directors under the defined contribution arrangement and cash allowances in lieu of pension are made at a fixed percentage of salary, no higher than the rate available to the majority of the workforce, which is currently 15% of salary.</p>	Not applicable.

New 2025 Directors' Remuneration Policy (continued)

Variable remuneration

Operation (and strategic purpose)	Maximum opportunity	Performance conditions
Annual Incentive To reward performance against quantitative and strategic objectives that are set annually.		
<p>Annual Incentive awards may be granted to Executive Directors each year, with the level of award reflecting strategic aims of the Company. Objectives are set by the Board and measures set by the Remuneration Committee.</p> <p>Awards are granted following the financial year end, when actual performance over that year is measured.</p> <p>A portion of the Annual Incentive Award is paid in cash and the remaining portion (net of tax) is used to purchase British Land shares on behalf of the Executive Director (Annual Incentive Shares).</p> <p>Currently, one third of any Annual Incentive Award will be required to be used to purchase Annual Incentive Shares.</p> <p>Annual Incentive Shares must be held for three years from the date of grant of the Annual Incentive award before they may be transferred or sold, regardless of whether or not the individual remains an employee of British Land throughout this period. Executive Directors are entitled to the dividends paid in respect of the Annual Incentive Shares during the holding period.</p> <p>The Annual Incentive award (cash and shares) may be clawed back during the three-year period following determination of the award in certain circumstances. These are set out on page 115.</p>	<p>The maximum level of Annual Incentive which may be granted is equivalent to 150% of basic salary.</p>	<p>The objectives are set by the main Board and the measures by the Remuneration Committee normally at the beginning of the financial year over which performance will be assessed and following the end of the financial year when performance can be determined.</p> <p>At least 60% of the Annual Incentive will be based on financial performance conditions, with the remainder based on non-financial /strategic performance conditions.</p> <p>No more than 25% of any part of the award will be earned for threshold performance. Up to or equal to half of the maximum potential award is payable for target performance that is in line with expectations. If the stretch target is met the maximum potential award will be earned.</p> <p>The Committee has the discretion to adjust the outturn to ensure it reflects underlying performance.</p> <p>No further performance conditions are attached to the Annual Incentive Shares during the holding period.</p>
Long Term Incentive Plan (LTIP) To link the level of reward to Company performance against specified long term measures, promoting and rewarding activities that support our strategy and create sustainable long term value for shareholders.		
<p>LTIP awards may be granted annually by the Remuneration Committee to Executive Directors. Awards are in the form of performance shares (conditional rights to receive shares).</p> <p>LTIP awards typically vest after three years. The number of performance shares vesting is dependent on the degree to which performance conditions attached to the LTIP have been met over this three-year performance period. The Committee has the discretion to adjust the outturn to ensure it reflects underlying performance. A payment equivalent to the dividends accrued on vesting performance shares is paid at the point of vesting normally in shares but in exceptional circumstances cash.</p> <p>On vesting, sufficient performance shares may be sold to cover an individual's liability to income tax and National Insurance contributions and related costs of sale. The remaining performance shares must be held for two years following vesting before they are permitted to be transferred or sold, regardless of whether or not the individual remains an employee of British Land throughout this period.</p> <p>LTIP awards may be forfeited and/or clawed back from the date of grant until three years after the determination of the vesting level of an award in certain circumstances. These are set out on page 115. If it is discovered that an LTIP award was granted or vested on the basis of materially misstated accounts or other data the Committee may require some or all of the performance shares to be forfeited or clawed back during a period of up to six years following the grant date.</p>	<p>The maximum value (using the share price at the time of award multiplied by the number of shares) of an LTIP award which may be granted is equivalent to 300% of basic salary.</p>	<p>The LTIP performance conditions are chosen to reward performance that is aligned with British Land's strategy. At least 75% of the award will be based on financial related performance conditions, with the remainder based on non-financial/strategic performance conditions.</p> <p>Within these limits, the relative weighting and nature of the performance conditions may be varied by the Committee to ensure the LTIP best supports British Land's strategy and to meet investor preferences.</p> <p>For relative metrics, the Committee may amend the comparator groups during the performance period if there is a corporate event affecting any member of the group. The Committee may also amend a target or performance benchmark if a different target or benchmark is deemed more appropriate.</p> <p>Performance conditions are challenging, requiring significant outperformance for 100% of the LTIP award to vest. No more than 20% of the award will vest if the minimum performance threshold is achieved; performance below the minimum threshold for a performance condition will result in the LTIP award in respect of that condition lapsing.</p>

DIRECTORS' REMUNERATION REPORT CONTINUED

Variable remuneration

Operation (and strategic purpose)	Maximum opportunity	Performance conditions
Policy on shareholdings of Executive Directors To encourage Executive Directors to build and maintain a shareholding in the Company, including post-cessation of employment.		
The Company has a policy that Executive Directors will be required to build and retain a level of shareholding in the Company, including post-cessation of employment. The shareholding requirement is 225% of salary for the CEO and 200% of salary for the CFO with this level being required to be held for two years following cessation. The Committee retains discretion to operate the shareholding requirement as appropriate in specific circumstances.	The Policy requirement is that the Executive Directors are expected to build up a shareholding of at least 200% of salary (in practice the operation of the Policy may be at a higher level).	Not applicable.

Chair and Non-Executive Directors' fees

No element of the Chair and Non-Executive Directors' fees or other arrangements are subject to performance conditions.

Operation (and strategic purpose)	Maximum opportunity
Chair's fee To attract and retain an individual with the appropriate degree of expertise and experience.	
The Chair's annual fee is set by the Remuneration Committee and reviewed annually. The level of the Chair's annual fee is set taking into account fees paid at companies of broadly similar size.	Typically increases, if required, will be in line with market.
Non-Executive Directors' fees To attract and retain Non-Executive Directors with the appropriate degree of expertise and experience.	
Remuneration of the Non-Executive Directors is a matter for the Executive Directors and Chair, and fees are reviewed annually. Non-Executive Directors receive a basic annual fee plus additional fees if they are members of a Committee, and if they hold the position of Senior Independent Director, Chair of a Committee, perform additional roles or have a greater time commitment. The Company's Policy is to deliver a total fee at a level in line with similar positions. Upon retirement from the Board, Non-Executive Directors and the Chair are eligible to receive a gift from the Company which shall not exceed £500. Where a tax liability is incurred on such a gift, the Committee has the discretion to approve the payment of such liability on behalf of the Non-Executive Directors in addition to the value of the gift.	The maximum aggregate amount of basic fees payable to all Non-Executive Directors shall not exceed the limit set in the Company's Articles of Association, which is £900,000. Basic fees do not include the Chair's fee or fees for being Senior Independent Director, member or Chair of a Committee.

Other arrangements for the Chair and the Non-Executive Directors

The Company may reimburse expenses reasonably incurred by the Chair and the Non-Executive Directors in fulfilment of the Company's business, together with any taxes thereon. The Company provides the Chair and the Non-Executive Directors with Directors' and Officers' Liability Insurance and may provide an indemnity to the fullest extent permitted by the Companies Act 2006.	The maximum reimbursement is expenses reasonably incurred, together with any taxes thereon. The maximum value of the Directors' and Officers' Liability Insurance and the Company's indemnity is the cost at the relevant time.
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Notes to the New 2025 Directors' Remuneration Policy table

Remuneration Policy for other employees

Salary reviews across the Group are carried out on the same basis as salary reviews for the Executive Directors; consideration is given to the individual's role, duties, experience and performance, along with consideration of typical salary levels of employees in similar roles in comparable companies, where the data is available.

Employees are entitled to taxable and non-taxable benefits including pension contributions, with executives being entitled to substantially the same benefits as the Executive Directors.

The Company's all-employee share schemes (the Share Incentive Plan and the Sharesave Scheme) are also open to eligible employees.

The Company operates annual incentive arrangements throughout the business which are cascaded from the AIP objectives, and tailored where appropriate to the specific functions and individuals. Senior employees may also participate in the LTIP and/or Restricted Share award schemes.

The Committee did not consult with the wider employee population when designing the Policy. The Committee does however consider the wider pay context when designing and operating the Policy to ensure appropriate alignment on remuneration across the Group.

Choice of performance measures

At least 60% of the Annual Incentive will be based on financial performance conditions, with the remainder based on non-financial/strategic performance conditions. The specific performance conditions are determined in line with the strategic priorities.

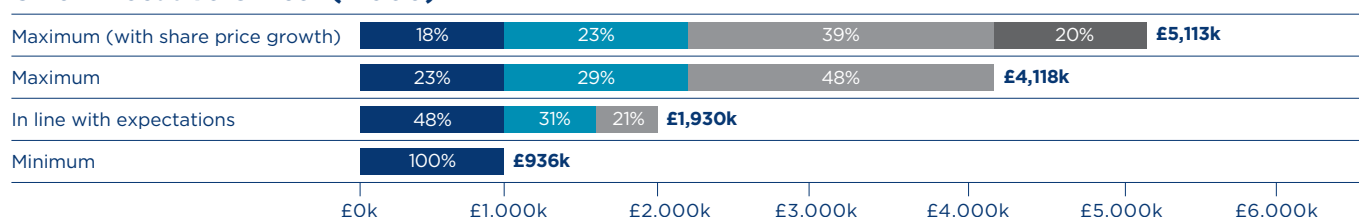
At least 75% of an LTIP award will be based on financial related performance conditions, with the remainder based on non-financial/strategic performance conditions. The LTIP performance conditions are chosen to reward performance that is aligned with British Land's strategy.

The AIP and LTIP targets are set taking into account the business plan and investor expectations, with the Committee ensuring there is a robust and appropriate link between payouts and performance.

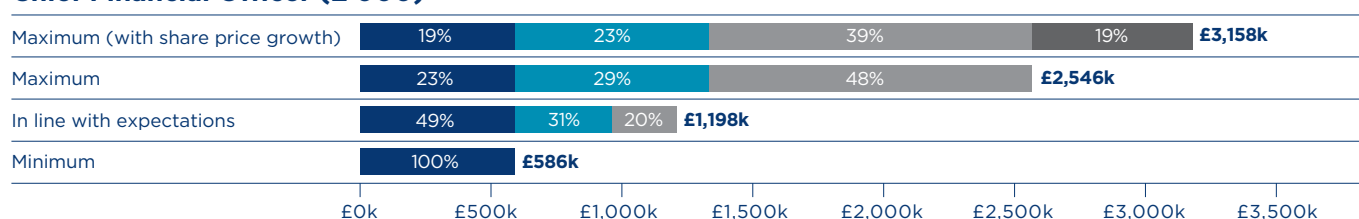
Illustration of application of the New 2025 Remuneration Policy

The bar charts below illustrate the levels of remuneration receivable by the Executive Directors in the first year of operation of the proposed Remuneration Policy for varying levels of performance.

Chief Executive Officer (£'000)



Chief Financial Officer (£'000)



Key

- Fixed pay
- Annual bonus
- LTIP
- LTIP value with 50% share price growth

Basis of calculation:

The above charts have been calculated using (a) salaries for the year ending 31 March 2026; (b) benefit values for the year ending 31 March 2025; and (c) pension policy as applicable for the year ending 31 March 2026, i.e. 15% of salary.

Assumptions:

Minimum: Fixed pay only consisting of salary, pension and benefits. No payouts under the AIP or LTIP.

In line with expectations: Fixed pay plus 50% of maximum under the AIP and threshold vesting at 20% of maximum under the LTIP.

Maximum: Fixed pay plus 100% of maximum under the AIP and LTIP.

Maximum with share price growth: As for the "Maximum" scenario but illustrating the impact of a 50% share price increase on the LTIP.

DIRECTORS' REMUNERATION REPORT CONTINUED

Approach to recruitment remuneration

Executive Directors

Basic salary is set at a level appropriate to recruit a suitable candidate, taking into account external market competitiveness and internal equity. The level of basic salary may initially be positioned below the mid-market of the chosen comparator group, with the intention of increasing it to around the mid-market of the comparator group after an initial period of satisfactory service.

Individuals will be able to receive a contribution to a pension plan, or cash in lieu thereof, and the Company contribution will not be greater than the rate available to the majority of the workforce (currently 15% of salary).

Annual Incentive opportunity and Long Term Incentive award levels will be in line with the Policy.

Where a recruit is forfeiting incentive awards granted by their existing employer, compensation in the form of a Restricted Share Plan (RSP) award or otherwise may be made (in accordance with UKLR 9.3.2), the maximum value of which will be that which the Committee, in its reasonable opinion, considers to be equal to the value of remuneration forfeited.

The vesting of the award may be subject to additional performance measures being met over the same period. The Committee will determine the most relevant measures to use at the time of award, bearing in mind the responsibilities of the individual being appointed and the Company's strategic priorities at the time.

The Company's Policy is to give notice periods of no longer than 12 months.

Chair and Non-Executive Directors

On recruitment, the Chair will be offered an annual fee in accordance with the Policy. The level of the annual fee may initially be positioned below the mid-market level, with the intention of increasing it to around the mid-market level of the comparator group after an initial period of satisfactory service. Non-Executive Directors will be offered Non-Executive Directors' fees in accordance with the Policy.

Appointment of internal candidates

If an existing employee of the Group is appointed as an Executive Director, Chair or Non-Executive Director, any obligation or commitment entered into with that individual prior to his or her appointment can be honoured in accordance with the terms of those obligations or commitments, even where they differ from the terms of the Policy.

Policy on loss of office

Executive Directors

The Executive Directors' service contracts can be lawfully terminated by either party giving 12 months' notice, or by the Company making a lump sum payment in lieu of notice (PILON) equal to the Executive Director's base salary for the notice period. Additionally, when the Company makes a PILON, it may either pay a lump sum equal to the value of any benefits for the notice period or continue to provide benefits until the notice period expires or the Executive Director starts new employment (whichever is the earlier). These lawful termination mechanisms do not prevent the Company, in appropriate circumstances, from terminating an Executive Director's employment in breach of their service contract and seeking to apply mitigation in determining the damages payable. Where this is achievable in negotiation with the outgoing Director, settlement arrangements are structured so that the termination payment is paid in instalments and the instalments are reduced by an amount equal to any earnings received from the outgoing Director's new employment, consultancy or other paid work.

For departing Executive Directors and Executive Directors that have already left British Land the Committee may agree to cash commutation of pension benefits under the defined benefit scheme (including EFRBS benefits) and other pension arrangements entered into prior to the adoption of the new 2025 Remuneration Policy. Any commutation would take into account valuations provided by independent actuarial advisers so as to be undertaken on a basis considered by the Committee to be cost neutral to the Company.

The circumstances of the loss of office dictate whether the individual is treated as a good leaver or otherwise, in accordance with the Company's Policy. The Committee uses its discretion to form a view taking into account the circumstances. Good leavers typically receive pro-rata Annual Incentive and long term incentive awards, subject to performance measurement, and other leavers forfeit their entitlements. In the event of a change of control the rules of the share plans generally provide for accelerated vesting of awards, subject (where applicable) to time apportionment and achievement of performance targets.

New 2025 Directors' Remuneration Policy (continued)

Malus and clawback

In relation to both Annual Incentive Plan and LTIP awards under this Policy, malus and clawback provisions will apply in the following circumstances:

- the discovery of a material misstatement resulting in an adjustment in the audited accounts of the Group;
- the assessment of any performance condition was based on error, or inaccurate or misleading information;
- the discovery that any information used to determine cash or share awards was based on error, or inaccurate or misleading information;
- action or conduct of a participant which amounts to fraud or gross misconduct;
- corporate failure; and
- events or the behaviour of a participant have led to the censure of a Group company by a regulatory authority or have had a significant detrimental impact on the reputation of the Group.

Discretion

The Committee has discretion in several areas of Policy as set out in this Report. This includes the ability to set different performance conditions from year to year within the AIP and LTIP. The Remuneration Committee may also exercise operational and administrative discretions under relevant plan rules approved by shareholders as set out in those rules. In addition, the Committee has discretion to amend the Policy with regard to minor or administrative matters where it would be, in the opinion of the Committee, disproportionate to seek or await shareholder approval.

In addition, the Committee retains the discretion to override the formulaic outcomes of incentive schemes. The purpose of this discretion is to ensure that the incentive scheme outcomes are consistent with overall Company performance and the long term experience of shareholders.

Pre-existing obligations and commitments

It is a provision of this Policy that the Company can honour all pre-existing obligations and commitments that were entered into prior to this new 2025 Remuneration Policy taking effect. The terms of those pre-existing obligations and commitments may differ from the terms of the Remuneration Policy and may include (without limitation) obligations and commitments under service contracts, long term incentive schemes (including previous Long Term Incentive Plans), pension and benefit plans.

DIRECTORS' REMUNERATION REPORT CONTINUED

How we intend to apply our Remuneration Policy during the year ending 31 March 2026

Executive Director salaries

The Executive Directors' salaries for the year beginning 1 April 2025 are set out in the table below. The increase to the Chief Executive's salary is 3% reflecting the average workforce increase. The Chief Financial Officer's salary will not increase as it was set on his appointment during the year.

Director	2024/25 £000	2025/26 £000
Simon Carter	773	796
David Walker	490	490

Annual Incentive Plan

The maximum bonus opportunity for Executive Directors remains 150%. The detailed targets the Committee sets are considered to be commercially sensitive and will be disclosed in the 2026 Annual Report.

Measure	Vesting range for minimum to maximum expectations	Weighting
Total Property Return		
TPR vs Sector Weighted MSCI Universe	17% to 100%	20%
Annual Profitability		
Underlying Profit	0% to 100%	30%
Development Profit	0% to 100%	10%
Environmental Measures		
GRESB Ranking	25% to 100%	10%
EPC Ratings	20% to 100%	10%
Strategic Objectives		
	0% to 100%	20%

Long Term Incentive Plan

The maximum award level in the year commencing 1 April 2025 will remain at 250% for Executive Directors

	Target	Weighting
Total Accounting Return		
	Threshold: 4% p.a. Maximum: 10% p.a. Performance is calculated on a straight line basis.	50%
Total Shareholder Return		
	Threshold: Equal to FTSE 350 REIT index Maximum: Index + 3% p.a.	25%
Environmental Measures		
Operational Carbon Reduction	Threshold: 55% Intermediate: 60% Maximum: 65%	12.5%
Operational Energy Reduction	Threshold: 23% Intermediate: 24% Maximum: 25%	12.5%

All Long Term Incentive Plan measures vest across a range of 20% to 100%

Non-Executive Director fees

Role	2024/25 £000	2025/26 £000
Chair	375	375
Non-Executive Director	66	66
Senior Independent Director	10	10
Audit or Remuneration Committee Chair	20	20
Audit or Remuneration Committee Member	8	8
ESG Committee Chair	14	14
Nomination or ESG Committee Member	5	5
Innovation Advisory Council Chair	50	50
Innovation Advisory Council Member	30	30

How we intend to apply our Remuneration Policy in the year ending 31 March 2026

How we align remuneration with strategy

As outlined within the Strategic Report, our business model is centred around an ambition to responsibly deliver an income focused Total Accounting Return of 8-10% through the cycle. We do this by developing and actively managing our portfolio, recycling capital out of mature assets into growth sectors and sourcing value add opportunities.

Our ambitions are supported by our values and underpinned by our purpose, to create Places People Prefer.



New 2025 Remuneration Policy applied to the year ending 31 March 2026

Annual Incentive	Weighting	Link to business model
Profitability	60%	We are an earnings driven business. 60% of our annual incentive is focused on profitability, both in absolute terms and relative to the wider property sector.
Annual Profit	30%	
Total Property Return vs MSCI	20%	
Development Profit	10%	
Environment	20%	We are a responsible business. Our priority is to create returns for our shareholders, but we do so in a way that considers our environmental impact.
GRESB Benchmark	10%	
EPC Rating	10%	
Strategic Objectives	20%	<p>Our strategic objectives are centred around the delivery of an income focused Total Accounting Return of 8-10% through the cycle. They are related to:</p> <ul style="list-style-type: none"> – Like-for-like growth – Developments – Cost control – Capital recycling – Fee income <p>The individual objectives under each heading are commercially sensitive and will be reported within the 2026 Annual Report.</p>
Long Term Incentive		
Total Accounting Return	50%	Aligns with our central ambition and drives longterm priority for an income focused 8-10% Total Accounting Return for our shareholders, through the cycle.
Total Shareholder Return	25%	Drives behaviours to ensure that on a long term basis, British Land remains an attractive investment relative to the wider listed property market.
Carbon reduction	25%	Maintains a long term focus on our carbon footprint.

DIRECTORS' REMUNERATION REPORT CONTINUED

How we applied our current Remuneration Policy during the year ended 31 March 2025

Single total figure of remuneration (audited)

The following tables detail all elements of remuneration receivable by British Land's Executive Directors in respect of the year ended 31 March 2025 and show comparative figures for the year ended 31 March 2024.

	Simon Carter		David Walker ¹		Bhavesh Mistry ¹²	
	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000
Salary	773	773	-	178	505	336
Taxable benefits	20	20	-	8	20	14
Pension or pension allowance	116	116	-	27	76	51
Other items in the nature of remuneration	14	12	-	2	11	8
Fixed remuneration	923	921	-	215	612	409
Annual incentive	919	941	-	213	-	-
Long term incentives	718 ³	884 ⁴	-	213 ⁴	-	-
Variable remuneration	1,637	1,825	-	426	-	-
Total	2,560	2,746	-	641	612	409

Notes to the single total figure of remuneration table (audited)

Pensions

	Simon Carter		David Walker		Bhavesh Mistry	
	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000
DC Pension Contribution	9	10	-	1	10	7
Pension Allowance	107	106	-	26	66	44
Total	116	116	-	27	76	51

Simon Carter is also a member of the British Land Defined Benefit Pension Scheme in respect of his employment at British Land earlier in his career prior to becoming an Executive Director.

Taxable benefits

	Simon Carter		David Walker		Bhavesh Mistry	
	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000
Car allowance	17	17	-	6	17	11
Private medical	3	3	-	2	3	3
Total	20	20	-	8	20	14

Other items in the nature of remuneration

	Simon Carter		David Walker		Bhavesh Mistry	
	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000
Insurances	6	5	-	1	3	2
Subscriptions	1	1	-	0	1	1
Share Incentive Plan	7	6	-	1	7	5
Total	14	12	-	2	11	8

- David Walker and Bhavesh Mistry's remuneration for 2025 is pro-rated to reflect the amount of time each of them served on the Board as CFO during the year. Bhavesh stepped down and David joined the Board on 20 November 2024.
- Bhavesh Mistry was not eligible to receive an award under the Annual Incentive Plan in respect of the year ended 31 March 2025 and his outstanding LTIPs lapsed upon his resignation. Bhavesh resigned before the 2024 Annual Incentive award was paid and LTIP vesting date. As a result, the Annual Incentive amount reported in the 2024 Annual Report was not paid to him and the 2021 LTIP award that would have vested on 22 June 2024, lapsed.
- Confirmed outcome. A forecast estimated figure was published in the 2024 Annual Report on the basis of a Volume Average Weighted Price for the quarter ended 31 March 2024. The actual outcome is reflected in the table above on the basis of the share price achieved upon vesting of 412p. The vesting level remained at 40% as estimated within the 2024 Annual Report.
- Estimated vesting outcomes. Values are based on the Volume Weighted Average Price of 361p in respect of the last quarter of the year ended 31 March 2025. Final vesting outcomes will be confirmed in the 2026 Annual Report.

Performance Outcomes for the year ended 31 March 2025

Annual Incentive Plan (audited)

Measure	Weighting	Threshold ¹	Maximum	Outcome	Weighting (% of max bonus available)
Total Property Return					
TPR vs Sector Weighted MSCI Universe	20%	0bps	+125bps	+224bps	20%
Annual Profitability					
Underlying Profit	30%	£260m	£276m	£279m	30%
Development Profit	10%	£110m	£160m	£21m	0%
Environmental Measures					
GRESB Ranking	10%	5*-1pt	5*+3pts	5*+2.5pts	9.17%
EPC Ratings	10%	61%	67%	68%	10%
Strategic Objectives					
Simon Carter	20%	0%	20%	12.00%	12.00%
David Walker	20%	0%	20%	11.67%	11.67%
Total payout				% of max	% of salary
Simon Carter				81.17	121.75
David Walker ²				80.84	121.25

- 0% payable for threshold performance for Underlying Profit and Development Profit. 20% payable for threshold performance, 50% payable for in-line (being GRESB 5 star) rising to 100% for maximum level for GRESB rating. 20% payable for threshold performance for EPC Ratings. 17% payable for threshold performance for Total Property Return vs MSCI
- The percentages for David Walker are based on a full year. His Annual Incentive Plan award has been pro-rated for the time served as CFO since joining the Board on 20 November 2024 and is equal to 43.52% of his annual rate of salary

In line with the current Policy, one third of the Annual Incentive payout will be used to purchase Annual Incentive Shares which must be held for a period of three years.

AIP scorecards (audited)

Simon Carter

Measure	Weighting	Outcome	% award achieved
Active Capital Recycling	6.0%	Good progress on sales: £540m sales overall 1.8% ahead of book value including exchanged and under offer. In addition, 2FA JV sale to Modon Holdings, reducing our stake to 25%. £738m retail park purchases despite a competitive market. 75% of Meadowhall proceeds redeployed, followed by £441m Brookfield portfolio deal in conjunction with equity raise in October.	3.7%
Realising the potential of our campuses	3.5%	Cultural scheme at the Printworks at Canada Water approved and planning on Euston Tower approved. Space delivered at Regents Place in partnership with the Crick and operating agreement in place. Fully let The Optic at Peterhouse to ARM.	1.6%
Progressing value accretive development	3.0%	Practical completion achieved at Aldgate, The Priestley Centre and The Optic, and continuing to progress 1 Broadgate, Mandela Way and 1 Triton Square.	2.0%
Building our exposure in urban logistics	1.5%	Mandela Way progressing well and should practically complete in Q2 FY26. Planning achieved on Verney Road.	0.5%
Delivering our residential strategy	2.0%	Aldgate achieved practical completion on programme and on budget. Canada Water residential sales prices above targeted level and sales velocity consistent with other schemes, albeit slower than targeted.	0.7%
People & Sustainability	4.0%	Gender pay gap improved by c.5%, although ethnicity pay gap increased due to movements in the senior management team. Engagement survey completed with a Group engagement score of 79%, in line with last year and outperforming the benchmark.	3.5%

DIRECTORS' REMUNERATION REPORT CONTINUED

David Walker

Measure	Weighting	Outcome	% award
Active Capital Recycling	3.5%	Maintained refinancing date of greater than two years. Fitch Ratings, as part of their annual review in July 2024, affirmed all our credit ratings with a stable outlook, including the Senior Unsecured rating at 'A'.	3.0%
Realising the value opportunities in Retail	2.5%	Exchanged £30m of long term deals including £13m of new lettings. Deals exchanged at an average of more than 10% ahead of ERV.	1.7%
Realising the potential of our campuses	2.5%	Exchanged £43m of long term deals. Storey occupancy at 97% and retentions at 70%.	0.3%
Delivering operational efficiency and effectiveness	5.5%	FY25 Cost Ratio of 17.5% achieving target driven by good cost control and driving fee income. New lead to lease system delivered with further enhancement phase going well. Further improvements in systems, technology and processes underway.	3.2%
Progressing value accretive development	2.0%	Progress on leasing recently completed space behind plan; however, signs of improving demand and increase in viewing levels looking ahead to FY26.	0.0%
People & Sustainability	4.0%	Gender pay gap improved by c.5%, although ethnicity pay gap increased due to movements in the senior management team. Engagement survey completed with a Group engagement score of 79%, in line with last year and outperforming the benchmark.	3.5%

Long Term Incentive Plan (audited)

The figure in the long term incentives column of the single total figure of remuneration table on page 118 relates to the vesting of awards granted in 2022 under the Long Term Incentive Plan. The below tables outline the performance conditions attached to the awards, final performance outcomes and the forecast vesting position. Final vesting outcomes will be reported within the 2026 Annual Report.

Measure (weighting)	Threshold	Vesting at threshold		Maximum	Outcome	% of award vesting
Profitability						
Total Accounting Return (50%)	4% p.a.	20%	<div></div>	10% p.a.	-4.4% p.a.	0%
Total Property Return vs MSCI (25%)	-4.1%	20%	<div></div>	-3.1% p.a.	-0.4% p.a.	25%
Environmental Measures						
Operational Carbon Reduction (12.5%)	-10%	20%	<div></div>	-30%	-38%	12.5%
Operational Energy Reduction (12.5%)	-7%	20%	<div></div>	-14%	-19%	12.5%
Vesting outcome					50%	

Long Term Incentive Plan (audited)

Executive Director	Grant date	Vesting date	Number of performance shares awarded	Number of performance shares vesting	Estimated value of award on vesting £000 ¹	Estimated dividend equivalent value £000	Increase in value as a result of share price movement between grant and vesting £000 ²
Simon Carter	19/07/2022	21/07/2025	411,121	205,560	742	142	0
David Walker	19/07/2022	21/07/2025	98,806	49,403	179	34	0

1. Values are based on the Volume Weighted Average Price of 361p in respect of the last quarter of the year ended 31 March 2025

2. The share price used to calculate the value of the awards on grant was 456.07p

Share scheme interests awarded during the year (audited)

The total face value of LTIP awards made to Simon Carter for the year ended 31 March 2025 was equivalent to 250% of his basic salary at grant. David Walker was not CFO at the point that his 2024 LTIP was granted and therefore the value of his award was calculated in accordance with arrangements for Executive Committee members.

The share price used to determine the face value of performance shares (conditional rights to receive shares subject to performance conditions), and thereby the number of performance shares awarded, is the average over the three dealing days immediately prior to the day of award. The share price for determining the number of performance shares awarded to Executive Directors was 429.07p. The performance conditions attached to these awards are summarised below.

Performance shares

Executive Director	Grant date	Number of performance shares granted	Face value £000	End of performance period	Vesting date	Percentage vesting on achievement of minimum performance threshold %
Simon Carter	20/06/24	450,101	1,931	31/03/27	21/06/27	20%
David Walker	20/06/24	122,357	525	31/03/27	21/06/27	20%

Performance against the LTIP will be assessed over a period of three years. No more than 20% of each component of the award will vest if the minimum performance threshold is achieved. Performance below the minimum threshold will result in the relevant proportion of the LTIP award lapsing. 100% of the proportion of each element of award attached to each measure will vest if British Land's performance reaches the stretch level. Those levels are: relative TPR performance against the MSCI March Annual Universe Benchmark: equal to the benchmark for threshold performance and +1.00% p.a. for maximum performance (25% weighting); absolute TAR: 4% p.a. for threshold performance and 10% p.a. for maximum performance (50% weighting); Operational Carbon Reduction: 53% reduction for threshold performance and 63% reduction for maximum performance (12.5% weighting); and Operational Energy Reduction: 19% reduction for threshold performance and 23% reduction for maximum performance (12.5% weighting).

TAR will be measured on the basis of a three-year average over the performance period. TPR will be measured on a straight-line basis between the index and stretch performance. Both sustainability metrics will be measured against the 31 March 2019 base level disclosed within our 2030 Sustainability Strategy, which can be found at www.britishland.com/sustainability.

Payments to past Directors and payments for loss of office (audited)

There were no payments to past Directors or payments to Directors for loss of office during the year ended 31 March 2025.

Bhavesh Mistry was not eligible to receive an award under the Annual Incentive Plan in respect of the year ended 31 March 2025 and his outstanding LTIPs, unvested joining awards and SIP shares either lapsed or were forfeited upon his resignation.

Bhavesh resigned before the 2024 Annual Incentive award was paid and the LTIP vesting date. As a result, the Annual Incentive amount reported in the 2024 Annual Report was not paid to him and the 2021 LTIP award that would have vested on 22 June 2024, lapsed.

DIRECTORS' REMUNERATION REPORT CONTINUED

Directors' shareholdings and share interests (audited)

The table below shows the Directors' shareholdings, including shares held by connected persons, as at year end or, if earlier, the date of retirement from the Board.

Although there are no shareholding guidelines for Non-Executive Directors, they are each encouraged to hold shares in British Land. The Company facilitates this by offering Non-Executive Directors the ability to purchase shares quarterly using their post-tax fees. During the year ended 31 March 2025, Mark Aedy, Irvinder Goodhew and Tim Score have each received shares in full or part satisfaction of their fees.

Director	Outstanding scheme interests as at 31 March 2025				Shares held		Total of all share plan awards and shareholdings as at 31 March 2025 or departure date
	Unvested share plan awards (subject to performance measures)	Unvested share plan awards (not subject to performance measures)	Unvested share plan option awards	Total shares subject to outstanding share plan awards	As at 1 April 2024	As at 31 March 2025	
Simon Carter	1,432,597	5,258	4,275	1,442,130	390,369	548,945	1,991,075
Bhavesh Mistry ¹	-	-	-	-	221,155	235,213	235,213
David Walker ²	363,544	5,258	4,771	373,573	-	59,958	433,531
Tim Score (former Chair) ¹					153,004	159,480	159,480
William Rucker (Chair) ²					-	50,000	50,000
Mark Aedy					19,841	53,022	53,022
Lynn Gladden					18,339	18,339	18,339
Irvinder Goodhew ¹					38,074	52,733	52,733
Alastair Hughes					7,371	7,371	7,371
Amanda James ²					-	11,848	11,848
Amanda Mackenzie					-	-	-
Preben Prebensen ¹					20,000	20,000	20,000
Mary Ricks					-	11,848	11,848
Laura Wade-Gery ¹					9,585	9,585	9,858
Loraine Woodhouse					17,725	20,094	20,094

1. Bhavesh Mistry, Tim Score, Irvinder Goodhew, Preben Prebensen and Laura Wade-Gery stepped down from the Board during the year. Their shareholdings reflect the holdings as at their departure date

2. William Rucker, David Walker and Amanda James joined the Board during the year which means they have no shareholding to disclose as at 1 April 2024

Acquisitions of ordinary shares after the year end

In addition, on 8 April 2025, Mark Aedy was allotted 2,617 shares at a price of 373.07 pence per share in satisfaction of his fee.

The Executive Directors have purchased or been granted the following fully paid ordinary British Land shares under the terms of the partnership, matching and dividend elements of the Share Incentive Plan:

Executive Director	Date of purchase or award	Purchase price	Partnership shares	Matching shares
Simon Carter	14/04/25	354p	42	42
	14/05/25	395p	38	38
David Walker	14/04/25	354p	42	42
	14/05/25	395p	38	38

Other than as set out above, there have been no further changes from 31 March 2025 up to the date this Annual Report was approved by the Board on 21 May 2025.

Shareholding guidelines

The shareholding guidelines (as a percentage of salary) for Executive Directors are 200% for the Chief Financial Officer and 225% for the Chief Executive. In addition, Executive Directors are required to retain shares equal to the level of this guideline (or if they have not reached the guideline, the shares that count at that time) for the two years following their departure. There is no set timescale for Executive Directors to reach the prescribed guideline but they are expected to retain net shares received on the vesting of long term incentive awards until the target is achieved. Shares that count towards the holding guideline are those which are unfettered and beneficially owned by the Executive Directors and their connected persons; conditional Share Incentive Plan shares and all vested awards count towards the requirement on a net of tax basis. Any LTIP performance shares or share options do not count.

The guideline shareholdings for the year ended 31 March 2025 are shown below based on the Volume Weighted Average Price for 31 March 2025 of 370.5p:

Executive Director	Guideline as percentage of basic salary	Guideline holding	Holding counting towards guidelines at 31 March 2025	% of salary held (based on 31 March 2025 shareholding)
Simon Carter	225	469,432	548,945	263
David Walker	200	264,507	59,958	45

Unvested share awards (subject to performance)

Executive Director	LTIP performance shares				
	Date of grant	Number outstanding at 31 March 2025	Subject to performance measures	End of performance period	Vesting date
Simon Carter	19/07/22	411,121	Yes	31/03/25	21/07/25
	15/06/23	571,375	Yes	31/03/26	15/06/26
	20/06/24	450,101	Yes	31/03/27	21/06/27
David Walker	19/07/22	98,806	Yes	31/03/25	21/07/25
	15/06/23	142,381	Yes	31/03/26	15/06/26
	20/06/24	122,357	Yes	31/03/27	21/06/27

Unvested option awards (not available to be exercised)

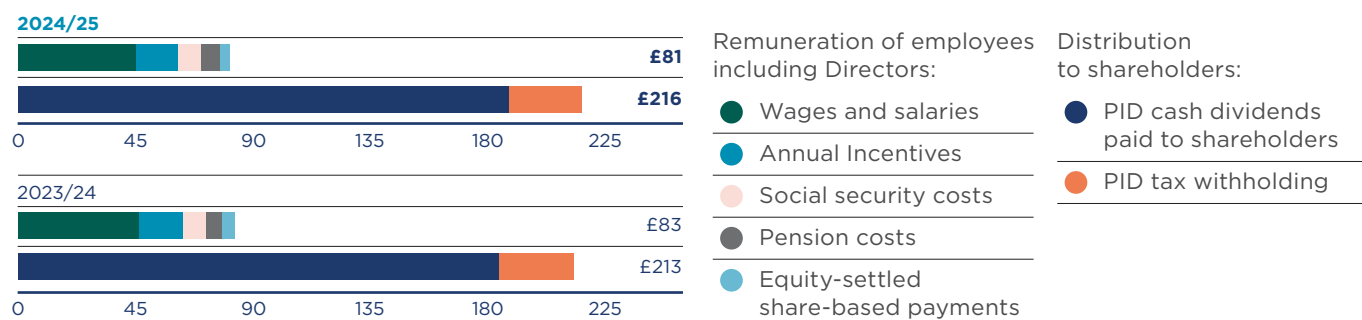
Executive Director	Sharesave options						
	Date of grant	Number outstanding at 31 March 2025	Option price pence	Subject to performance measures	End of performance period	Date becomes exercisable	Exercisable until
Simon Carter	22/06/22	4,275	421	No	N/A	01/09/25	28/02/26
David Walker	22/06/22	2,137	421	No	N/A	01/09/25	28/02/26
David Walker	03/07/24	2,634	352	No	N/A	01/09/27	28/02/28

DIRECTORS' REMUNERATION REPORT CONTINUED

Other disclosures

Relative importance of spend on pay

The graph below shows the amount spent on the remuneration for all employees (including Executive Directors) relative to the amount spent on distributions to shareholders for the years to 31 March 2025 and 31 March 2024. The total cost of remunerating employees reduced by 2.4% during the year, driven largely by a smaller Executive Committee in 2025 compared to the prior year. The total cost of paying distributions to shareholders for the year ended 31 March 2025 increased by 1% compared with the prior year.



Total shareholder return and Chief Executive's remuneration

The table below sets out the total remuneration of the Chief Executive over the same period as the Total Shareholder Return graph.

The Annual Incentive awards against maximum opportunity and LTIP vesting percentages represent the year end awards and forecast vesting outcome for the Chief Executive. The quantum of Annual Incentive awards granted each year and long term incentive vesting rates are given as a percentage of the maximum opportunity available.

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24 ²	2024/25 ³
Chief Executive	Chris Grigg	Chris Grigg	Chris Grigg	Chris Grigg	Chris Grigg	CEO ¹	Simon Carter	Simon Carter	Simon Carter	Simon Carter
Chief Executive's single total figure of remuneration (£000)	3,623	1,938	2,279	1,653	1,534	1,644	1,919	1,658	2,560	2,746
Annual Incentive awards against maximum opportunity (%)	67	33	63	36	28	53	91	58	79	81
Long term incentive awards vesting rate against maximum opportunity (%)	54	15	16	0	0	0	0	11	40	50

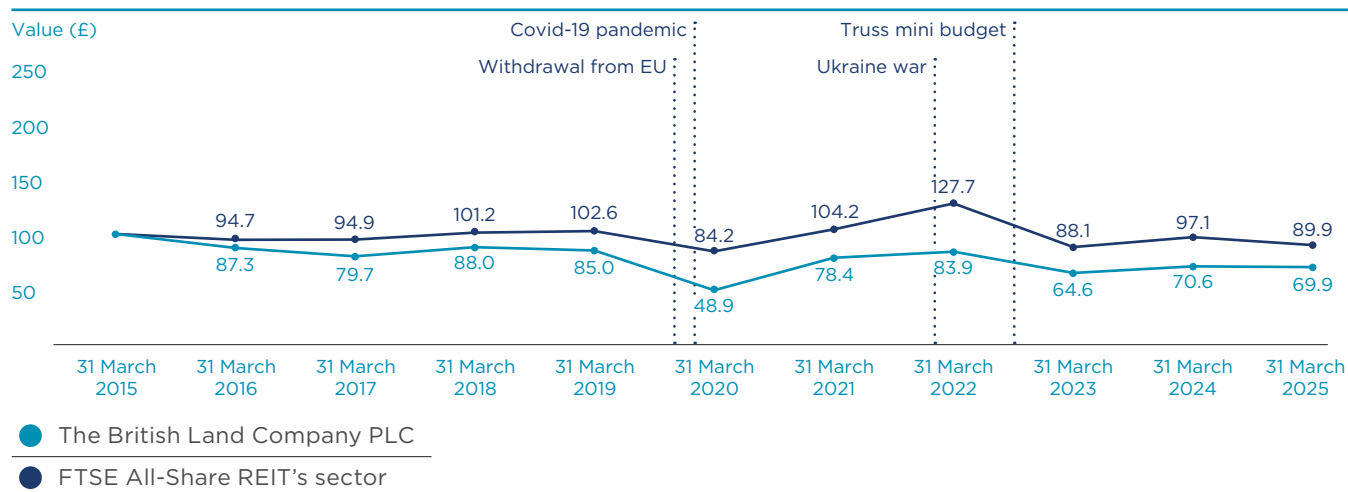
1. The amount shown for the 2020/21 year is a blended figure, representing the remuneration paid to Chris Grigg (£1.093m) and Simon Carter (£0.551m) for the respective periods that they served as CEO

2. Confirmed outcome

3. Estimated outcome

Total shareholder return

The graph below shows British Land's total shareholder return for the 10 years to 31 March 2025, which assumes that £100 was invested on 1 April 2015. The Company chose the FTSE All-Share REIT's sector as an appropriate comparator for this graph because British Land has been a constituent of that index throughout the period.



CEO pay ratio

The 2024/25 CEO pay ratio, prepared in line with Method A of the reporting regulations, is set out below, along with historic data. This method is considered to be the most comparable approach to the Single Figure calculation used for the CEO. The pay data is based on employees as at 31 March 2025 and has been analysed on a full-time equivalent basis, with pay for individuals working part-time increased pro-rata to the hours worked. Employees on parental leave have been included in the analysis.

The table below shows the movement in median ratio since 2019/20. The median pay ratio has slightly increased in the year to 31 March 2025 driven primarily by the LTIP vesting level increasing to 50% this year under the 2022 LTIP, compared to 40% last year under the 2021 LTIP. The annual incentive payout level has remained broadly unchanged compared to last year and the CEO did not receive a salary increase from 1 April 2024. The lower ratios in prior years represent overall lower payouts under the annual incentive and LTIP. The median ratio is considered to be consistent with the pay and progression policies within British Land as the remuneration policy for the CEO is set based on the same principles as the policy for the wider employee population. As such, salaries for all employees are set to reflect the scope and responsibilities of their role and take into account pay levels in the external market. The majority of staff are also eligible to receive a bonus, and whilst variable pay represents a larger proportion of the CEO's package, in all cases, there is a strong link between payouts and the performance of both the Company and the individual. The Committee Chair has provided an explanation of the relationship between reward and performance on page 107.

CEO pay ratio	2019/20	2020/21 ¹	2021/22	2022/23	2023/24	2024/25
Method	C	A	A	A	A	A
CEO single figure (£000)	1,534	1,644	1,919	1,736	2,512	2,746
Upper quartile	14:1	16:1	17:1	15:1	20:1	21:1
Median	22:1	23:1	26:1	22:1	30:1	32:1
Lower quartile	33:1	35:1	38:1	33:1	44:1	47:1

1. The 2020/21 single total figure of remuneration represents a blended amount calculated by reference to the amounts paid to Chris Grigg and Simon Carter for the respective periods that they served as Chief Executive during the year

The salary and total pay for the individuals identified at the Lower quartile, Median and Upper quartile positions in 2024/25 are set out below. Having reviewed the pay levels of these individuals it is felt that these are representative of the structure and quantum of pay at these points in the distribution of employees' pay.

2024/25 Employee pay	Salary £	Total pay £
Upper quartile	86,021	129,338
Median	67,926	86,473
Lower quartile	46,300	58,068

DIRECTORS' REMUNERATION REPORT CONTINUED

Directors' remuneration compared to remuneration of British Land employees

The table below shows the percentage changes in different elements of the Directors' remuneration relative to the previous financial year and the average percentage changes in those elements of remuneration for employees of the listed parent company The British Land Company PLC. An explanation of the changes between 2024 and 2025 is provided below, with the explanation of changes in prior periods available in the relevant Annual Report and Accounts.

- Simon Carter's salary did not change between 2024 and 2025.
- Non-Executive Director fees have not changed, those with a change below have other Board roles such as Committee membership and chairing roles, the fees for which were not increased. The Chair's fee remained unchanged.
- The change in benefits for Non-Executive Directors relates to taxable travel expenses, the tax and national insurance for which is paid by the Company. Changes are reflective of additional or fewer travel requirements during the year. Although certain % changes look relatively large, the actual amounts paid are small and are disclosed with the prior year comparison on the following page.
- Changes are only displayed where there are two full years of fees to compare in order that there is a fair comparison between years. Mary Ricks and Amanda Mackenzie joined the Board during the previous year, and William Rucker, David Walker and Amanda James joined the Board during the current year therefore there is no prior year data to compare with.

Remuneration element	Simon Carter	David Walker	William Rucker	Mark Aedy	Lynn Gladden	Alastair Hughes	Amanda James	Amanda Mackenzie	Mary Ricks	Loraine Woodhouse	Average employees
2025 vs 2024											
Base salary/fees % change	0%	n/a	n/a	0%	3%	0%	n/a	n/a	n/a	12%	6%
Benefits % change	3%	n/a	n/a	0%	-25%	0%	n/a	n/a	n/a	0%	6%
Annual Bonus % change	2%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-1%
2024 vs 2023											
Base salary/fees % change	3%	n/a	n/a	3%	61%	2%	n/a	n/a	n/a	2%	7%
Benefits % change	1%	n/a	n/a	0%	62%	0%	n/a	n/a	n/a	-100%	14%
Annual Bonus % change	41%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	31%
2023 vs 2022											
Base salary/fees % change	0	n/a	n/a	n/a	0%	0%	n/a	n/a	n/a	0%	9%
Benefits % change	-2%	n/a	n/a	n/a	98%	0%	n/a	n/a	n/a	0%	-7%
Annual Bonus % change	-32%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-17%
2022 vs 2021											
Base salary/fees % change	35%	n/a	n/a	n/a	7%	9%	n/a	n/a	n/a	n/a	6%
Benefits % change	-2.8%	n/a	n/a	n/a	100%	0%	n/a	n/a	n/a	n/a	-7%
Annual Bonus % change	117%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	50%
2021 vs 2020											
Base salary/fees % change	n/a	n/a	n/a	n/a	-6%	-3%	n/a	n/a	n/a	n/a	2%
Benefits % change	n/a	n/a	n/a	n/a	0%	0%	n/a	n/a	n/a	n/a	1%
Annual Bonus % change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	84%

The Committee reviews, takes advice and seeks information from both its independent adviser and the Human Resources department on relative pay within the wider market and the Company throughout the year. The CEO pay ratio, ethnicity and gender pay ratios help to inform the Committee in its assessment of whether the level and structure of pay within the Company is appropriate. The Committee is satisfied with the current Policy and feels the opportunity and alignment are appropriate at the current time.

Non-Executive Directors' remuneration (audited)

The table below shows the fees paid to our Non-Executive Directors for the years ended 31 March 2025 and 31 March 2024.

	Fees ¹		Taxable benefits ²		Total	
	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000
Chair and Non-Executive Directors						
Tim Score (former Chair) ³	103	375	-	-	103	375
William Rucker (Chair) ³	273	-	-	-	273	-
Mark Aedy	71	71	-	-	71	71
Lynn Gladden	128	124	5	6	133	30
Irvinder Goodhew ⁴	73	79	-	-	73	79
Alastair Hughes	98	98	-	-	98	98
Amanda James ⁵	56	-	9	-	65	-
Amanda Mackenzie	97	46	-	-	97	46
Preben Prebensen ⁶	81	97	-	-	81	97
Mary Ricks ⁷	72	28	13	8	85	36
Laura Wade-Gery ⁸	27	99	1	1	28	100
Loraine Woodhouse	105	94	-	-	105	94

1. Fees include the basic fee of £66,000 paid to each Non-Executive Director as well as Committee membership and Chair roles, with the exception of the Chair
2. Taxable benefits include the expenses incurred by Non-Executive Directors. The Company provides the tax gross up on these benefits and the figures shown above are the grossed up values. There is no variable element to the Non-Executive Directors' fees
3. Tim Score stepped down and William Rucker joined the Board on 9 July 2024. Their fees are pro-rated to reflect their time spent on the Board during the year
4. Irvinder Goodhew stepped down from the Board on 1 March 2025 and her fee is pro-rated to reflect her time spent on the Board during the year
5. Amanda James joined the Board on 1 July 2024 and her fee is pro-rated to reflect her time spent on the Board during the year
6. Preben Prebensen stepped down from the Board on 31 January 2025 and his fee is pro-rated to reflect his time spent on the Board during the year
7. Mary Ricks lives in the USA and her taxable benefits relate to hotel accommodation at the time of Board and Committee meetings
8. Laura Wade-Gery stepped down from the Board on 9 July 2024 and her fee is pro-rated to reflect her time spent on the Board during the year

Remuneration Committee meeting governance

As at 31 March 2025, and throughout the year under review, the Committee was comprised wholly of independent Non-Executive Directors. The members of the Committee as at the date this report was signed were: Amanda Mackenzie; Loraine Woodhouse and Lynn Gladden. Further details together with attendance at Committee meetings, are set out in the table on page 85.

During the year ended 31 March 2025, Committee meetings were also part attended by Tim Score (former Chair), William Rucker (Chair), Simon Carter (Chief Executive), Bhavesh Mistry (former Chief Financial Officer), David Walker (Chief Financial Officer), Brona McKeown (HR Director, General Counsel and Company Secretary), Kelly Barry (Reward, Talent and Performance Director) and Gavin Bergin (Head of Secretariat) other than for any item relating to their own remuneration. A representative from Korn Ferry, the Committee's independent remuneration advisers, also routinely attends Committee meetings.

The Committee Chair holds regular meetings with the Chair, Chief Executive and HR Director, General Counsel and Company Secretary to discuss all aspects of remuneration within British Land. She also meets Korn Ferry prior to each substantive meeting to discuss matters of governance, Remuneration Policy and any concerns they may have.

DIRECTORS' REMUNERATION REPORT CONTINUED

How the Committee discharged its responsibilities during the year

The Committee's role and responsibilities have remained unchanged during the year and are set out in full in its terms of reference which can be found on the Company's website www.britishland.com/committees. The Committee's key areas of responsibility are:

- developing the performance conditions relating to the Company's 2030 Sustainability Strategy within the approved 2022 Directors' Remuneration Policy, in respect of which the Committee received in-depth technical briefings from subject matter experts from the business;
- reviewing the Remuneration Policy and strategy for members of the Executive Committee and other members of executive management, whilst having regard to pay and employment conditions across the Group;
- determining the total individual remuneration package of each Executive Director, Executive Committee member and other members of management;
- monitoring the extent to which performance measures and conditions attached to all annual and long term incentive awards have been met;
- determining the vesting and payment outcomes of annual and long term incentive plans in respect of Executive Directors and senior management; and
- selecting, appointing and setting the terms of reference of any independent remuneration consultants.

In addition to the Committee's key areas of responsibility, during the year ended 31 March 2025, the Committee also considered the following matters:

- reviewing and recommending to the Board the 2025 Remuneration Policy and Remuneration Report to be presented for shareholder approval; remuneration of the Executive Directors and members of the Executive Committee including achievement of corporate and individual performance; and pay and Annual Incentive awards below Board level;
- granting discretionary share awards; reviewing and setting performance measures for Annual Incentive awards and Long Term incentives;
- reviewing the Committee's terms of reference;
- the Committee was made aware of the results of engagement surveys and any general themes that are impacting employees. All-employee communications were sent from Executive Committee members, including the CEO, relating to wider Company remuneration;
- considering gender and ethnicity pay gap reporting requirements and outcomes; and
- receiving updates and training on corporate governance and remuneration matters from the independent remuneration consultant.

The Committee's terms of reference have been reviewed by the Committee during the year and no changes were made.

Remuneration consultants

Korn Ferry was appointed as independent remuneration adviser by the Committee on 21 March 2017 following a competitive tender process. Korn Ferry is a member of the Remuneration Consultants Group and adheres to that group's Code of Conduct. The Committee assesses the advice given by its advisers to satisfy itself that it is objective and independent. The advisers have private discussions with the Committee Chair at least once a year in accordance with the Code of Conduct. Fees, which are charged on a time and materials basis, were £95,868 (excluding VAT). Korn Ferry also provided general remuneration advice to the Company during the year.

Voting at the AGM

The table below shows the voting outcomes of the resolutions put to shareholders regarding the Directors' Remuneration Report and Remuneration Policy at the AGMs in July 2024 and July 2022 respectively.

Resolution	Votes for	% for	Votes against	% against	Total votes cast	Total votes withheld
Directors' Remuneration Report (2024)	654,074,361	92.75	51,112,558	7.25	705,186,919	407,824
Directors' Remuneration Policy (2022)	631,747,807	96.24	24,675,598	3.76	656,423,405	695,944

Service contracts and letters of appointment

The letters of appointment of Non-Executive Directors are generally subject to renewal on a triennial basis. As described on page 74, Lynn Gladden's letter of appointment is subject to annual review as her tenure exceeds nine years. In accordance with the UK Corporate Governance Code, all Directors stand for appointment or reappointment by the Company's shareholders on an annual basis. The Directors' service contracts and letters of appointment are available for inspection during normal business hours at the Company's registered office and at the AGM.

Executive Director service contracts

All Executive Directors have rolling service contracts with the Company which have notice periods of 12 months on either side.

Director	Length of service contract	Date of service contract	Normal notice period to be given by either party
Simon Carter	12 months	18 November 2020	12 months
David Walker	12 months	20 November 2024	12 months

Executive Directors' external appointments

Executive Directors may take up one non-executive directorship at another FTSE company, subject to British Land Board approval. The Executive Directors do not currently hold any paid external appointments.

Chair and Non-Executive Directors letters of appointment

The unexpired terms of the Chair's and Non-Executive Directors' letters of appointment are shown below:

Director	Original date of appointment	Effective date of appointment in most recent letter of appointment	Unexpired term at 21 May 2025 (months)
William Rucker (Chair)	9 July 2024	9 July 2024	28
Loraine Woodhouse (SID)	1 March 2021	9 July 2024	28
Mark Aedy	1 September 2021	1 September 2021	3
Lynn Gladden	20 March 2015	9 July 2024	3
Alastair Hughes	1 January 2018	9 July 2024	28
Amanda James	1 July 2024	1 July 2024	26
Amanda Mackenzie	1 September 2023	1 September 2023	28
Mary Ricks	1 November 2023	1 November 2023	28

Although the Chair's and Non-Executive Directors' appointments are for fixed terms, their appointments may be terminated immediately without notice if they are not reappointed by shareholders or if they are removed from the Board under the Company's Articles of Association or if they resign and do not offer themselves for re-election. In addition, their appointments may be terminated by either the individual or the Company giving three months' written notice of termination (or, for the current Chair, six months' written notice of termination). Despite these terms of appointment, neither the Chair nor the Non-Executive Directors are entitled to any compensation (other than accrued and unpaid fees and expenses for the period up to the termination) for loss of office save that the Chair and Non-Executive Directors may be entitled, in certain limited circumstances, such as corporate transactions, to receive payment in lieu of their notice period where the Company has terminated their appointment with immediate effect.

This Remuneration Report was approved by the Board on 21 May 2025.



Amanda Mackenzie

Chair of the Remuneration Committee

DIRECTORS' REPORT AND ADDITIONAL DISCLOSURES

The Directors present their Report on the affairs of the Group, together with the audited financial statements and the report of the auditor for the year ended 31 March 2025.

The Directors' Report also encompasses the entirety of our Corporate Governance Report from pages 74 to 134 and Other Information section from pages 222 to 224 for the purpose of section 463 of the Companies Act 2006 (the 'Act'). The Directors' Report and Strategic Report together constitute the Management Report for the year ended 31 March 2025 for the purpose of Disclosure and Transparency Rule 4.1.8R. Certain information that would otherwise be required to be included in the Directors' Report has been included within the Strategic Report in accordance with section 414C(11) of the Act. Information that is relevant to this Report, and which is incorporated by reference and including information required in accordance with the Act and or UK Listing Rule ('UKLR') 6.6.1R, can be located in the following sections:

Information	Section in Annual Report	Page
Future developments of the business of the Company	Strategic Report	8 to 11
Dividends	Strategic Report	33
Financial instruments – risk management objectives and policies	Strategic Report	47 to 58
Engagement with stakeholders	Strategic Report	16 to 17
Employment policies and employee involvement	Strategic Report	43
Greenhouse gas emissions, energy consumption and efficiency	Strategic Report	62 to 63
Long term incentive schemes (UKLR 6.6.1 (3))	Directors' Remuneration Report	120 to 121
Share capital	Directors Report	131
Capitalised interest (UKLR 6.6.1 (1))	Financial Statements	157 and 163
Exposure to risks	Financial Statements	176 to 186
Additional unaudited financial information (UKLR 6.6.1 (2))	Other Information (unaudited)	214 to 224

AGM

The 2025 AGM will be held at 11:30am on 15 July 2025 at 100 Liverpool Street, EC2M 2RH.

A separate circular, comprising a letter from the Chair of the Board, Notice of Meeting and explanatory notes on the resolutions being proposed, has been circulated to shareholders and is available on our website www.britishland.com/agm.

Articles of Association

The Company's Articles of Association (the 'Articles') may only be amended by special resolution at a general meeting of shareholders. Subject to applicable law and the Articles, the Directors may exercise all powers of the Company.

→ **READ MORE**
The articles are available on the Company's website
www.britishland.com/governance

Board of Directors

The names and biographical details of the Directors and details of the Board Committees of which they are members are set out on pages 82 to 85 and are incorporated into this Report by reference. Changes to the Directors during the year and up to the date of this Report are set out on page 76. The Company's current Articles require any new Director to stand for election at the next AGM following their appointment. However, in accordance with the Code and the Company's current practice, all continuing Directors offer themselves for election or re-election, as required, at the AGM.

Details of the Directors' interests in the shares of the Company and any awards granted to the Executive Directors under any of the Company's all-employee or executive share schemes are given in the Directors' Remuneration Report on pages 122 to 123. The service agreements of the Executive Directors and the letters of appointment of the Non-Executive Directors are also summarised in the Directors' Remuneration Report and are available for inspection at the Company's registered office.

The appointment and replacement of Directors is governed by the Articles, the Code, the Act and any related legislation. The Board may appoint any person to be a Director so long as the total number of Directors does not exceed the limit prescribed in the Articles. The Articles provide that the Company may by ordinary resolution at a general meeting appoint any person to act as a Director, provided that notice is given of the resolution identifying the proposed person by name and that the Company receives written confirmation of that person's willingness to act as Director if he or she has not been recommended by the Board. The Articles also empower the Board to appoint as a Director any person who is willing to act as such. The maximum possible number of Directors under the Articles is 20. In addition to any power of removal conferred by the Act, the Articles provide that the Company may by ordinary resolution (and without the need for any special notice) remove any Director from office. The Articles also set out the circumstances in which a person shall cease to be a Director.

The Articles require that at each AGM each person who is a Director on a specific date selected by the Board shall retire from office. The date selected shall be not more than 14 days before, and no later than, the date of the notice of AGM. A Director who retires at an AGM shall be eligible for reappointment by the shareholders.

Directors' liability insurance and indemnity

The Company maintains Directors' and Officers' liability insurance cover in respect of any potential legal action brought against its Directors.

'Qualifying third party indemnity' provisions (as defined by section 234 of the Companies Act 2006) were in force during the course of the year ended 31 March 2025 for the benefit of the then Directors of the Company, and at the date of this Report, are in force for the benefit of the Directors of the Company in relation to certain losses and liabilities which they may incur (or have incurred) in connection with their duties, power or office.

Share capital

The Company has one class of shares, being ordinary shares of 25p each, all of which are fully paid. Holders of ordinary shares are entitled to attend and speak at general meetings of the Company and to appoint one or more proxies or, if the holder of shares is a corporation, one or more corporate representatives. On a show of hands, each holder of ordinary shares shall have one vote, as shall proxies. On a poll, every holder of ordinary shares present in person or by proxy shall have one vote for every share for which they are a holder. There are no restrictions on voting rights or the transfer of shares except in relation to Real Estate Investment Trust restrictions.

The Directors were granted authority at the 2024 AGM to allot relevant securities up to a nominal amount of £77,292,668 as well as an additional authority to allot shares to the same value again for a rights issue. This authority will apply until the conclusion of the 2025 AGM or the close of business on 30 September 2025, whichever is the sooner. At this year's AGM, shareholders will be asked to renew the authority to allot relevant securities.

At the 2024 AGM a special resolution was also passed to permit the Directors to allot shares for cash on a non-pre-emptive basis both in connection with a rights issue or similar pre-emptive issue and, otherwise than in connection with any such issue, up to a maximum nominal amount of £23,187,801. A further special resolution was passed to permit the Directors to allot shares for cash on a non-pre-emptive basis up to the same amount for use only in connection with an acquisition or a specified capital investment. At this year's AGM, shareholders will be asked to renew such powers.

At the 2024 AGM a special resolution was passed to permit the purchase of up to 92,751,202 ordinary shares. This authority will expire at the earlier of the conclusion of the 2025 AGM or close of business on 30 September 2025. The Company made no purchases of its own shares into treasury during the year pursuant to the above authority. The Company continued to hold 11,266,245 ordinary shares in treasury during the whole of the year ended 31 March 2025 and to the date of this Report.

Further details relating to share capital, including movements during the year, are set out in Note 19 to the financial statements on pages 188 to 189.

Events after the balance sheet date

Details of subsequent events, if any, can be found in Note 24 on page 192.

Political donations and expenditure

The Company and its subsidiaries did not make any political donations or incur any expenditure during the year ended 31 March 2025 (previous year ended 31 March 2024: £nil).

Equity placing

In October 2024, the Board approved an equity raise of £301m through an institutional placing, conditional retail offer and Directors' subscription, in connection with the acquisition of a portfolio of seven retail parks from Brookfield, for a total consideration of £441m.

For the purpose of UKLR 6.6.1R(6), as a result of the equity placing, retail offer and Directors' subscription, the Company allotted 71,227,309 new ordinary shares of 25p each with an aggregate nominal value of £17,806,827.25. The terms of the placing and placing price of 422p per share were fixed on 2 October 2024. 422p represented a discount of 3.6% to the closing price on 2 October 2024 of 437.80p. The consideration received by the Company for the allotment of the shares was £300,579,244. The allotments were made on a non-pre-emptive basis to existing and new shareholders.

➔ READ MORE

For more information please read the post-transaction report in the Company's announcement on 3 October 2024 in accordance with the Pre-Emption Group's Statement of Principles (2022). A copy of the announcement is available on the Company's website at www.britishland.com/investors/shareholder-information/regulatory-news/

DIRECTORS' REPORT AND ADDITIONAL DISCLOSURES CONTINUED

Rights under an employee share scheme

Employee Benefit Trusts (EBTs) operate in connection with some of the Company's employee share plans. The trustees of the EBTs may exercise all rights attached to the Company's ordinary shares in accordance with their fiduciary duties other than as specifically restricted in the documents which govern the relevant employee share plan.

Waiver of dividends

Blest Limited and Equiniti Share Plan Trustees Limited act as trustees (Trustees) of the Companies discretionary Employee Share Trust (EST) and Share Incentive Plan respectively. The EST holds and, from time to time, purchases British Land ordinary shares in the market, for the benefit of employees, including to satisfy outstanding awards under the Company's various executive employee share plans. Dividend waivers are in place from the Trustees in respect of all dividends payable by the Company on shares which they hold in trust.

Payments policy

We recognise the importance of good supplier relationships to the overall success of our business. We manage dealings with suppliers in a fair, consistent and transparent manner.

 **READ MORE**

For more information please visit the suppliers section of our website at www.britishland.com/suppliers

Substantial interests

All notifications made to British Land under the Disclosure Guidance and Transparency Rules (DTR 5) are published on a Regulatory Information Service and made available on the Investors section of our website. As at 31 March 2025, the Company had been notified of the interests noted below in its ordinary shares in accordance with DTR 5. The information provided is correct at the date of notification:

	Interests in ordinary shares	Percentage holding disclosed %
BlackRock, Inc.	73,048,930	7.86%
Bank of America Corporation	43,017,990	4.30%
APG Asset Management N.V.	55,244,122	5.96%
Invesco Ltd.	45,871,686	4.95%
Schroders	39,667,822	3.97%
Janus Henderson Group PLC	50,582,134	5.06%

Since the year end, and up to 21 May 2025, the Company had been notified of the following interests in its ordinary shares in accordance with DTR 5. The information provided is correct at the date of notification:

	Change in interests in its ordinary shares	Percentage holding disclosed %
Bank of America Corporation	39,857,785	3.99%

Change of control

The Group's unsecured borrowing arrangements include provisions that may enable each of the lenders or bondholders to request repayment or have a put at par within a certain period following a change of control of the Company. In the case of the Sterling bond this arises if the change of control also results in a rating downgrade to below investment grade. Further details on our unsecured borrowing arrangements can be found on page 46.

There are no agreements between the Company and its Executive Directors or employees providing for compensation for loss of office or employment that occurs specifically because of a takeover, merger or amalgamation with the exception of provisions in the Company's share plans which could result in options and awards vesting or becoming exercisable on a change of control. All appointment letters for Non-Executive Directors will, as they are renewed, contain a provision that allows payment of their notice period in certain limited circumstances, such as corporate transactions, where the Company has terminated their appointment with immediate effect.

Inclusive culture

Our 2030 Diversity, Equality & Inclusion Strategy sets out our commitments and goals to make British Land the most inclusive organisation it can be. We treat everyone equally irrespective of gender, gender reassignment, age, race, sexual orientation, religion or belief, disability, marriage and civil partnership, and pregnancy and maternity. As stated in our Equal Opportunities Policy, British Land treats 'all colleagues and job applicants with equality. We do not discriminate against job applicants, employees, workers or contractors because of any protected characteristic. This applies to all opportunities provided by the Company including, but not limited to, job applications, recruitment and interviews, training and development, role enrichment, conditions of work, salary and performance review'. The Company ensures that our policies are accessible to all employees, making reasonable adjustments when required.

Through its policies and more specifically the Equal Opportunities, Disability and Workplace Adjustment and Recruitment policies, the Company ensures that entry into, and progression within, the Company is based solely on personal ability and competence to meet set job criteria. Should an employee, worker or contractor become disabled in the course of their employment/engagement, the Company aims to ensure that reasonable steps are taken to accommodate their disability by making reasonable adjustments to their existing employment/engagement.

Community investment

During the year, our financial commitment to social impact totalled £1.2m (for the year ended 31 March 2024: £1.4m). Of this, £0.9m was allocated from the Social Impact Fund, which is managed by the Social Impact Committee and overseen by the ESG Committee.

The Company also supports employee fundraising and payroll giving, which are included in the figures above. For the year ended 31 March 2025 this encompassed:

- an uplift of 50% in British Land staff payroll giving contributions (capped at £5,000 per person and £40,000 per annum for the whole organisation); and
- a staff matched funding pledge, matching money raised for community organisations by British Land staff up to £500 per person per year.

Our social impact efforts are guided by our Local Charter, working with local partners to make a lasting positive difference:

- connecting with local communities;
- supporting educational initiatives for local people;
- supporting local training and jobs; and
- supporting local businesses.

Through our social impact initiatives and Local Charter activities, we engage with the communities where we operate, make positive local contributions, help individuals fulfil their potential, support businesses growth, and promote wellbeing and enjoyment.

Auditor and disclosure of information

PwC has indicated its willingness to remain in office and, on the recommendation of the Audit Committee, a resolution to reappoint PwC as the Company's auditor will be proposed at the 2025 AGM.

The Directors' Report was approved by the Board on 21 May 2025 and signed on its behalf by:



Brona McKeown

HR Director, General Counsel and Company Secretary

The British Land Company PLC

Company number: 621920

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have prepared the Group Financial Statements in accordance with UK-adopted International Accounting Standards and the Company Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period. In preparing the Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted International Accounting Standards have been followed for the Group Financial Statements and United Kingdom Accounting Standards, comprising FRS 101 have been followed for the Company Financial Statements, subject to any material departures disclosed and explained in the Financial Statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the Financial Statements and the Directors' Remuneration Report comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Directors' confirmations

The Directors consider that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's and Company's position and performance, business model and strategy.

Each of the Directors, whose names and functions are listed in the Corporate Governance report, confirms that, to the best of their knowledge:

- the Group Financial Statements, which have been prepared in accordance with UK-adopted International Accounting Standards, give a true and fair view of the assets, liabilities, financial position and profit of the Group;
- the Company Financial Statements, which have been prepared in accordance with United Kingdom Accounting Standards, comprising FRS 101, give a true and fair view of the assets, liabilities and financial position of the Company; and
- the Strategic Report and Directors' Report includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that it faces.

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Group's and Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's and Company's auditors are aware of that information.

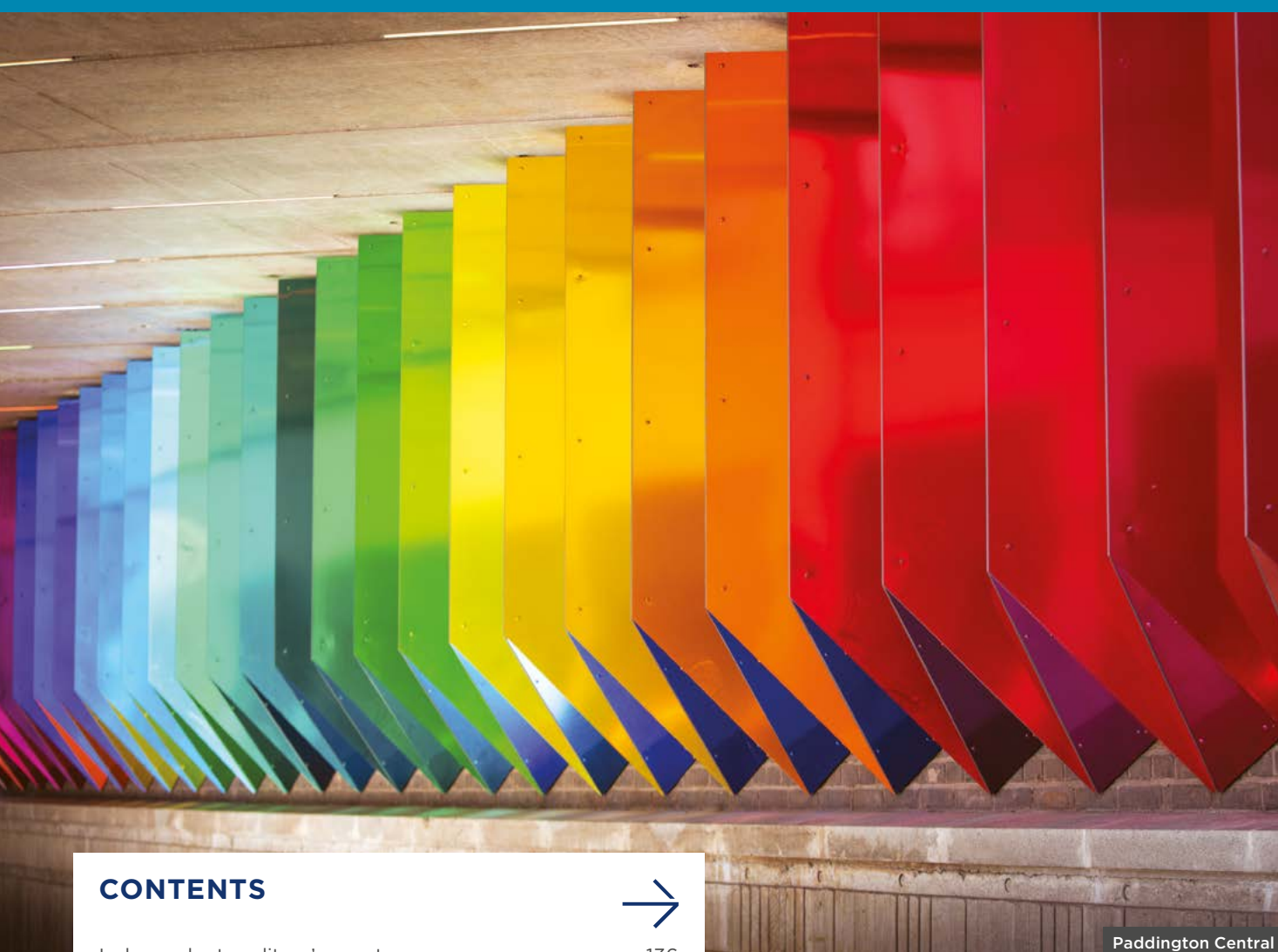


David Walker
Chief Financial Officer

21 May 2025



FINANCIAL STATEMENTS



CONTENTS



Independent auditors' report	136
Primary statements and notes	143
Company balance sheet	195
Supplementary disclosures	207
Other information (unaudited)	214
EPRA best practice recommendations on sustainability reporting	220
10-year record	221
Shareholder information	222

Paddington Central

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE
BRITISH LAND COMPANY PLC**Report on the audit of the financial statements**
Opinion

In our opinion:

- The British Land Company PLC's group financial statements and company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the company's affairs as at 31 March 2025 and of the group's profit and the group's cash flows for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Accounts 2025 (the "Annual Report"), which comprise: the Consolidated and Company Balance Sheets as at 31 March 2025; the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Cash Flows, and the Consolidated and Company Statements of Changes in Equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in Note 5, we have provided no non-audit services to the company or its controlled undertakings in the period under audit.

Our audit approach**Overview****Audit scope**

- We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole. The group financial statements are prepared on a consolidated basis, and the audit team carries out an audit over the consolidated group balances in support of the group audit opinion.
- The group's properties are held within a variety of subsidiary and joint venture entities. The group financial statements consolidate the company and its subsidiaries and equity account for the group's joint ventures. All work was carried out by the group audit team with additional procedures performed on the consolidation to ensure sufficient coverage for our opinion on the group financial statements as a whole.

Key audit matters

- Valuation of investment and development properties, either held directly or through joint ventures (group).
- Recoverability of investments and loans to subsidiaries (company).

Materiality

- Overall group materiality: £88.8 million (2024: £79.7 million) based on 1% of Total Assets.
- Specific group materiality: £14.0 million (2024: £13.5 million) based on 5% of the group's Underlying Profit before tax.
- Overall company materiality: £79.9 million (2024: £71.8 million) based on 1% of Total Assets.
- Performance materiality: £66.6 million (2024: £59.8 million) (group) and 59.9 million (2024: £53.8 million) (company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole,

and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Taxation, which was a key audit matter last year, is no longer included because of the absence of findings, including limited history of findings, with respect to the group's compliance with the UK REIT regime. Otherwise, the key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
<p>Valuation of investment and development properties, either held directly or through joint ventures (group)</p> <p>Refer to the Report of the Audit Committee, Notes to the financial statements – Note 1 (Basis of preparation, material accounting policies and accounting judgements), Note 10 (Property) and Note 11 (Joint ventures).</p> <p>The group's properties are held within a variety of subsidiary and joint venture entities. The total property portfolio valuation for the group was £6,065m (2024: £5,130m) and for the group's share of joint ventures was £3,421m (2024: £3,568m) as at 31 March 2025.</p> <p>The valuations were carried out by third party valuers CBRE, Jones Lang LaSalle, Cushman & Wakefield and Knight Frank LLP (the 'Valuers'). The Valuers were engaged by the directors and performed their work in accordance with the Royal Institute of Chartered Surveyors ('RICS') Valuation – Global Standards and IFRS 13 (Fair Value Measurement).</p> <p>In determining the valuation of a property, the Valuers take into account property-specific information such as the current tenancy agreements and rental income. They apply assumptions for yields and estimated market rent, which are influenced by prevailing market yields and comparable market transactions, to arrive at the final valuation. For developments, the residual appraisal method is used, by estimating the fair value of the completed project using a capitalisation method less estimated costs to completion and a risk premium. The valuation of the group's property portfolio was identified as a key audit matter given the valuation is inherently subjective due to, among other factors, the individual nature of each property, its location and the expected future rental streams for that particular property. The significance of the estimates and judgements involved, coupled with the fact that only a small percentage difference in individual property valuations, when aggregated, could result in a material misstatement, warranted specific audit focus in this area.</p>	<p>Given the inherent subjectivity involved in the valuation of investment and development properties, either held directly or through joint ventures, and therefore the need for specialist market knowledge when determining the most appropriate assumptions and the technicalities of valuation methodology, we engaged our internal valuation experts to assist us in our audit of this matter.</p> <p>Assessing the Valuers' expertise and objectivity</p> <p>We assessed the Valuers' qualifications and expertise and read their terms of engagement with the group to determine whether there were any matters that might have affected their objectivity or may have imposed scope limitations upon their work. We also considered fees and other contractual arrangements that might exist between the group and the Valuers. We found no evidence to suggest that the objectivity of the Valuers was compromised.</p> <p>Assumptions and estimates used by the Valuers</p> <p>We read the valuation reports for the properties and confirmed that the valuation approach for each was in accordance with RICS Valuation – Global Standards. We obtained details of each property held by the group and set an expected range for yield and capital value movement, determined by reference to published benchmarks and using our experience and knowledge of the market. We compared the investment yields used by the Valuers with the range of expected yields and the year-on-year capital movement to our expected range. We also considered the reasonableness of other assumptions that were not so readily comparable with published benchmarks, such as estimated rental value. For developments valued using the residual valuation method, we obtained the development appraisals and assessed the reasonableness of the Valuers' key assumptions. This included comparing the yield to comparable market benchmarks, comparing the costs to complete estimates to development plans and contracts, and considering the reasonableness of other assumptions that are not so readily comparable with published benchmarks, such as estimated rental value and profit on cost. We held meetings with each of the Valuers and challenged their approach to the valuations, the key assumptions and their rationale behind the more significant valuation movements during the year. Valuations where there was a rotation of the Valuer during the year under audit were an area of focus, in particular for Canada Water due to its size and complexity. Where assumptions were outside the expected range or showed unexpected movements based on our knowledge, we undertook further investigations, held further discussions with the Valuers and obtained evidence to support explanations received. We also challenged the Valuers as to the extent to which their valuations took into account the impact of climate change. The valuation reports provided by the Valuers and supporting evidence, enabled us to consider the property specific factors that may have had an impact on value, including recent comparable transactions where appropriate.</p>

INDEPENDENT AUDITORS' REPORT CONTINUED

Key audit matter	How our audit addressed the key audit matter
<p>Recoverability of investments and loans to subsidiaries (company)</p> <p>Refer to the Notes to the company financial statements – Note A Accounting policies (Critical accounting judgements and key sources of estimation uncertainty) and Note D (Investments in subsidiaries and joint ventures, loans to subsidiaries, other investments, and amounts due to subsidiaries).</p> <p>The company has shares in subsidiaries of £7,811m (2024: £8,794m) as at 31 March 2025 after recognising a reversal of impairment of £12m (2024: provision for impairment of £275m). The company has loans to subsidiaries of £15,018m (2024: £13,992m) as at 31 March 2025 after recognising a provision for impairment of £55m (2024: provision for impairment of £68m).</p> <p>The company's accounting policy for investments and loans is to hold them at cost less any impairment. Impairment of the loans is calculated in accordance with IFRS 9 'Financial Instruments', where expected credit losses are considered to be the excess of the company's loan to a subsidiary over the subsidiary net asset value. Investments in subsidiaries and joint ventures are assessed for impairment in line with IAS 36 'Impairment of Assets'.</p> <p>The company considered the impairment of investment and loan balances at 31 March 2025 in accordance with IAS 36, IFRS 9 and its accounting policy. Given the inherent estimation and complexity in assessing both the carrying value of a subsidiary or joint venture company, and the expected credit loss of intercompany loans, this was identified as a key audit matter.</p>	<p>Information and standing data</p> <p>We performed testing on the data inputs underpinning the investment properties by agreeing the inputs to the underlying property records on a sample basis, to satisfy ourselves of the accuracy of the property information supplied to the Valuers by management. Where applicable, we agreed tenancy information to supporting evidence on a sample basis. For developments, we confirmed that the supporting information for construction contracts and budgets, which was supplied to the Valuers, was also consistent with the group's records, for example, by inspecting construction contracts. Capitalised expenditure was tested on a sample basis to invoices, and budgeted costs to complete compared to supporting evidence. We agreed the amounts per the valuation reports to the accounting records and the financial statements, including the relevant note disclosures.</p> <p>Overall outcome</p> <p>Based on the procedures performed and the evidence obtained, we concluded that the valuation of investment and development properties was reasonable.</p> <p>We obtained management's impairment assessments for the recoverability of investments and loans in subsidiaries and investment in joint ventures as at 31 March 2025. We assessed the accounting policies for investments and loans in subsidiaries and investment in joint ventures to ensure they were compliant with FRS 101 'Reduced Disclosure Framework'. We verified that the methodology used by management in arriving at the carrying value of the investments in subsidiaries and joint ventures was in line with IAS 36, and that for loans to subsidiaries the expected credit loss was in line with IFRS 9, including the related provision or reversal of impairment. We identified the key estimate within the assessment of impairment of the investments and loans to subsidiaries and investments in joint ventures to be the underlying valuation of investment and development property held by the subsidiaries and joint ventures. For details of our procedures over the valuation of investment and development properties please refer to the related group key audit matter above. Given the complexity and the manual nature of the models, we assessed the integrity of the spreadsheets and recalculated the provisions.</p> <p>Overall outcome</p> <p>We have no matters to report in respect of this work.</p>

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the company, the accounting processes and controls, and the industry in which they operate.

The group's properties are held within a variety of subsidiary and joint venture entities. The group financial statements consolidate the company and its subsidiaries and equity account for the group's joint ventures. The Broadgate Joint Venture was subject to a full scope audit, and the Paddington, Canada Water and 1 Triton Square Joint Ventures were scoped in for specific account balances. All work was carried out by the group audit team with additional procedures performed at the group level (including audit procedures over the consolidation and consolidation adjustments) to ensure sufficient coverage and appropriate audit evidence for our opinion on the group financial statements as a whole.

The group operates a common IT environment, processes and controls. In establishing the overall approach to our audit, we assessed the risk of material misstatement, taking into account the nature, likelihood and potential magnitude of any misstatement. Following this assessment, we applied professional judgement to determine the extent of testing required over each balance in the financial statements.

In respect of the audit of the company, the group audit team performed a full scope statutory audit.

The impact of climate risk on our audit

In planning our audit, we made enquiries with management to understand the extent of the potential impact of climate change risk on the financial statements. Our evaluation of this conclusion included challenging key judgements and estimates in areas where we considered that there was greatest potential for climate change impact. We particularly considered how climate change risks would impact the assumptions made in the valuation of investment properties as explained in our key audit matter above. We also considered the consistency of the disclosures in relation to climate change made within the Annual Report, the financial statements and the knowledge obtained from our audit. We assessed the consideration of the cost of delivering the group's climate change and sustainability strategy within the going concern and viability forecasts.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements – group	Financial statements – company
Overall materiality	£88.8 million (2024: £79.7 million).	£79.9 million (2024: £71.8 million).
How we determined it	1% of Total Assets	1% of Total Assets
Rationale for benchmark applied	A key determinant of the group's value is property investments. Due to this, the key area of focus in the audit is the valuation of investment and development properties, either held directly or through joint ventures. On this basis, and consistent with the prior year, we set an overall group materiality level based on total assets.	The company's main activity is the investments in and loans to subsidiaries and joint ventures. Given this, we set an overall company materiality level based on total assets. For purposes of the group audit, we capped the overall materiality for the company to be 90% of the group overall materiality.

INDEPENDENT AUDITORS' REPORT CONTINUED

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to £66.6 million (2024: £59.8 million) for the group financial statements and 59.9 million (2024: £53.8 million) for the company financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount in the middle of our normal range was appropriate.

In addition, we set a specific materiality level of £14.0 million (2024: £13.5 million) for items within the underlying column of the Income Statement which is based on 5% of the group's Underlying Profit before tax.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £4.4 million (group audit) (2024: £4.0 million) and £3.9 million (company audit) (2024: £3.6 million) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

In addition we agreed with the Audit Committee that we would report to them misstatements identified during our group audit above £1.0 million (2024: £1.0 million) for misstatements related to Underlying Profit within the financial statements, as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the group's and the company's ability to continue to adopt the going concern basis of accounting included:

- Corroborated key assumptions (e.g. liquidity forecasts and financing arrangements) to underlying documentation and ensured this was consistent with our audit work in these areas;
- Considered management's forecasting accuracy by comparing how the forecasts made in prior periods compare to the actual performance;
- Understood and assessed the appropriateness of the key assumptions used both in the base case and in the severe but plausible downside scenario, including assessing whether we considered the downside sensitivities to be appropriately severe;
- Tested the integrity of the underlying formulas and calculations within the going concern and cash flow models;
- Considered the appropriateness of the mitigating actions available to management in the event of the downside scenario materialising. Specifically, we focused on whether these actions are within the group and company's control and are achievable; and
- Reviewed the disclosures provided relating to the going concern basis of preparation and found that these provided an explanation of the directors' assessment that was consistent with the evidence we obtained.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report and additional disclosures, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report and additional disclosures

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report and additional disclosures for the year ended 31 March 2025 is consistent with the financial

statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report and additional disclosures.

Directors' Remuneration

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the group's and company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the group's and company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the group and company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the group and company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the group's and company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in Respect of the Financial Statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

INDEPENDENT AUDITORS' REPORT CONTINUED

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with the REIT status Part 12 of the Corporation Tax Act 2010 and the UK regulatory principles, such as those governed by the Financial Conduct Authority, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue, management bias in accounting estimates and judgemental areas of the financial statements such as the valuation of investment and development properties held directly or through joint ventures. Audit procedures performed by the engagement team included:

- Discussions with management and internal audit, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud, and review of the reports made by management and internal audit;
- Understanding of management's internal controls designed to prevent and detect irregularities;
- Reviewing the group's litigation register in so far as it related to non-compliance with laws and regulations and fraud;
- Reviewing relevant meeting minutes, including those of the Risk Committee and the Audit Committee;
- Review of tax compliance with the involvement of our tax specialists in the audit;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- Challenging assumptions and judgements made by management in their significant areas of estimation including procedures relating to the valuation of investment properties as described in the related key audit matter above; and
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations and post close entries.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting**Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the Audit Committee, we were appointed by the members on 18 July 2014 to audit the financial statements for the year ended 31 March 2015 and subsequent financial periods. The period of total uninterrupted engagement is 11 years, covering the years ended 31 March 2015 to 31 March 2025.

Other matter

The company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R – 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

Saira Choudhry (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
21 May 2025

FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2025

	Note	2025			2024		
		Underlying ¹ £m	Capital and other £m	Total £m	Underlying ¹ £m	Capital and other £m	Total £m
Revenue	3	454	-	454	401	174	575
Costs²	3	(123)	-	(123)	(92)	(54)	(146)
	3	331	-	331	309	120	429
Joint ventures (see also below) ³	11	90	-	90	100	(179)	(79)
Administrative expenses		(82)	-	(82)	(85)	-	(85)
Valuation movements on property	4	-	148	148	-	(131)	(131)
Loss on disposal of investment properties, joint ventures and revaluation of investments		-	(42)	(42)	-	(23)	(23)
Net financing charges							
financing income	6	2	-	2	1	-	1
financing charges	6	(62)	(43)	(105)	(56)	(41)	(97)
	6	(60)	(43)	(103)	(55)	(41)	(96)
Profit (loss) before taxation		279	63	342	269	(254)	15
Taxation	7	(4)	-	(4)	(3)	(11)	(14)
Profit (loss) for the year after taxation		275	63	338	266	(265)	1
Attributable to non-controlling interests		-	-	-	1	1	2
Attributable to shareholders of the Company		275	63	338	265	(266)	(1)
Earnings per share:							
basic	2			35.1p			(0.1)p
diluted	2			35.0p			(0.1)p

All results derive from continuing operations.

	Note	2025			2024		
		Underlying ¹ £m	Capital and other £m	Total £m	Underlying ¹ £m	Capital and other £m	Total £m
Results of joint ventures accounted for using the equity method							
Underlying Profit		90	-	90	100	-	100
Share of joint venture result ⁴		-	11	11	-	-	-
Valuation movements on property	4	-	(14)	(14)	-	(179)	(179)
Capital financing charges		-	(3)	(3)	-	(5)	(5)
Profit on disposal of properties		-	6	6	-	5	5
	11	90	-	90	100	(179)	(79)

1. See definition in Note 2 and a reconciliation between Underlying Profit and IFRS profit in Note 20.

2. Included within 'Costs' is a credit relating to provisions for impairment of tenant debtors, accrued income and tenant incentives and contracted rent increases of £2m (2023/24: £14m credit).

3. Included within 'Joint ventures' is a credit relating to the movement of provision for impairment of equity investments and loans to joint ventures of £18m (2023/24: £42m credit) excluding the Meadowhall Shopping Centre joint venture disposal, disclosed in further detail in Note 11 and Note 22.

4. The 'Share of joint venture result' relates to Broadgate REIT Limited's share of the 2 Finsbury Avenue joint venture, disclosed in further detail in Note 11.

FINANCIAL STATEMENTS CONTINUED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2025

	2025 £m	2024 £m
Profit for the year after taxation	338	1
Other comprehensive income (expense):		
Items that may be reclassified subsequently to profit or loss:		
Gains (losses) on cash flow hedges		
– Joint ventures	-	(1)
	-	(1)
Reclassification of foreign exchange differences to the income statement	-	(1)
Other comprehensive income (expense) for the year	-	(2)
Total comprehensive income (expense) for the year	338	(1)
Attributable to non-controlling interests	-	2
Attributable to shareholders of the Company	338	(3)

CONSOLIDATED BALANCE SHEET**As at 31 March 2025**

	Note	2025 £m	2024 £m
ASSETS			
Non-current assets			
Investment and development properties	10	6,130	5,229
		6,130	5,229
Other non-current assets			
Investments in joint ventures	11	2,462	2,429
Other investments	12	48	54
Property, plant and equipment		16	19
Interest rate and currency derivative assets	16	73	79
		8,729	7,810
Current assets			
Trading properties	10	22	22
Debtors	13	36	34
Interest rate and currency derivative assets	16	9	20
Cash and cash equivalents	16	57	88
		124	164
Investment properties held-for-sale	10	22	-
		146	164
Total assets		8,875	7,974
LIABILITIES			
Current liabilities			
Short term borrowings and overdrafts	16	(311)	(10)
Creditors	14	(263)	(260)
Corporation tax		(6)	(8)
Interest rate and currency derivative liabilities	16	(2)	-
		(582)	(278)
Non-current liabilities			
Debentures and loans	16	(2,417)	(2,202)
Other non-current liabilities	15	(107)	(121)
Deferred tax liabilities		(3)	(5)
Interest rate and currency derivative liabilities	16	(56)	(56)
		(2,583)	(2,384)
Total liabilities		(3,165)	(2,662)
Net assets		5,710	5,312
EQUITY			
Share capital		253	235
Share premium		1,589	1,310
Merger reserve		213	213
Other reserves		13	13
Retained earnings		3,642	3,528
Equity attributable to shareholders of the Company		5,710	5,299
Non-controlling interests		-	13
Total equity		5,710	5,312
EPRA Net Tangible Assets per share¹	2	567p	562p

1. See definition in Note 2 and a reconciliation between EPRA Net Tangible Assets and IFRS net assets in Note 20.

Simon Carter
Chief Executive

David Walker
Chief Financial Officer

The financial statements on pages 143 to 194 were approved by the Board of Directors and signed on its behalf on 21 May 2025.

Company number 621920.

FINANCIAL STATEMENTS CONTINUED

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2025

	Note	2025 £m	2024 £m
Income received from tenants		414	367
Surrender premia received ¹		–	149
Fees and other income received		57	47
Operating expenses paid to suppliers and employees		(211)	(177)
Cash generated from operations		260	386
Interest paid		(57)	(51)
Interest received		2	3
Corporation taxation payments		(7)	(6)
Distributions and other receivables from joint ventures	11	72	77
Net cash inflow from operating activities		270	409
Cash flows from investing activities			
Development and other capital expenditure		(216)	(312)
Purchase of investment properties		(726)	(58)
Sale of investment properties ²		292	390
Purchase of investments		(4)	(7)
Indirect taxes paid in respect of investing activities		(2)	1
Loan repayments from joint ventures ³	11	93	–
Investment in and loans to joint ventures		(292)	(186)
Capital distributions from joint ventures	11	2	–
Net cash outflow from investing activities		(853)	(172)
Cash flows from financing activities			
Issue of ordinary shares	19	295	1
Dividends paid	18	(220)	(213)
Dividends paid to non-controlling interests		–	(2)
Capital payments in respect of interest rate derivatives		(8)	(31)
Repayment of lease liabilities		(3)	(3)
Purchase of non-controlling interests		(13)	–
Proceeds from new borrowings	16	297	–
Repayment of bank and other borrowings		(132)	(385)
Drawdowns on bank and other borrowings		138	361
Net drawdown (repayment) of revolving credit facilities		198	(2)
Net cash inflow (outflow) from financing activities		552	(274)
Net decrease in cash and cash equivalents		(31)	(37)
Cash and cash equivalents at 1 April		88	125
Cash and cash equivalents at 31 March	16	57	88
Cash and cash equivalents consists of:			
Cash and short term deposits		21	58
Tenant deposits		36	30

1. Surrender premia received includes £nil (2023/24: £149m) of the consideration for the surrender of 1 Triton Square. Refer to Note 3 for further information.
2. Includes the sale of investment in Meadowhall Shopping Centre joint venture of £158m (2023/24: £nil) and the sale of investment properties to 1 Triton Square joint venture of £nil (2023/24: £193m). Refer to Note 11 for further information.
3. Loan repayments from joint ventures of £93m (2023/24: £nil) relates to a repayment of joint venture loan from Broadgate REIT Limited as part of the 2 Finsbury Avenue joint venture transaction. Refer to Note 11 for further information.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

	Share capital £m	Share premium £m	Hedging and translation reserve £m	Re-valuation reserve £m	Merger reserve £m	Retained earnings £m	Total £m	Non- controlling interests £m	Total equity £m
Balance at 1 April 2024	235	1,310	-	13	213	3,528	5,299	13	5,312
Profit for the year after taxation	-	-	-	-	-	338	338	-	338
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	338	338	-	338
Shares issued in the year ¹	18	279	-	-	-	-	297	-	297
Fair value of share and share option awards	-	-	-	-	-	(3)	(3)	-	(3)
Purchase of non-controlling interests ²	-	-	-	-	-	-	-	(13)	(13)
Dividends payable in year (22.88p per share)	-	-	-	-	-	(221)	(221)	-	(221)
Balance at 31 March 2025	253	1,589	-	13	213	3,642	5,710	-	5,710
Balance at 1 April 2023	234	1,308	2	13	213	3,742	5,512	13	5,525
(Loss) profit for the year after taxation	-	-	-	-	-	(1)	(1)	2	1
Losses on cash flow hedges – joint ventures	-	-	-	(1)	-	-	(1)	-	(1)
Reclassification of foreign exchange differences to the income statement	-	-	(2)	1	-	-	(1)	-	(1)
Other comprehensive expense	-	-	(2)	-	-	-	(2)	-	(2)
Total comprehensive (expense) income for the year	-	-	(2)	-	-	(1)	(3)	2	(1)
Shares issued in the year	1	2	-	-	-	-	3	-	3
Fair value of share and share option awards	-	-	-	-	-	2	2	-	2
Dividends payable in year (23.20p per share)	-	-	-	-	-	(215)	(215)	-	(215)
Dividends payable by subsidiaries	-	-	-	-	-	-	-	(2)	(2)
Balance at 31 March 2024	235	1,310	-	13	213	3,528	5,299	13	5,312

- On 2 October 2024, the Company announced a share placing, retail offer and subscription of 71,227,309 ordinary shares of 25p each at a price of 422 pence per share, resulting in an increase in share capital of £18m and share premium of £277m. See Note 19 for further information.
- On 12 June 2024, the Group acquired the remaining 12.5% interest of the Speke Unit Trust for a cash consideration of £13m, which represented the entirety of the Group's non-controlling interest in Speke Unit Trust. As a result of this acquisition, the Group has £nil non-controlling interests as at 31 March 2025 (2023/24: £13m).

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS

1 Basis of preparation, material accounting policies and accounting judgements**Basis of preparation**

The financial statements for the year ended 31 March 2025 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.

The Group has applied the following minor amendments to standards to the financial statements for the first time for the year ended 31 March 2025: IAS 1 'Presentation of Financial Statements' on the classification of liabilities and non-current liabilities with covenants, IFRS 16 'Leases' on sale and leaseback arrangements and IFRS 8 'Operating Segments' Agenda Decision. The amendments did not have any material impact on amounts recognised in prior years and are not expected to materially affect current and future years.

The standards and amendments which have been issued but are not yet effective include IFRS 18 'Presentation and Disclosure in Financial Statements' and amendments to both IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures' in respect of the classification and measurement of financial instruments. With the exception of IFRS 18, which the Group is still assessing and the impact to the financial statements is not yet known, these amendments to standards that are not yet effective are not expected to have a material impact on the Group's results.

These financial statements are presented in Pounds Sterling which is the functional currency of the Group, to the nearest million.

Going concern

The financial statements are prepared on a going concern basis. The consolidated balance sheet shows that the Group is in a net current liability position, predominantly due to short term borrowings and overdrafts of £311m and current creditors of £263m. The Group has access to £1.8bn of undrawn facilities and cash, which provides the Directors with a reasonable expectation that the Group will be able to meet these current liabilities as they fall due. In making this assessment the Directors took into account forecast cash flows and covenant compliance, including stress testing through the impact of sensitivities as part of a 'severe but plausible downside scenario'. Before factoring in any income receivable, the undrawn facilities and cash would also be sufficient to cover forecast capital expenditure, property operating costs, administrative expenses, maturing debt and interest for a minimum of 12 months from the approval date of these financial statements.

Having assessed the principal risks, the Directors believe that the Group is well placed to manage its financing and

other business risks satisfactorily despite the uncertain economic climate, and have a reasonable expectation that the Company and the Group have adequate resources to continue in operation for at least 12 months from the signing date of these financial statements. Accordingly, they believe the going concern basis is an appropriate one.

Subsidiaries and joint ventures

The consolidated accounts include the accounts of The British Land Company PLC (the Company) and all subsidiaries (entities controlled by British Land). Control is assumed where the Company is exposed, or has the rights, to variable returns from its involvement with investees and has the ability to affect those returns through its power over those investees.

The results of subsidiaries and joint ventures acquired or disposed of during the year are included from the effective date of acquisition or up to the effective date of disposal. Accounting policies of subsidiaries and joint ventures which differ from Group accounting policies are adjusted on consolidation.

All intra-Group transactions, balances, income and expenses are eliminated on consolidation. Joint ventures are accounted for under the equity method, whereby the consolidated balance sheet incorporates the Group's share (investor's share) of the net assets of its joint ventures. The consolidated income statement incorporates the Group's share of joint ventures profits after tax. Their profits include revaluation movements on properties. Where joint ventures generate losses after tax, these are recognised initially against the Group's equity investment. If the Group's equity investment is nil, these are subsequently then recognised against other long term interests, principally long term loans.

Distributions and other receivables from joint ventures are classed as cash flows from operating activities, except where they relate to a cash flow arising from a capital transaction, such as a property or investment disposal. In this case they are classed as cash flows from investing activities.

The Group assesses the recoverability of investments in and loans to joint ventures against the joint venture's net asset value. Amounts due are expected to be recovered by a joint venture selling its properties and investments and settling financial assets, net of financial liabilities. The net asset value of a joint venture is considered to be a reasonable approximation of the available assets that could be realised to recover the amounts due and the requirement to recognise expected credit losses. Impairment of investments in joint ventures is calculated in accordance with IAS 36 'Impairment of Assets', and impairment of loans to joint ventures is calculated in accordance with IFRS 9 'Financial Instruments'.

1 Basis of preparation, material accounting policies and accounting judgements continued

Properties

Properties are externally valued at the balance sheet date. Investment properties are recorded at valuation whereas trading properties are stated at the lower of cost and net realisable value.

Any surplus or deficit arising on revaluing investment properties is recognised in the Capital and other column of the income statement.

The cost of properties in the course of development includes attributable interest and other associated outgoings including attributable development personnel costs. Interest is calculated on the development expenditure by reference to specific borrowings, where relevant, and otherwise on the weighted average interest rate of the Group's borrowings. Interest is not capitalised where no development activity is taking place. A property ceases to be treated as a development property on practical completion.

Investment property disposals are recognised on completion. Profits and losses arising are recognised through the Capital and other column of the income statement. The profit or loss on disposal is determined as the difference between the net sales proceeds and the carrying amount of the asset at the commencement of the accounting period plus capital expenditure in the period. Where properties are disposed into a joint venture owned by the Group, the profit recognised in the Capital and other column of the income statement is limited to the extent of the unrelated party's interest. Any loss is recognised in the Capital and other column of the income statement in full.

Trading properties are initially recognised at cost and then are subsequently measured at the lower of cost and net realisable value. Trading property disposals are recognised in line with the Group's revenue accounting policies.

Where investment properties are appropriated to trading properties, they are transferred at market value. If properties held for trading are appropriated to investment properties, they are transferred at book value.

Transfers to or from an investment property occur when, and only when, there is evidence of change in use.

Where a right-of-use asset meets the definition of investment property under IFRS 16 'Leases', the right-of-use asset will initially be calculated as the present value of minimum lease payments under the lease and subsequently measured under the fair value model, based on discounted cash flows of net rental income earned under the lease.

The Group leases out investment properties under operating leases with rents generally payable monthly or quarterly. The Group is exposed to changes in the residual value of properties at the end of current lease agreements, and mitigates this risk by actively managing its tenant mix in order to maximise the weighted average lease term, minimise vacancies across the portfolio and maximise exposure to tenants with strong financial characteristics. The Group also grants tenant incentives to encourage high quality tenants to remain in properties for longer lease terms. Tenant incentives, such as rent-free periods and cash contributions to tenant fit-out, and contracted rent increases are recognised as part of the investment property balance. The Group calculates the expected credit loss for tenant incentives and contracted rent increases based on lifetime expected credit losses under the IFRS 9 simplified approach.

Surrender premia payable relating to investment properties are recognised in the income statement, through the Underlying column, except where the surrender premia payable are deemed to be unusual or significant by virtue of their size or nature, where they are recognised through the Capital and other column. Surrender premia payable relating to development properties are capitalised as a property addition providing they are a directly attributable and necessary development expense.

Financial assets and liabilities

Debtors and creditors are initially recognised at fair value and subsequently measured at amortised cost and discounted as appropriate. On initial recognition the Group calculates the expected credit loss for debtors based on lifetime expected credit losses under the IFRS 9 simplified approach.

Other investments include investments classified as amortised cost and investments classified as fair value through profit or loss. Loans and receivables classified as amortised cost are measured using the effective interest method, less any impairment. Interest is recognised by applying the effective interest rate. Investments classified as fair value through profit or loss are initially recorded at fair value and are subsequently externally valued on the same basis at the balance sheet date. Any surplus or deficit arising on revaluing investments classified as fair value through profit or loss is recognised in the Capital and other column of the income statement.

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

1 Basis of preparation, material accounting policies and accounting judgements continued

The liability associated with investment property which is held under a lease, is initially calculated as the present value of the minimum lease payments. The lease liability is subsequently measured at amortised cost, unwinding as finance lease interest accrues and lease payments are made.

Debt instruments are stated at their fair value on issue. Finance charges including premia payable on settlement or redemption and direct issue costs are spread over the period to maturity, using the effective interest method. Exceptional finance charges incurred due to early redemption (including premia) are recognised in the income statement when they occur.

As defined by IFRS 9, cash flow and fair value hedges are initially recognised at fair value at the date the derivative contracts are entered into, and subsequently remeasured at fair value. Changes in the fair value of derivatives that are designated and qualify as effective cash flow hedges are recognised directly through other comprehensive income as a movement in the hedging and translation reserve. Changes in the fair value of derivatives that are designated and qualify as effective fair value hedges are recorded in the Capital and other column of the income statement, along with any changes in the fair value of the hedged item that is attributable to the hedged risk. Any ineffective portion of all derivatives is recognised in the Capital and other column of the income statement. Changes in the fair value of derivatives that are not in a designated hedging relationship under IFRS 9 are recorded directly in the Capital and other column of the income statement. These derivatives are carried at fair value on the balance sheet.

Cash equivalents include short term deposits that are instruments with a maturity of less than three months, and tenant deposits.

Revenue

Revenue comprises rental income and surrender premia, service charge income, management and performance fees and proceeds from the sale of trading properties.

Rental income and surrender premia are recognised in accordance with IFRS 16. For leases where a single payment is received to cover both rent and service charge, the service charge component is separated out and reported as service charge income.

Rental income, including fixed rental uplifts, from investment property leased out under an operating lease is recognised as revenue on a straight-line basis over the lease term. Tenant incentives, such as rent-free periods and cash contributions to tenant fit-out, are recognised on the same straight-line basis being an integral part of the net consideration for the use of the investment property. Any rent adjustments based on open market estimated

rental values are recognised, based on management estimates, from the rent review date in relation to unsettled rent reviews. Contingent rents, being those lease payments that are not fixed at the inception of the lease, including for example turnover rents, are recognised in the period in which they are earned.

Lease modifications are defined as a change in the scope of a lease, or the consideration of a lease, that was not part of the original terms and conditions of the lease. Modifications to operating leases the Group holds as a lessor are accounted for from the effective date of the modification. Modifications take into account any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease. The revised remaining consideration under the modified lease is then recognised in rental income on a straight-line basis over the remaining lease term.

Concessions granted to tenants for operating lease receivables where prior demanded lease payments have been reduced or waived for a specified period are accounted for as an expected credit loss. Concessions granted to tenants for future lease payments are accounted for as a lease modification.

Surrender premia for the early termination of a lease are recognised as revenue when the amounts become contractually due, net of dilapidations and non-recoverable outgoings relating to the lease concerned.

The Group applies the five-step-model as required by IFRS 15 'Revenue from Contracts with Customers' in recognising its service charge income, management and performance fees and proceeds from the sale of trading properties. Service charge income is recognised as revenue in the period to which it relates.

Management fees are recognised as revenue in the period to which they relate and include the provision of asset management, property management, development management and administration services to joint ventures. Performance fees are recognised at the end of the performance period when the performance obligations are met, the fee amount can be estimated reliably and it is highly probable that the fee will be received. Performance fees are based on property valuations compared to external benchmarks at the end of the reporting period.

Proceeds from the sale of trading properties are recognised when control has been transferred to the purchaser. This generally occurs on completion. Proceeds from the sale of trading properties are recognised as revenue in the Capital and other column of the income statement.

All other revenue described above is recognised in the Underlying column of the income statement, except where revenue items are deemed to be unusual or significant by virtue of their size or nature, where they are recognised through the Capital and other column.

1 Basis of preparation, material accounting policies and accounting judgements continued

Taxation

Current tax is based on taxable profit for the year and is calculated using tax rates that have been enacted or substantively enacted at the balance sheet date. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are not taxable (or tax deductible).

Deferred tax is provided on items that may become taxable in the future, or which may be used to offset against taxable profits in the future, on the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes, and the amounts used for taxation purposes on an undiscounted basis. On business combinations, the deferred tax effect of fair value adjustments is incorporated in the consolidated balance sheet.

Deferred tax assets and liabilities are netted off against each other in the consolidated balance sheet when they relate to income taxes levied by the same tax authority on different taxable entities which intend to settle current tax assets and liabilities on a net basis.

Employee costs

The fair value of equity-settled share-based payments to employees is determined at the date of grant and is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares or options that will eventually vest. For all schemes except the Group's Long Term Incentive Plan and Save As You Earn schemes, the fair value of awards are equal to the market value at grant date. For options and performance shares granted under the Long Term Incentive Plan, the fair values are determined by Monte Carlo and Black-Scholes models. A Black-Scholes model is used for the Save As You Earn schemes.

Defined benefit pension scheme assets are measured using fair values. Pension scheme liabilities are measured using the projected unit credit method and discounted at the rate of return of a high quality corporate bond of equivalent term to the scheme liabilities. The net surplus (where recoverable by the Group) or deficit is recognised in full in the consolidated balance sheet. Any asset resulting from the calculation is limited to the present value of available refunds and reductions in future contributions to the plan. The current service cost and gains and losses on settlement and curtailments are recognised in the Underlying column of the income statement. Actuarial gains and losses are recognised in full in the period in which they occur and are presented in the consolidated statement of comprehensive income.

Critical accounting judgements and key sources of estimation uncertainty

In applying the Group's accounting policies, the Directors are required to make critical accounting judgements and assess key sources of estimation uncertainty that affect the financial statements.

Key sources of estimation uncertainty

Valuation of investment and development properties and the net realisable value of trading properties: The Group uses external professional valuers to determine the relevant amounts. The primary source of evidence for property valuations should be recent, comparable market transactions on an arm's length basis. However, the valuation of the Group's property portfolio is inherently subjective, as it is based upon valuer assumptions and estimations that form part of the key unobservable inputs of the valuation, which may prove to be inaccurate. Further details on the valuers' assumptions, estimates and associated key unobservable inputs and sensitivity disclosures, have been provided in Note 10. Additionally, the Group's investment in joint ventures can be materially impacted by the joint venture property portfolio, and as such sensitivity disclosures of the joint venture property portfolio have been provided in Note 10.

Other sources of estimation uncertainty that would not result in a material movement in the carrying amount in the next financial year include the valuation of interest rate derivatives, the determination of share-based payments, the actuarial assumptions used in calculating the Group's retirement benefit obligations, the fair value of pension scheme assets and taxation provisions.

Critical accounting judgements

The Directors do not consider there to be any critical accounting judgements in the preparation of the Group's financial statements.

The following items are ongoing areas of accounting judgement, however, the Directors do not consider these accounting judgements to be critical and material accounting judgement has not been required for any of these items in the current financial year.

REIT status: British Land is a Real Estate Investment Trust (REIT) and does not pay tax on its tax adjusted property income or gains on investment property sales, provided that at least 90% of the Group's tax adjusted property income is distributed as a dividend to shareholders, which becomes taxable in their hands. In addition, the Group has to meet certain conditions such as ensuring the property rental business represents more than 75% of total profits and assets. Any potential or proposed changes to the REIT legislation are monitored and discussed with HMRC. It is management's intention that the Group will continue as a REIT for the foreseeable future.

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

1 Basis of preparation, material accounting policies and accounting judgements continued

Accounting for joint ventures: In accordance with IFRS 10 'Consolidated Financial Statements', IFRS 11 'Joint Arrangements' and IFRS 12 'Disclosure of Interests in Other Entities', an assessment is required to determine the degree of control or influence the Group exercises and the form of any control to ensure that the financial statement treatment is appropriate. The assessment undertaken by management includes consideration of the structure, legal form, contractual terms and other facts and circumstances relating to the relevant entity. This assessment is updated annually and there have been no changes in the judgement reached in relation to the degree of control the Group exercises within the current or prior year. An assessment was performed for the 2 Finsbury Avenue joint venture transaction within the Broadgate joint venture that occurred in the current year, and the 1 Triton Square joint venture transaction that occurred in the prior year (see Note 11). No critical accounting judgement was identified in the assessment of the 2 Finsbury Avenue joint venture transaction within the Broadgate joint venture in the current financial year, owing to the ownership structure of the joint venture. As previously disclosed, no critical accounting judgement was identified in the assessment of the 1 Triton Square joint venture transaction in the prior year.

Joint ventures are accounted for under the equity method, whereby the consolidated balance sheet incorporates the Group's share of the net assets of its joint ventures. The consolidated income statement incorporates the Group's share of joint ventures profits after tax. The Group's share of joint ventures results and net assets are disclosed in Note 11 to the financial statements.

Accounting for transactions: Property transactions are complex in nature and can be material to the financial statements. Judgements made in relation to transactions include whether an acquisition is a business combination or an asset; whether held for sale criteria have been met for transactions not yet completed; accounting for transaction costs and contingent consideration; and application of the concept of linked accounting. Management considers each transaction separately in order to determine the most appropriate accounting treatment, and, when considered necessary, seeks independent advice. Management considered the accounting of the Meadowhall Shopping Centre joint venture disposal and the 2 Finsbury Avenue joint venture transaction within the Broadgate joint venture in the current year, as well as the 1 Triton Square joint venture transaction in the prior year (see Note 11).

Consideration of climate change

In preparing the financial statements, the impact of climate change has been considered, particularly in the context of the Task Force on Climate-related Financial Disclosures (TCFD) included within the Sustainability section of the Strategic Report. Whilst noting the Group's commitment

to sustainability, there has not been a material impact on the financial reporting judgements and estimates arising from our considerations, which include physical climate and transitional risk assessments conducted by the Group. This is consistent with our assessment that climate change is not expected to have a material impact on the cash flows of the Group, including those included within the going concern and viability assessments in the medium term. Notwithstanding this, the following should be noted, which is relevant to understanding the impact of climate change on the financial statements:

- As part of the Group's 2030 Sustainability Strategy, the Group's Transition Vehicle applies an internal levy of £90 per tonne to the embodied carbon within developments. Two-thirds of the internal levy is available to finance carbon efficient interventions which improve energy efficiency and reduce carbon emissions from our standing portfolio. The remaining third is used to purchase carbon credits to mitigate the residual embodied carbon in our developments. The Group committed £1m to carbon efficient interventions in the year to 31 March 2025 (2023/24: £5m). The Group spent £3m (2023/24: £1m) in the year to 31 March 2025 on carbon efficient interventions, of which £2m is recoverable through the service charge.
- The Group has purchased and retired carbon credits in the year to offset the residual embodied carbon in developments. This is the embodied carbon that remains once we have done everything economically and practically viable to reduce embodied carbon through material reuse, design efficiency and materials specification. The cost of purchasing these credits was capitalised as part of the cost of the development. The cost of purchasing these credits was £1m for the year ended 31 March 2025 (2023/24: £1m).
- As part of the valuation process, the Group has discussed the impact of sustainability and Environmental, Social and Governance factors with the external valuers who value the investment and development properties of the Group. The physical climate and transitional risk analysis conducted by the Group has been shared with, and discussed with, the valuers as part of the six-monthly valuation process (see Note 10 for further details). As such, the impact of sustainability and Environmental, Social and Governance factors is considered as part of the valuation process, to the extent possible market participants would, and is included within the derived valuation as at the balance sheet date. The Group ensures that to the fullest extent possible, the four valuers are materially consistent in their application of the consideration of these factors on the property valuations.

2 Performance measures

Management considers the business on a proportionally consolidated basis when reviewing performance. This includes the Group's share of joint ventures on a line-by-line basis and excludes non-controlling interests in the Group's subsidiaries. Management uses a number of performance measures in order to assess the performance of the Group. These performance measures include various proportionally consolidated, European Public Real Estate Association (EPRA) and Underlying measures, which are non-GAAP measures and therefore Alternative Performance Measures (APMs) that are disclosed in these financial statements. Management does not consider these performance measures and APMs to be a substitute for IFRS measures. Reconciliations between the APMs and IFRS measures are included within the supplementary disclosures (Table B).

Earnings per share

The Group measures financial performance with reference to Underlying earnings per share, EPRA earnings per share and IFRS earnings per share. The relevant earnings and weighted average number of shares (including dilution adjustments) for each performance measure are shown below, and a reconciliation between these is shown within the supplementary disclosures (Table B).

EPRA earnings per share is calculated using EPRA earnings, which is the IFRS profit after taxation attributable to shareholders of the Company excluding investment and development property revaluations, gains/losses on investment and trading property disposals, changes in the fair value of financial instruments and associated close-out costs and their related taxation.

Underlying earnings per share is calculated using Underlying Profit adjusted for Underlying taxation (see Note 7), with the dilutive measure being the primary disclosure measure used. Underlying Profit is the pre-tax EPRA earnings measure, with additional Company adjustments for items which are considered to be unusual and/or significant by virtue of their size and nature. No Company adjustments were made in the current year to 31 March 2025. In the prior year to 31 March 2024, £25m of rent receivable, £149m of surrender premia receivable, and £54m of tenant incentive impairment were excluded from the calculation of Underlying Profit (see Note 3 for further details).

	2025			2024		
	Relevant earnings £m	Relevant number of shares million ¹	Earnings per share pence	Relevant earnings £m	Relevant number of shares million	Earnings per share pence
Earnings per share						
Underlying						
Underlying basic	275	962	28.6	265	927	28.6
Underlying diluted	275	965	28.5	265	929	28.5
EPRA						
EPRA basic	275	962	28.6	385	927	41.5
EPRA diluted	275	965	28.5	385	929	41.4
IFRS						
Basic	338	962	35.1	(1)	927	(0.1)
Diluted	338	965	35.0	(1)	927	(0.1)

1. On 2 October 2024, the Company announced a share placing, retail offer and subscription of 71,227,309 ordinary shares of 25p each at a price of 422 pence per share, resulting in a 71,227,309 increase in the number of shares. See Note 19 for further information.

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

2 Performance measures continued

Net asset value

The Group measures financial position with reference to EPRA Net Tangible Assets (NTA), Net Reinvestment Value (NRV) and Net Disposal Value (NDV). The net assets and number of shares for each performance measure are shown below. A reconciliation between IFRS net assets and the EPRA net asset valuation metrics, and the relevant number of shares for each performance measure, is shown within the supplementary disclosures (Table B). EPRA NTA is a measure that is based on IFRS net assets excluding the mark-to-market on derivatives and related debt adjustments, the carrying value of intangibles, as well as deferred taxation on property and derivative valuations. The metric includes the valuation surplus on trading properties and is adjusted for the dilutive impact of share options.

	2025			2024		
	Relevant net assets £m	Relevant number of shares million ¹	Net asset value per share pence	Relevant net assets £m	Relevant number of shares million	Net asset value per share pence
Net asset value per share						
EPRA						
EPRA NTA	5,698	1,005	567	5,252	934	562
EPRA NRV	6,283	1,005	625	5,782	934	619
EPRA NDV	5,768	1,005	574	5,389	934	577
IFRS						
Basic	5,710	999	572	5,312	927	573
Diluted	5,710	1,005	568	5,312	934	569

1. On 2 October 2024, the Company announced a share placing, retail offer and subscription of 71,227,309 ordinary shares of 25p each at a price of 422 pence per share, resulting in a 71,227,309 increase in the number of shares. See Note 19 for further information.

Total accounting return

The Group also measures financial performance with reference to total accounting return. This is calculated as the movement in EPRA NTA per share and dividend paid in the year as a percentage of the EPRA NTA per share at the start of the year.

	2025			2024		
	Movement in NTA per share pence	Dividend per share paid pence	Total accounting return	Movement in NTA per share pence	Dividend per share paid pence	Total accounting return
Total accounting return	5	22.9	5.0%	(26)	23.2	(0.5%)

3 Revenue and costs

	2025			2024		
	Underlying £m	Capital and other £m	Total £m	Underlying £m	Capital and other £m	Total £m
Rent receivable ¹	317	-	317	284	25	309
Spreading of tenant incentives and contracted rent increases	3	-	3	10	-	10
Surrender premia ¹	10	-	10	3	149	152
Gross rental income	330	-	330	297	174	471
Service charge income	77	-	77	59	-	59
Management and performance fees (from joint ventures and assets under management)	20	-	20	17	-	17
Other fees and commissions	27	-	27	28	-	28
Revenue	454	-	454	401	174	575
Service charge expenses	(68)	-	(68)	(48)	-	(48)
Property operating expenses	(35)	-	(35)	(36)	-	(36)
Movement in impairment of trade debtors and accrued income	(5)	-	(5)	14	-	14
Movement in impairment of tenant incentives and contracted rent increases ¹	7	-	7	-	(54)	(54)
Other fees and commissions expenses	(22)	-	(22)	(22)	-	(22)
Costs	(123)	-	(123)	(92)	(54)	(146)
	331	-	331	309	120	429

1. In the prior year, on 25 September 2023, the Group completed a deed of surrender in relation to an in-force lease of one of its investment properties. The consideration for the surrender was a £149m premium paid by the tenant on the completion date. In line with the requirements of IFRS 16, the surrender transaction was treated as a modification to the lease, with the surrender premium received recognised in full through the income statement at the point of completion, which represented the modified termination date of the lease. At the point of modification, the lease had associated tenant incentive balances of £54m, and as the right to receive these amounts was extinguished through the lease modification, an impairment was recognised in full through the income statement at the point of completion. Also at the point of modification, the lease had an associated deferred lease premium balance of £25m, which in line with the surrender premium received, was recognised in full through the income statement at the point of completion. Owing to the unusual and significant size and nature of this transaction, and in line with the Group's accounting policies, all elements of the transaction have been included within the Capital and other column of the income statement.

Net rental income (gross rental income less property operating expenses) recognised during the year ended 31 March 2025 from properties which were not subject to a security interest was £238m (2023/24: £222m). Property operating expenses relating to investment properties that did not generate any rental income were £2m (2023/24: £2m). Contingent rents of £5m (2023/24: £9m) that contain a variable lease payment were recognised in the year.

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

4 Valuation movements on property

	2025 £m	2024 £m
Consolidated income statement		
Revaluation of properties	148	(131)
Revaluation of properties held by joint ventures accounted for using the equity method	(14)	(179)
	134	(310)

5 Auditors' remuneration

PricewaterhouseCoopers LLP

	2025 £m	2024 £m
Fees payable to the Company's auditor for the audit of the Company's annual accounts and consolidated financial statements	0.6	0.5
Fees payable to the Company's auditor for the audit of the Company's subsidiaries, pursuant to legislation	-	0.2
Total audit fees	0.6	0.7
Audit related assurance services	0.3	0.2
Total audit and audit related assurance services	0.9	0.9
Other fees	-	-
Other services	0.1	-
Total	1.0	0.9

6 Net financing charges

	2025 £m	2024 £m
Underlying		
Financing charges		
Facilities and overdrafts	(36)	(46)
Derivatives	50	51
Other loans	(106)	(83)
Obligations under head leases	(3)	(3)
	(95)	(81)
Development interest capitalised	33	25
	(62)	(56)
Financing income		
Deposits, securities and liquid investments	2	1
	2	1
Net financing charges – Underlying	(60)	(55)
Capital and other		
Financing charges		
Capital financing costs	–	(1)
Valuation movement on fair value hedge accounted derivatives	9	12
Valuation movement on fair value hedge accounted debt	(12)	(14)
Valuation movement on non-hedge accounted derivatives	(40)	(38)
	(43)	(41)
Net financing charges – Capital and other	(43)	(41)
Total financing income	2	1
Total financing charges	(105)	(97)
Net financing charges	(103)	(96)

Interest payable on unsecured bank loans and related interest rate derivatives was £55m (2023/24: £25m). The Group's weighted average interest rate was 3.2% (2023/24: 2.6%), and on a proportionally consolidated basis was 3.6% (2023/24: 3.4%).

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

7 Taxation

	2025 £m	2024 £m
Taxation expense		
Current taxation		
Underlying Profit		
Current period UK corporation taxation (25%)	(3)	(2)
Underlying Profit adjustments in respect of prior periods	(1)	(1)
Total current Underlying Profit taxation expense	(4)	(3)
Capital and other profit		
Current period UK corporation taxation (25%)	-	(5)
Capital and other profit adjustments in respect of prior periods	(1)	(5)
Total current Capital and other profit taxation expense	(1)	(10)
Total current taxation expense	(5)	(13)
Deferred taxation on revaluation of derivatives	1	(1)
Group total taxation expense	(4)	(14)
Attributable to joint ventures	-	-
Total taxation expense	(4)	(14)
Taxation reconciliation		
Profit before taxation	342	15
Less: (Profit) loss attributable to joint ventures	(90)	79
Group profit before taxation	252	94
Taxation on profit at UK corporation taxation rate of 25%	(63)	(24)
Effects of:		
- REIT exempt income and gains	72	30
- Taxation losses	(12)	(13)
- Deferred taxation on revaluation of derivatives	1	(1)
- Adjustments in respect of prior years	(2)	(6)
Group total taxation expense	(4)	(14)

Corporation tax liability as at 31 March 2025 was £6m (2023/24: £8m liability) as shown on the consolidated balance sheet. The credit to the consolidated income statement for the year in relation to the deferred taxation movement on the revaluation of derivatives was £1m (2023/24: £1m debit).

At 31 March 2025 the Group had capital losses of £730m (2023/24: £718m) available to offset future capital gains giving rise to an unrecognised deferred tax asset calculated at 25% (2023/24: 25%) of £183m (2023/24: £180m).

At 31 March 2025 the Group had UK revenue tax losses from previous years of £182m (2023/24: £195m) giving rise to an unrecognised deferred tax asset calculated at 25% (2023/24: 25%) of £46m (2023/24: £49m).

A REIT is required to pay Property Income Distributions (PIDs) of at least 90% of the taxable profits from its UK property rental business within 12 months of the end of each accounting period.

8 Staff costs

Staff costs (including Directors)	2025 £m	2024 £m
Wages and salaries	61	63
Social security costs	9	9
Pension costs	7	6
Equity-settled share-based payments	4	5
	81	83

Of the £81m (2023/24: £83m) total staff costs for the year, £52m (2023/24: £56m) is included within administrative expenses, £9m (2023/24: £8m) within service charge expenses, £4m (2023/24: £4m) within property operating expenses and £16m (2023/24: £15m) within other fees and commissions expenses.

The average monthly number of employees of the Company during the year was 349 (2023/24: 353). The average monthly number of Group employees, including those employed directly at the Group's properties and their costs recharged to tenants, was 646 (2023/24: 645).

For the year ended 31 March 2025, the average monthly number of employees of the Company within each category of persons employed was as follows: Campuses: 36; Retail & London Urban Logistics: 29; Developments: 31; Storey: 6; and Support Functions: 247. The average monthly number of employees of the Group within each category of persons employed was as follows: Campuses: 36; Retail & London Urban Logistics: 29; Developments: 31; Storey: 6; Support Functions: 247; and Property Management: 297.

For the year ended 31 March 2024, the average monthly number of employees of the Company within each category of persons employed was as follows: Campuses: 39; Retail & London Urban Logistics: 32; Developments: 32; Storey: 6; and Support Functions: 244. The average monthly number of employees of the Group within each category of persons employed was as follows: Campuses: 39; Retail & London Urban Logistics: 32; Developments: 32; Storey: 6; Support Functions: 244; and Property Management: 292.

The Executive Directors and Non-Executive Directors are the key management personnel. Their emoluments are disclosed in the Remuneration Report on pages 107 to 129.

Staff costs

The Group's equity-settled share-based payments comprise the following:

Scheme	Fair value measure
Long Term Incentive Plan (LTIP)	Monte Carlo model simulation and Black-Scholes option valuation models
Restricted Share Plan (RSP)	Market value at grant date
Save As You Earn schemes (SAYE)	Black-Scholes option valuation model

The Group expenses an estimate of how many shares are likely to vest based on the market price at the date of grant, taking account of expected performance against the relevant performance targets and service periods, which are discussed in further detail in the Remuneration Report.

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

8 Staff costs continued

During the year and the prior year, the Group granted performance shares under its Long Term Incentive Plan scheme. Performance conditions are measured over a three-year period and depending on the year of grant, are a weighted blend of Total Property Return (TPR), Total Accounting Return (TAR) and ESG measures (see Directors' Remuneration Report for details). For non-market-based performance conditions, the Group uses a Black-Scholes option valuation method to obtain fair values. For market-based performance conditions, a Monte Carlo model is used as this provides a more accurate fair value for these performance conditions. The key inputs used to obtain fair values for LTIP awards are shown below.

	20 June 2024		15 June 2023	
	Awards with holding period	Awards with no holding period	Awards with holding period	Awards with no holding period
Share price	£4.17	£4.17	£3.35	£3.35
Exercise price	£0.00	£0.00	£0.00	£0.00
Expected volatility	30.7%	30.7%	32.7%	32.7%
Expected term (years)	3	3	3	3
Dividend yield	5.5%	5.5%	6.8%	6.8%
Risk free interest rate	3.9%	3.9%	4.6%	4.6%
Fair value – TPR and TAR Tranches	£3.63	£4.17	£2.90	£3.35
Fair value – ESG Tranche	£3.63	£4.17	£2.90	£3.35

Movements in shares and options are given in Note 19.

9 Pensions

The British Land Group of Companies Pension Scheme ('the scheme') is the principal defined benefit pension scheme in the Group. The assets of the scheme are held in a trustee-administered fund and kept separate from those of the Company. It is not contracted out of SERPS (State Earnings-Related Pension Scheme), it is not planned to admit new employees to the scheme and the scheme closed to future accrual effective 1 September 2020.

The Group has two other small defined benefit pension schemes. There are also two defined contribution pension schemes. Contributions to these schemes are at a flat rate of salary and are paid by the Company.

The total net pension cost charged for the year was £7m (2023/24: £6m), all of which relates to defined contribution plans.

The last full actuarial valuation of the scheme was performed by the scheme actuary, First Actuarial LLP, as at 31 March 2021. The employer does not expect to make any payments during the year to 31 March 2026. The major assumptions used for the actuarial valuation were:

	2025 % p.a.	2024 % p.a.	2023 % p.a.	2022 % p.a.	2021 % p.a.
Discount rate	5.8	4.9	4.7	2.7	2.0
Salary inflation	-	-	-	-	-
Pensions increase	3.2	3.3	3.4	3.7	3.4
Price inflation	3.4	3.5	3.5	3.9	3.5

The assumptions are that a member currently aged 60 will live on average for a further 27.2 years if they are male and for a further 29.0 years if they are female. For a member who retires in 2045 at age 60, the assumptions are that they will live on average for a further 28.7 years after retirement if they are male and for a further 30.5 years after retirement if they are female.

The weighted average duration of the defined benefit obligation as at 31 March 2025 is 12 years (2023/24: 13 years).

9 Pensions continued**Composition of scheme assets**

	2025 £m	2024 £m
Equities	18	24
Diversified growth funds	13	5
Other assets	62	79
Total scheme assets	93	108

69% of the scheme underlying assets are quoted in an active market. Unquoted scheme assets sit within equities and other assets.

The amount included in the consolidated balance sheet arising from the Group's obligations in respect of its defined benefit schemes is as follows:

	2025 £m	2024 £m	2023 £m	2022 £m	2021 £m
Present value of defined scheme obligations	(74)	(85)	(87)	(125)	(152)
Fair value of scheme assets	93	108	117	178	178
Irrecoverable surplus ¹	(19)	(23)	(30)	(53)	(26)
Amount recognised on the consolidated balance sheet	-	-	-	-	-

1. The net defined benefit asset must be measured at the lower of the surplus in the defined benefit schemes and the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the schemes or reductions to future contributions to the schemes. The asset ceiling of the Group's defined benefit schemes is £nil (2023/24: £nil), therefore the surplus in the defined benefit schemes of £19m (2023/24: £23m) is irrecoverable.

The sensitivities of the defined benefit obligation in relation to the major actuarial assumptions used to measure scheme liabilities are as follows:

Assumption	Change in assumption	(Decrease) increase in defined scheme obligations	
		2025 £m	2024 £m
Discount rate	+0.5%	(4)	(5)
Salary inflation	+0.5%	-	-
RPI inflation	+0.5%	3	4
Assumed life expectancy	+1 year	2	2

History of experience gains and losses

	2025 £m	2024 £m	2023 £m	2022 £m	2021 £m
Total actuarial gain (loss) recognised in the consolidated statement of comprehensive income ^{1,2}	-	-	-	-	(13)
Percentage of present value on scheme liabilities	-	-	-	-	(8.6%)

1. Movements stated after adjusting for irrecoverability of any surplus.

2. Cumulative loss recognised in the statement of comprehensive income is £53m (2023/24: £53m).

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

9 Pensions continued

Movements in the present value of defined benefit obligations were as follows:

	2025 £m	2024 £m
At 1 April	(85)	(87)
Interest cost	(4)	(4)
Actuarial gain		
Gain from change in financial assumptions	10	2
Gain on scheme liabilities arising from experience	1	-
Benefits paid	4	4
At 31 March	(74)	(85)

Movements in the fair value of the scheme assets were as follows:

	2025 £m	2024 £m
At 1 April	108	117
Interest income on scheme assets	5	5
Contributions by employer	-	-
Actuarial loss	(16)	(10)
Benefits paid	(4)	(4)
At 31 March	93	108

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The liabilities are calculated using a discount rate set with reference to corporate bond yields; if assets underperform this yield, this will create a deficit. The scheme holds a significant portion of growth assets (equities and diversified growth funds) which, although expected to outperform corporate bonds in the long term, create volatility and risk in the short term. The allocation to growth assets is monitored to ensure it remains appropriate given the scheme's long term objectives.

Changes in bond yields

A decrease in corporate bond yields will increase the value placed on the scheme's liabilities for accounting purposes, although this will be partially offset by an increase in the value of the scheme's bond holdings.

Inflation risk

The majority of the scheme's benefit obligations are linked to inflation, and higher inflation will lead to higher liabilities (although, in most cases, caps on the level of inflationary increases are in place to protect against extreme inflation). The majority of the assets are either unaffected by or only loosely correlated with inflation, meaning that an increase in inflation will also decrease the surplus.

Life expectancy

The majority of the scheme's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the liabilities.

10 Property

Property reconciliation for the year ended 31 March 2025

	Campuses Level 3 £m	Retail & London Urban Logistics Level 3 £m	Developments Level 3 £m	Investment and development properties Level 3 £m	Trading and held-for-sale properties £m	Total £m
Carrying value at 1 April 2024	1,995	2,686	548	5,229	22	5,251
Additions						
- property purchases ¹	-	730	-	730	-	730
- development expenditure	22	5	78	105	-	105
- capitalised interest and staff costs	7	1	10	18	-	18
- capital expenditure on asset management initiatives	19	31	1	51	-	51
- head lease assets and right-of-use assets	-	4	-	4	-	4
	48	771	89	908	-	908
Disposals	(59)	(82)	-	(141)	-	(141)
Reclassifications	237	-	(259)	(22)	22	-
Revaluations included in income statement	(52)	189	11	148	-	148
Movement in tenant incentives and contracted rent uplift balances	4	2	2	8	-	8
Carrying value at 31 March 2025	2,173	3,566	391	6,130	44	6,174
Lease liabilities (Notes 14 and 15) ²						(111)
Less valuation surplus on right-of-use assets ³						(3)
Valuation surplus on trading properties						5
Group property portfolio valuation at 31 March 2025						6,065
Non-controlling interests ⁴						-
Group property portfolio valuation at 31 March 2025 attributable to shareholders						6,065

1. Included within property purchases of £730m are seven retail parks acquired for consideration of £441m on 2 October 2024. The retail park acquisition was funded by the equity placing disclosed in Note 19.
2. The £3m difference between lease liabilities of £111m and £114m per Notes 14 and 15 relates to a lease liability where the right-of-use asset is classified as property, plant and equipment and premiums associated with the Norton Folgate head lease.
3. Relates to properties held under leasing agreements. The fair value of right-of-use assets is determined by calculating the present value of net rental cash flows over the term of the lease agreements. IFRS 16 right-of-use assets are not externally valued, their fair values are determined by management and are therefore not included in the Group property portfolio valuation of £6,065m above.
4. On 12 June 2024, the Group acquired the remaining 12.5% interest in Speke Unit Trust. As a result of this acquisition, the Group has Enil property non-controlling interests as at 31 March 2025 (2023/24: £14m).

Additions include £1m of capital expenditure in response to climate change (2023/24: £1m), in line with our Sustainability Strategy to reduce both the embodied carbon in our developments and the operational carbon across the Group's standing property portfolio. For further details, refer to the Sustainability section of the Strategic Report on pages 36 to 43.

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

10 Property continued

Property reconciliation for the year ended 31 March 2024

	Campuses Level 3 £m	Retail & London Urban Logistics Level 3 £m	Developments Level 3 £m	Investment and development properties Level 3 £m	Trading properties £m	Total £m
Carrying value at 1 April 2023	2,233	2,611	833	5,677	22	5,699
Additions						
- property purchases	-	58	-	58	-	58
- development expenditure	16	4	124	144	-	144
- capitalised interest and staff costs	7	1	12	20	-	20
- capital expenditure on asset management initiatives	15	31	2	48	-	48
- head lease assets and right-of-use assets ¹	54	-	-	54	-	54
	92	94	138	324	-	324
Disposals	(579)	(83)	-	(662)	-	(662)
Reclassifications ¹	346	-	(346)	-	-	-
Revaluations included in income statement	(115)	61	(77)	(131)	-	(131)
Movement in tenant incentives and contracted rent uplift balances	18	3	-	21	-	21
Carrying value at 31 March 2024	1,995	2,686	548	5,229	22	5,251
Lease liabilities (Notes 14 and 15) ²						(123)
Less valuation surplus on right-of-use assets ³						(4)
Valuation surplus on trading properties						6
Group property portfolio valuation at 31 March 2024						5,130
Non-controlling interests						(14)
Group property portfolio valuation at 31 March 2024 attributable to shareholders						5,116

1. The £54m head lease assets addition and £346m reclassification from Developments to Campuses relates to the Norton Folgate development which completed in the year ended 31 March 2024.
2. The £4m difference between lease liabilities of £123m and £127m per Notes 14 and 15 relates to a lease liability where the right-of-use asset is classified as property, plant and equipment and premiums associated with the Norton Folgate head lease.
3. Relates to properties held under leasing agreements. The fair value of right-of-use assets is determined by calculating the present value of net rental cash flows over the term of the lease agreements. IFRS 16 right-of-use assets are not externally valued, their fair values are determined by management, and are therefore not included in the Group property portfolio valuation of £5,130m above.

In the prior year, on 15 March 2024, the Group entered into a new 50:50 joint venture agreement with Royal London Mutual Insurance Society Limited in relation to 1 Triton Square, resulting in the disposal of £450m of investment property with a resulting loss in the Capital and other column of the consolidated income statement of £68m for the year ended 31 March 2024. The £54m of tenant incentives impairment arising from the surrender transaction of 1 Triton Square forms part of the £68m loss on disposal (see Note 3 for further information). The remaining £14m loss on disposal has been accounted for within the loss on disposal of investment property line within the Capital and other column of the consolidated income statement. As at 30 September 2023, the fair value of the related investment property was £353m, with a corresponding revaluation loss recognised within the valuation movement of £43m in the Capital and other column of the consolidated income statement.

10 Property continued

Property valuation

The different valuation method levels are defined below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

These levels are specified in accordance with IFRS 13 'Fair Value Measurement'. Property valuations are inherently subjective as they are made on the basis of assumptions made by the valuer which may not prove to be accurate. For these reasons, and consistent with EPRA's guidance, we have classified the valuations of our property portfolio as Level 3 as defined by IFRS 13. The inputs to the valuations are defined as 'unobservable' by IFRS 13. These key unobservable inputs are net equivalent yield and estimated rental values for investment properties, and costs to complete for development properties. Further analysis and sensitivity disclosures of these key unobservable inputs have been included on the following pages. There were no transfers between levels in the year.

The Group's total property portfolio was valued by external valuers on the basis of fair value, in accordance with the latest version of the RICS Valuation – Global Standards (incorporating the International Valuation Standards) and the UK national supplement (the "Red Book"), published by The Royal Institution of Chartered Surveyors.

The information provided to the valuers, and the assumptions and valuation models used by the valuers, are reviewed by the property portfolio team, the Head of Real Estate and Investment, the Chief Financial Officer and the Chief Executive. The valuers meet with the external auditor and also present directly to the Audit Committee at the interim and year end review of results on a rotational basis. Further details of the Audit Committee's responsibilities in relation to valuations can be found in the Report of the Audit Committee on pages 99 to 106.

Investment properties, excluding properties held for development, are valued by adopting the 'investment method' of valuation. This approach involves applying capitalisation yields to current and future rental streams net of income voids arising from vacancies or rent-free periods and associated running costs. These capitalisation yields and future rental values are based on comparable property and leasing transactions in the market using the valuers' professional judgement and market observation. Other factors taken into account in the valuations include the tenure of the property, tenancy details and ground and structural conditions.

In the case of ongoing developments, the approach applied is the 'residual method' of valuation, which is the investment method of valuation as described above, with a deduction for all costs necessary to complete the development, including a notional finance cost, together with a further allowance for remaining risk. Properties held for development are generally valued by adopting the higher of the residual method of valuation, allowing for all associated risks, or the investment method of valuation for the existing asset.

The valuers of the Group's property portfolio have a working knowledge of the various ways that sustainability and Environmental, Social and Governance factors can impact value and have considered these, and how market participants are reflecting these in their pricing, in arriving at their Opinion of Value and resulting valuations as at the balance sheet date. These may be:

- physical risks;
- transition risks related to policy or legislation to achieve sustainability and Environmental, Social and Governance targets; and
- risks reflecting the views and needs of market participants.

Where available, the Group has shared physical climate and transitional risk assessments with the valuers which they have reviewed and taken into consideration to the extent that current market participants would. For further details, refer to the Sustainability section of the Strategic Report on pages 36 to 43.

Valuers observe, assess and monitor evidence from market activities, including market (investor) sentiment on issues such as longer term obsolescence and, where known, future Environmental, Social and Governance related risks and issues which may include, for example, the market's approach to capital expenditure required to maintain the utility of the asset. In the absence of reliable benchmarking data and indices for estimating costs, specialist advice on cost management may be required which is usually agreed with the valuer in the terms of engagement and without which reasonable estimates/assumptions may be needed to properly reflect market expectations in arriving at the Opinion of Value.

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

10 Property continued

A breakdown of valuations split between the Group and its share of joint ventures is shown below:

	2025			2024		
	Group £m	Joint ventures £m	Total £m	Group £m	Joint ventures £m	Total £m
Knight Frank LLP	713	69	782	682	58	740
CBRE	2,368	139	2,507	1,580	821	2,401
Jones Lang LaSalle	2,753	632	3,385	2,612	613	3,225
Cushman & Wakefield	231	2,581	2,812	256	2,076	2,332
Total property portfolio valuation	6,065	3,421	9,486	5,130	3,568	8,698
Non-controlling interests ¹	-	-	-	(14)	-	(14)
Total property portfolio valuation attributable to shareholders²	6,065	3,421	9,486	5,116	3,568	8,684

1. On 12 June 2024, the Group acquired the remaining 12.5% interest in Speke Unit Trust. As a result of this acquisition, the Group has Enil property non-controlling interests as at 31 March 2025 (2023/24: £14m).
2. The £96m difference between the total property portfolio valuation for joint ventures of £3,421m (2023/24: £3,568m) and the total investment and trading properties of £3,325m (2023/24: £3,593m) disclosed in Note 11 relates to £115m of property included within investments in joint ventures, £17m (2023/24: £18m) of headleases and a £2m (2023/24: £7m) trading property deficit, both at Group share.

Information about fair value measurements using unobservable inputs (Level 3) as at 31 March 2025

[illegible]

10 Property continued

Information about fair value measurements using unobservable inputs (Level 3) as at 31 March 2024

Investment	Fair value at 31 March 2024 £m	Valuation technique	ERV per sq ft			Equivalent yield			Costs to complete per sq ft		
			Min £	Max £	Average £	Min %	Max %	Average %	Min £	Max £	Average £
Campuses	1,892	Investment methodology	23	136	68	5	8	6	-	158	39
Retail & London Urban Logistics	2,662	Investment methodology	2	38	20	4	22	7	-	24	4
Developments	548	Residual methodology	33	107	67	4	7	5	33	628	171
Total	5,102										
Trading properties at fair value	28										
Group property portfolio valuation	5,130										

Information about the impact of changes in unobservable inputs (Level 3) on the fair value of the total property portfolio as at 31 March 2025

	Fair value at 31 March 2025 £m	Impact on valuations		Impact on valuations		Impact on valuations	
		+5% ERV £m	-5% ERV £m	-25bps NEY £m	+25bps NEY £m	-5% costs £m	+5% costs £m
Campuses ¹	2,113	90	(90)	106	(97)	-	-
Retail & London Urban Logistics	3,539	144	(141)	149	(137)	-	-
Developments ²	413	19	(19)	21	(19)	3	(3)
Group property portfolio valuation	6,065	253	(250)	276	(253)	3	(3)
Share of joint venture property portfolio valuation	3,421	186	(183)	223	(203)	57	(57)
Total property portfolio valuation	9,486	439	(433)	499	(456)	60	(60)

1. Includes trading properties at fair value.

2. Includes held-for-sale properties at fair value.

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

10 Property continued

Information about the impact of changes in unobservable inputs (Level 3) on the fair value of the total property portfolio as at 31 March 2024

		Impact on valuations		Impact on valuations		Impact on valuations	
	Fair value at 31 March 2024 £m	+5% ERV £m	-5% ERV £m	-25bps NEY £m	+25bps NEY £m	-5% costs £m	+5% costs £m
Campuses ¹	1,920	83	(83)	97	(89)	-	-
Retail & London Urban Logistics	2,662	112	(111)	114	(116)	5	(5)
Developments	548	57	(56)	68	(60)	36	(36)
Group property portfolio valuation	5,130	252	(250)	279	(265)	41	(41)
Share of joint venture property portfolio valuation	3,568	200	(197)	237	(215)	62	(62)
Total property portfolio valuation	8,698	452	(447)	516	(480)	103	(103)

1. Includes trading properties at fair value.

All other factors being equal:

- a higher equivalent yield or discount rate would lead to a decrease in the valuation of an asset;
- an increase in the current or estimated future rental stream would have the effect of increasing the capital value; and
- an increase in the costs to complete would lead to a decrease in the valuation of an asset.

However, there are interrelationships between the unobservable inputs which are partially determined by market conditions, which would impact on these changes. The sensitivity ranges used are deemed appropriate based on industry experience.

Additional property disclosures – including covenant information

At 31 March 2025, the Group property portfolio valuation of £6,065m (2023/24: £5,130m) comprised of freeholds of £3,113m (2023/24: £2,522m); virtual freeholds of £473m (2023/24: £450m); long leaseholds of £2,043m (2023/24: £1,794m); and short leaseholds of £436m (2023/24: £364m). The historical cost of properties was £5,036m (2023/24: £4,246m).

Cumulative interest capitalised against investment, development and trading properties amounted to £155m (2023/24: £141m).

Properties valued at £905m (2023/24: £1,137m) were subject to a security interest.

Included within the property valuation was £1m (2023/24: £2m) in respect of accrued contracted rental uplift income and £129m (2023/24: £128m) in respect of other tenant incentives. The balance arises through the IFRS treatment of leases containing such arrangements, which requires the recognition of rental income on a straight-line basis over the lease term, with the difference between this and the cash receipt changing the carrying value of the property against which revaluations are measured.

11 Joint ventures

Summary movement for the year of the investments in joint ventures

	Equity £m	Loans £m	Total £m
At 1 April 2024	1,362	1,067	2,429
Additions	59	219	278
Disposals	(99)	(6)	(105)
Disposal of investment in Meadowhall Shopping Centre joint venture	(64)	(92)	(156)
Capitalisation of loans	63	(63)	-
Share of profit after taxation ¹	84	6	90
Distributions and dividends:			
- Capital	(2)	-	(2)
- Revenue	(68)	(4)	(72)
Hedging and exchange movements	(1)	1	-
At 31 March 2025	1,334	1,128	2,462

1. The share of profit after taxation includes equity accounted profits of £72m (2023/24: £121m losses) and a credit relating to the movement of provision for impairment of equity investments and loans of £18m (2023/24: £42m credit) excluding the Meadowhall Shopping Centre joint venture disposal. The Group's net closing investments in and loans to joint ventures, the associated closing provision for impairment and movement in provision for impairment in the year are included in Note 22.

Meadowhall Shopping Centre joint venture disposal

On 12 July 2024, the Group completed the disposal of its 50% shareholding in the Meadowhall Shopping Centre joint venture to the joint venture partner, Norges Bank Investment Management, for a total consideration of £158m. The carrying amount of the investment in the joint venture on the disposal date was £156m, resulting in a loss on disposal after transaction costs of £1m which has been accounted for within the Loss on disposal of investment properties, joint ventures and revaluation of investments line within the Capital and other column of the consolidated income statement.

2 Finsbury Avenue joint venture transaction

On 24 January 2025, Broadgate REIT Limited ('Broadgate') entered into a new 50:50 joint venture arrangement with Modon Holding PSC in relation to a wholly owned development property, 2 Finsbury Avenue. All of the following figures are at 100% from the perspective of the new 2 Finsbury Avenue joint venture. The transaction value of the development property transferred by Broadgate on the formation of the new joint venture was £401m. This created a total gain on disposal of £34m of which £17m related to Modon Holding PSC's interest in the joint venture and was realised on the transaction date. Broadgate recognised a gain on disposal of £10m net of transaction costs of £7m (British Land Group share of gain on disposal: £5m).

For the year ended 31 March 2025, Broadgate recognised a total share of the joint venture profit of £22m (British Land Group share: £11m). This included the remaining £17m gain on disposal of property into the new joint venture which was unrealised at the transaction date. Between 24 January 2025 and 31 March 2025, Broadgate provided further loan funding of £26m into the joint venture and recognised an investment in joint ventures of £232m as at 31 March 2025 (British Land Group share: £116m). Broadgate received £190m of cash consideration in relation to the sale of the property to the joint venture (net of transaction costs of £7m) and used £93m of this to repay capital to the British Land Group.

1 Triton Square joint venture transaction

In the prior year, on 15 March 2024, the Group entered into a new 50:50 joint venture arrangement with Royal London Mutual Insurance Society Limited in relation to a wholly-owned investment property, 1 Triton Square. The transaction value of the assets transferred by the Group on the formation of the joint venture at 100% was £385m of investment property with a resulting loss on disposal of £68m in the year ended 31 March 2024. The £54m of tenant incentives impairment arising from the surrender transaction of 1 Triton Square, forms part of the £68m loss on disposal (see Note 3 for further information). The remaining £14m loss on disposal has been accounted for within the loss on disposal of investment property line within the Capital and other column of the consolidated income statement.

The Group recognised a share of the joint venture's loss of £2m and share of net assets less shareholder loans of £79m in relation to the 1 Triton Square joint venture for the year ended 31 March 2024. The Group received £190m of cash consideration in relation to the sale of the investment and development properties to the joint venture (net of transaction costs of £3m).

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

11 Joint ventures continued

The summarised income statements and balance sheets below and on the following page show 100% of the results, assets and liabilities of joint ventures to the nearest million.

Joint ventures' summary financial statements as at 31 March 2025

See page 174 for additional information on each joint venture	Broadgate ¹	Meadowhall ²	WOSC	BL West End
Group share	50%	0% ²	25%	25%
Summarised income statements				
Revenue ⁵	242	26	8	28
Costs	(72)	(5)	(4)	(9)
	170	21	4	19
Administrative expenses	3	-	-	-
Net interest payable	(66)	(6)	-	(6)
	107	15	4	13
Underlying Profit	107	15	4	13
Share of joint venture result ¹	22	-	-	-
Net valuation movements on property	4	1	-	(33)
Capital financing charges	(4)	-	-	-
Profit (loss) on disposal of properties	10	(1)	-	-
Profit (loss) before taxation	139	15	4	(20)
Taxation	-	-	-	-
Profit (loss) after taxation	139	15	4	(20)
Other comprehensive (expense) income	(1)	2	-	-
Total comprehensive income (expense)	138	17	4	(20)
British Land share of total comprehensive income (expense)	69	8	1	(5)
British Land share of distributions payable	45	3	2	3
Summarised balance sheets				
Investment and trading properties	4,179	-	126	415
Investments in joint ventures ¹	232	-	-	-
Other non-current assets	14	-	-	13
Current assets	30	-	2	2
Cash and cash equivalents	160	-	4	13
Gross assets	4,615	-	132	443
Current liabilities	(147)	-	(5)	(13)
Bank and securitised debt	(1,529)	-	-	(160)
Loans from joint venture partners	(1,671)	-	(56)	(13)
Other non-current liabilities	-	-	(4)	(14)
Gross liabilities	(3,347)	-	(65)	(200)
Net assets (liabilities)	1,268	-	67	243
British Land share of net assets less shareholder loans³	634	-	17	61

- On 24 January 2025, Broadgate REIT Limited ('Broadgate') entered into a new 50:50 joint venture arrangement with Modon Holding PSC in relation to Broadgate's wholly-owned development property, 2 Finsbury Avenue. For further details, refer to page 169 of Note 11.
- On 12 July 2024 the Group completed the disposal of its 50% shareholding in the Meadowhall Shopping Centre joint venture. The summarised income statement therefore includes 100% of the results of Meadowhall up to the date of disposal, 12 July 2024. The summarised balance sheet as at 31 March 2025 reflects the resulting nil Group share of Meadowhall following the disposal.
- In accordance with the Group's accounting policies detailed in Note 1, the Group recognises a nil equity investment in joint ventures in a net liability position at year end.
- Included in the column headed 'Other joint ventures' are contributions from the following: BL Goodman Limited Partnership, Bluebutton Property Management UK Limited, City of London Office Unit Trust, Reading Gate Retail Park Co-Ownership, Eden Walk Shopping Centre Unit Trust and the Whiteley Shopping Centre Unit Trust.
- Revenue includes gross rental income at 100% share of £332m (2023/24: £375m).

11 Joint ventures continued

Canada Water	Paddington ³	1 Triton Square	SouthGate	Hercules Unit Trust JV	Other joint ventures ⁴	Total 2025	Total Group share 2025
50%	25%	50%	50%	50%			
9	62	1	17	18	19	430	190
(8)	(19)	(1)	(4)	(3)	(5)	(130)	(57)
1	43	-	13	15	14	300	133
(1)	(1)	-	-	-	-	1	-
1	(26)	-	(1)	-	-	(104)	(43)
1	16	-	12	15	14	197	90
-	-	-	-	-	-	22	11
(55)	(17)	(8)	21	16	20	(51)	(14)
-	(5)	-	-	-	-	(9)	(3)
-	-	-	-	-	4	13	6
(54)	(6)	(8)	33	31	38	172	90
-	-	-	-	-	-	-	-
(54)	(6)	(8)	33	31	38	172	90
-	-	-	-	-	-	1	-
(54)	(6)	(8)	33	31	38	173	90
(27)	(1)	(4)	16	15	18	90	
-	2	-	4	7	8	74	
759	855	419	164	215	219	7,351	3,325
-	-	-	-	-	-	232	116
-	14	-	-	-	-	41	14
2	4	4	1	1	5	51	18
6	22	4	6	8	5	228	108
767	895	427	171	224	229	7,903	3,581
(25)	(25)	(8)	(6)	(2)	(8)	(239)	(105)
(126)	(512)	-	-	-	-	(2,327)	(996)
-	(451)	(271)	-	-	(101)	(2,563)	(1,152)
-	-	-	(28)	-	-	(46)	(18)
(151)	(988)	(279)	(34)	(2)	(109)	(5,175)	(2,271)
616	(93)	148	137	222	120	2,728	1,310
308	-	74	69	110	61	1,334	

The borrowings of joint ventures and their subsidiaries are non-recourse to the Group. All joint ventures are incorporated in the United Kingdom, with the exception of Broadgate REIT Limited, Eden Walk Shopping Centre Unit Trust and Southgate Property Unit Trust which are incorporated in Jersey.

These financial statements include the results and financial position of the Group's interest in BL Goodman Limited Partnership. Accordingly, advantage has been taken of the exemptions provided by Regulation 7 of the Partnership (Accounts) Regulations 2008 not to attach the partnership accounts to these financial statements.

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

11 Joint ventures continued

The summarised income statements and balance sheets below and on the following page show 100% of the results, assets and liabilities of joint ventures to the nearest million.

Joint ventures' summary financial statements as at 31 March 2024

See page 174 for additional information on each joint venture	Broadgate	Meadowhall ¹	WOSC	BL West End
Group share	50%	50%	25%	25%
Summarised income statements				
Revenue ³	254	86	8	28
Costs	(88)	(16)	(2)	(8)
	166	70	6	20
Administrative expenses	(1)	-	-	-
Net interest payable	(68)	(23)	-	(6)
Underlying Profit	97	47	6	14
Net valuation movements on property	(258)	24	(14)	(19)
Capital financing (charges) income	(9)	-	-	-
(Loss) profit on disposal of investment properties and investments	(1)	12	-	-
(Loss) profit before taxation	(171)	83	(8)	(5)
Taxation	-	-	-	(2)
(Loss) profit after taxation	(171)	83	(8)	(7)
Other comprehensive income (expense)	3	(2)	-	(3)
Total comprehensive (expense) income	(168)	81	(8)	(10)
British Land share of total comprehensive (expense) income	(84)	41	(2)	(3)
British Land share of distributions payable	46	5	1	3
Summarised balance sheets				
Investment and trading properties	4,151	729	123	446
Other non-current assets	24	-	-	17
Current assets	32	22	2	2
Cash and cash equivalents	184	59	5	13
Gross assets	4,391	810	130	478
Current liabilities	(142)	(52)	(5)	(13)
Bank and securitised debt	(1,565)	(443)	-	(159)
Loans from joint venture partners	(1,268)	(638)	(58)	(15)
Other non-current liabilities	-	(3)	(4)	(15)
Gross liabilities	(2,975)	(1,136)	(67)	(202)
Net assets (liabilities)	1,416	(326)	63	276
British Land share of net assets less shareholder loans¹	708	-	16	69

1. In accordance with the Group's accounting policies detailed in Note 1, the Group recognises a nil equity investment in joint ventures in a net liability position at year end.
2. Included in the column headed 'Other joint ventures' are contributions from the following: BL Goodman Limited Partnership, Bluebutton Property Management UK Limited, City of London Office Unit Trust, Reading Gate Retail Park Co-Ownership, Eden Walk Shopping Centre Unit Trust and Whiteley Shopping Centre Unit Trust.
3. Revenue includes gross rental income at 100% share of £375m (2022/23: £359m).

11 Joint ventures continued

Canada Water	Paddington ¹	1 Triton Square	SouthGate	Hercules Unit Trust JV	Other joint ventures ²	Total 2024	Total Group share 2024
50%	25%	50%	50%	Various			
9	51	1	16	18	18	489	222
(7)	(13)	(1)	(5)	(2)	(4)	(146)	(67)
2	38	-	11	16	14	343	155
(1)	(1)	-	-	(1)	(1)	(5)	(2)
1	(26)	-	(1)	-	-	(123)	(53)
2	11	-	10	15	13	215	100
(89)	(36)	(4)	-	8	(2)	(390)	(179)
1	(2)	-	-	-	-	(10)	(5)
-	-	-	-	-	-	11	5
(86)	(27)	(4)	10	23	11	(174)	(79)
-	-	-	-	-	-	(2)	-
(86)	(27)	(4)	10	23	11	(176)	(79)
-	-	-	-	-	-	(2)	(1)
(86)	(27)	(4)	10	23	11	(178)	(80)
(43)	(7)	(2)	5	12	3	(80)	
-	-	-	5	8	9	77	
677	861	381	140	196	198	7,902	3,593
-	21	-	-	-	-	62	21
5	6	4	1	-	5	79	34
10	27	8	4	11	6	327	152
692	915	393	145	207	209	8,370	3,800
(40)	(30)	(3)	(7)	(4)	(9)	(305)	(138)
(85)	(511)	-	-	-	-	(2,763)	(1,214)
-	(455)	(232)	-	-	(101)	(2,767)	(1,252)
-	(1)	-	(28)	-	-	(51)	(19)
(125)	(997)	(235)	(35)	(4)	(110)	(5,886)	(2,623)
567	(82)	158	110	203	99	2,484	1,177
283	-	79	55	102	50	1,362	

The borrowings of joint ventures and their subsidiaries are non-recourse to the Group. All joint ventures are incorporated in the United Kingdom, with the exception of Broadgate REIT Limited, Eden Walk Shopping Centre Unit Trust and Southgate Property Unit Trust which are incorporated in Jersey.

These financial statements include the results and financial position of the Group's interest in BL Goodman Limited Partnership. Accordingly, advantage has been taken of the exemptions provided by Regulation 7 of the Partnership (Accounts) Regulations 2008 not to attach the partnership accounts to these financial statements.

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

11 Joint ventures continued

Summary of joint venture details

Joint venture	Name	Partner	Property sector	Group share
Broadgate REIT Limited	Broadgate	Euro Bluebell LLP (GIC)	City Campuses	50%
MSC Property Intermediate Holdings Limited	Meadowhall	Norges Bank Investment Management	Shopping Centre	0% ¹
WOSC Partners Limited Partnership	WOSC	Norges Bank Investment Management	Shopping Centre	25%
BL West End Offices Limited	BL West End	Pimco Prime	West End Campuses	25%
BL CW Upper Limited Partnership	Canada Water	Australian Super	Other Campuses	50%
Paddington Property Investment Limited Partnership	Paddington	Euro Emerald Private Limited (GIC)	West End Campuses	25%
One Triton Holding Limited	1 Triton Square	The Royal London Mutual Insurance Society Limited	West End Campuses	50%
Southgate Property Unit Trust	SouthGate	Aviva Investors	Shopping Centre	50%
Hercules Unit Trust joint venture	Hercules Unit Trust JV	The Prudential Assurance Company Limited	Retail Parks	50%

1. On 12 July 2024 the Group completed the disposal of its 50% shareholding in the Meadowhall Shopping Centre joint venture.

Operating cash flows of joint ventures (Group share)

	2025 £m	2024 £m
Income received from tenants	176	228
Operating expenses paid to suppliers and employees	(70)	(80)
Cash generated from operations	106	148
Interest paid	(46)	(59)
Interest received	5	8
UK corporation tax paid	(1)	-
Cash inflow from operating activities	64	97
Cash inflow from operating activities deployed as:		
(Deficit) surplus cash retained within joint ventures	(8)	20
Revenue distributions per consolidated statement of cash flows	72	77
Revenue distributions split between controlling and non-controlling interests		
Attributable to non-controlling interests	-	-
Attributable to shareholders of the Company	72	77

12 Other investments

	2025				2024			
	Fair value through profit or loss £m	Amortised cost £m	Intangible assets £m	Total £m	Fair value through profit or loss £m	Amortised cost £m	Intangible assets £m	Total £m
At 1 April	46	-	8	54	48	2	8	58
Additions	2	-	3	5	-	-	3	3
Capital distribution	(3)	-	-	(3)	-	-	-	-
Revaluation and foreign currency translation	(4)	-	-	(4)	(2)	-	-	(2)
Amortisation	-	-	(4)	(4)	-	(2)	(3)	(5)
At 31 March	41	-	7	48	46	-	8	54

The amount included in the fair value through profit or loss relates to private equity/venture capital investments of £41m (2023/24: £46m) which are categorised as Level 3 in the fair value hierarchy. The fair values of private equity/venture capital investments are determined by the Directors.

13 Debtors

	2025 £m	2024 £m
Trade and other debtors	28	22
Prepayments and accrued income	8	12
	36	34

Trade and other debtors are shown after deducting a provision for impairment against tenant debtors of £12m (2023/24: £11m). Accrued income is shown after deducting a provision for impairment of £nil (2023/24: £nil). The provision for impairment is calculated as an expected credit loss on trade and other debtors in accordance with IFRS 9 as set out in Note 1.

The debit to the consolidated income statement for the year in relation to the impairment of trade debtors and accrued income was £5m (2023/24: £14m credit), as disclosed in Note 3. This is equal to the increase in provision for impairment of trade debtors and accrued income of £1m (2023/24: £18m decrease) and write-offs of trade debtors of £4m (2023/24: £4m).

The Directors consider that the carrying amount of trade and other debtors is approximate to their fair value. Further details about the Group's credit risk management practices are disclosed in Note 16.

14 Creditors

	2025 £m	2024 £m
Trade creditors	69	85
Accruals	77	72
Deferred income	47	42
Other taxation and social security	27	25
Lease liabilities	7	6
Tenant deposits	36	30
	263	260

Trade creditors are interest-free and have settlement dates within one year. The Directors consider that the carrying amount of trade and other creditors is approximate to their fair value.

15 Other non-current liabilities

	2025 £m	2024 £m
Lease liabilities	107	121
	107	121

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

16 Net debt

	Footnote	2025 £m	2024 £m
Secured on the assets of the Group			
5.264% First Mortgage Debenture Bonds 2035	1	250	321
5.0055% First Mortgage Amortising Debentures 2035		83	85
5.357% First Mortgage Debenture Bonds 2028	1	164	217
		497	623
Unsecured			
2.375% Sterling Unsecured Bond 2029		299	299
5.25% Sterling Unsecured Bond 2032	1	297	-
2.67% Senior Notes 2025		37	37
2.75% Senior Notes 2026		37	37
3.81% Senior Notes 2026		99	98
3.97% Senior Notes 2026		99	97
4.16% Senior US Dollar Notes 2025	2	76	76
5.003% Senior US Dollar Notes 2026	2	63	63
Floating Rate Senior Notes 2028		80	80
Floating Rate Senior Notes 2034		101	101
Facilities and overdrafts	3	568	351
Term loans	3	475	350
		2,231	1,589
Gross debt	4	2,728	2,212
Interest rate and currency derivative liabilities	5	58	56
Interest rate and currency derivative assets	6	(82)	(99)
Cash and cash equivalents	7	(57)	(88)
Total net debt		2,647	2,081
Net debt attributable to non-controlling interests		-	1
Net debt attributable to shareholders of the Company		2,647	2,082
Total net debt		2,647	2,081
Amounts payable under leases (Notes 14 and 15)		114	127
Total net debt (including lease liabilities)		2,761	2,208
Net debt attributable to non-controlling interests (including lease liabilities)		-	1
Net debt attributable to shareholders of the Company (including lease liabilities)		2,761	2,209

- On 13 March 2025 the Group issued £300m 5.25% bonds due in 2032. The bonds were issued at a discount of £1m, and after issue costs have an effective interest rate of 5.5%. The proceeds were used to redeem £78m 5.264% bonds due in 2035 and £72m 5.357% bonds due in 2028, by way of a cash tender. £130m of the £150m total aggregate nominal amount was settled on the bearer settlement date of 27 March 2025. The remaining £20m was settled on the registered settlement date of 8 April 2025. The 5.264% 2035 bonds were redeemed at a discount and the 5.357% 2028 bonds were redeemed at a premium.
- Principal and interest on these borrowings were fully hedged into Sterling at a floating rate at the time of issue.
- Facilities and overdrafts have been represented for the year ended 31 March 2024 to exclude term loans. Term loans of £350m are now disclosed separately. As a result, facilities and overdrafts are disclosed as £351m, previously £701m.
- The principal amount of gross debt at 31 March 2025 was £2,740m (2023/24: £2,225m). Included in this is the principal amount of secured borrowings and other borrowings of non-recourse companies of £501m (2023/24: £633m).
- Interest rate and currency derivative liabilities includes non-current interest rate and currency derivative liabilities of £56m (2023/24: £56m) and current interest rate and currency derivative liabilities of £2m (2023/24: £nil).
- Interest rate and currency derivative assets includes non-current interest rate and currency derivative assets of £73m (2023/24: £79m) and current interest rate and currency derivative assets of £9m (2023/24: £20m).
- Cash and cash equivalents includes tenant deposits of £36m (2023/24: £30m) and cash and short term deposits not subject to a security interest amount to £21m (2023/24: £58m).

16 Net debt continued**Maturity analysis of net debt**

	2025 £m	2024 £m
Repayable: within one year and on demand	311	10
Between: one and two years	98	314
two and five years	1,386	991
five and ten years	531	306
ten and fifteen years	402	591
	2,417	2,202
Gross debt	2,728	2,212
Interest rate and currency derivatives	(24)	(43)
Cash and cash equivalents	(57)	(88)
Net debt	2,647	2,081

Fair value and book value of net debt

	2025			2024		
	Fair value £m	Book value £m	Difference £m	Fair value £m	Book value £m	Difference £m
Debentures and unsecured bonds	1,643	1,685	(42)	1,459	1,511	(52)
Bank debt and other floating rate debt	1,054	1,043	11	707	701	6
Gross debt	2,697	2,728	(31)	2,166	2,212	(46)
Interest rate and currency derivative liabilities	58	58	-	56	56	-
Interest rate and currency derivative assets	(82)	(82)	-	(99)	(99)	-
Cash and cash equivalents	(57)	(57)	-	(88)	(88)	-
Net debt	2,616	2,647	(31)	2,035	2,081	(46)
Net debt attributable to non-controlling interests	-	-	-	1	1	-
Net debt attributable to shareholders of the Company	2,616	2,647	(31)	2,036	2,082	(46)

The fair values of debentures and unsecured bonds have been established by obtaining quoted market prices from brokers. The bank debt and other floating rate debt has been valued assuming it could be renegotiated at contracted margins. The derivatives have been valued by calculating the present value of expected future cash flows, using appropriate market discount rates, by an independent treasury adviser or a third party.

Short term debtors and creditors and other investments have been excluded from the disclosures on the basis that the fair value is equivalent to the book value. The fair value hierarchy level of debt held at amortised cost is Level 2 (as defined in Note 10).

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

16 Net debt continued

Loan to value (LTV)

LTV is the ratio of principal amount of gross debt less cash, short term deposits and liquid investments to the aggregate value of properties and investments, excluding non-controlling interests. EPRA LTV has been disclosed in Table E.

Group LTV

	2025 £m	2024 £m
Group LTV	31.7%	28.5%
Principal amount of gross debt	2,740	2,225
Less cash and short term deposits (consolidated statement of cash flows) ¹	(21)	(58)
Plus cash attributable to non-controlling interests	-	1
Total net debt for LTV calculation	2,719	2,168
Group property portfolio valuation (Note 10)	6,065	5,130
Investments in joint ventures (Note 11)	2,462	2,429
Other investments and property, plant and equipment (consolidated balance sheet) ²	50	56
Less property and investments attributable to non-controlling interests	-	(14)
Total assets for LTV calculation	8,577	7,601

Proportionally consolidated LTV

	2025 £m	2024 £m
Proportionally consolidated LTV	38.1%	37.3%
Principal amount of gross debt	3,738	3,443
Less cash and short term deposits ³	(101)	(183)
Plus cash attributable to non-controlling interests	-	1
Total net debt for proportional LTV calculation	3,637	3,261
Group property portfolio valuation (Note 10)	6,065	5,130
Share of property of joint ventures (Note 10)	3,421	3,568
Other investments and property, plant and equipment (consolidated balance sheet) ²	50	56
Less property attributable to non-controlling interests	-	(14)
Total assets for proportional LTV calculation	9,536	8,740

1. Cash and short term deposits exclude tenant deposits of £36m (2023/24: £30m).

2. The £14m (2023/24: £17m) difference between other investments and plant, property and equipment per the consolidated balance sheet totalling £64m (2023/24: £73m) relates to a right-of-use asset recognised under a lease which is classified as property, plant and equipment which is not included within total assets for the purposes of the LTV calculation.

3. Cash and short term deposits exclude tenant deposits of £64m (2023/24: £57m).

16 Net debt continued**Net Debt to EBITDA**

Net Debt to EBITDA is the ratio of principal amount of gross debt less cash, short term deposits and liquid investments to earnings before interest, tax, depreciation and amortisation (EBITDA).

The Group ratio excludes joint venture borrowings and includes distributions and other receivables from joint ventures.

Group Net Debt to EBITDA

	2025 £m	2024 £m
Group Net Debt to EBITDA	8.0x	6.8x
Principal amount of gross debt	2,740	2,225
Less cash and short term deposits (consolidated statement of cash flows) ¹	(21)	(58)
Plus cash attributable to non-controlling interests	-	1
Total net debt for Group Net Debt to EBITDA calculation	2,719	2,168
Underlying Profit (Table A)	279	268
Plus Net financing charges (Note 6)	60	55
Less Underlying Profit due to joint ventures ²	(90)	(100)
Plus distributions and other receivables from joint ventures ³	84	88
Plus depreciation and amortisation (Table A)	8	8
Total EBITDA for Group Net Debt to EBITDA calculation	341	319

Proportionally consolidated Net Debt to EBITDA

	2025 £m	2024 £m
Proportionally consolidated Net Debt to EBITDA	9.3x	8.5x
Principal amount of gross debt	3,738	3,443
Less cash and short term deposits ⁴	(101)	(183)
Plus cash attributable to non-controlling interests	-	1
Total net debt for proportional Net Debt to EBITDA calculation	3,637	3,261
Underlying Profit (Table A)	279	268
Plus Net financing charges (Table A)	103	108
Plus depreciation and amortisation (Table A)	8	8
Total EBITDA for proportional Net Debt to EBITDA calculation	390	384

1. Cash and short term deposits exclude tenant deposits of £36m (2023/24: £30m).

2. Underlying Profit due to joint ventures of £90m (2023/24: £100m) (consolidated income statement).

3. Includes distributions and other receivables from joint ventures of £72m (2023/24: £77m) (consolidated statement of cash flows) and fees and other income received from joint ventures of £12m (2023/24: £11m).

4. Cash and short term deposits exclude tenant deposits of £64m (2023/24: £57m).

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

16 Net debt continued

British Land Unsecured Financial Covenants

The two financial covenants applicable to the Group unsecured debt are shown below:

	2025 £m	2024 £m
Net Borrowings not to exceed 175% of Adjusted Capital and Reserves	47%	40%
Principal amount of gross debt	2,740	2,225
Less cash and short term deposits (consolidated statement of cash flows) ¹	(21)	(58)
Plus the relevant proportion of cash and deposits of the partly owned subsidiary/non-controlling interests	-	1
Net Borrowings	2,719	2,168
Share capital and reserves (consolidated balance sheet)	5,710	5,312
Deferred tax liabilities (Table A)	4	6
Trading property surplus (deficit) (Table A)	3	(1)
Exceptional refinancing charges (see below)	107	147
Fair value adjustments of financial instruments (Table A)	(23)	(55)
Less reserves attributable to non-controlling interests (consolidated balance sheet)	-	(13)
Adjusted Capital and Reserves	5,801	5,396

In calculating Adjusted Capital and Reserves for the purpose of the unsecured debt financial covenants, there is an adjustment of £107m (2023/24: £147m) to reflect the cumulative net amortised exceptional items relating to the refinancings in the years ended 31 March 2005, 2006 and 2007.

	2025 £m	2024 £m
Net Unsecured Borrowings not to exceed 70% of Unencumbered Assets	43%	38%
Principal amount of gross debt	2,740	2,225
Less cash and short term deposits not subject to a security interest	(21)	(58)
Plus cash attributable to non-controlling interests	-	1
Less principal amount of secured and non-recourse borrowings	(501)	(633)
Net Unsecured Borrowings	2,218	1,535
Group property portfolio valuation (Note 10)	6,065	5,130
Investments in joint ventures (Note 11)	2,462	2,429
Other investments and property, plant and equipment (consolidated balance sheet) ²	50	56
Less investments in joint ventures (Note 11)	(2,462)	(2,429)
Less encumbered assets (Note 10)	(905)	(1,137)
Unencumbered Assets	5,210	4,049

1. Cash and short term deposits exclude tenant deposits of £36m (2023/24: £30m).

2. The £14m (2023/24: £17m) difference between other investments and plant, property and equipment per the balance sheet totalling £64m (2023/24: £73m) relates to a right-of-use asset recognised under a lease which is classified as property, plant and equipment which is not included within unencumbered assets for the purposes of the covenant calculation.

16 Net debt continued**Reconciliation of movement in Group net debt for the year ended 31 March 2025**

	2024 £m	Cash flows £m	Transfers ¹ £m	Foreign exchange £m	Fair value £m	Arrangement cost amortisation £m	2025 £m
Short term borrowings	10	(12)	311	-	-	2	311
Long term borrowings	2,202	513	(311)	(6)	21	(2)	2,417
Derivatives ²	(43)	29	-	6	(16)	-	(24)
Total liabilities from financing activities ³	2,169	530	-	-	5	-	2,704
Cash and cash equivalents	(88)	31	-	-	-	-	(57)
Net debt	2,081	561	-	-	5	-	2,647

Reconciliation of movement in Group net debt for the year ended 31 March 2024

	2023 £m	Cash flows £m	Transfers ¹ £m	Foreign exchange £m	Fair value £m	Arrangement cost amortisation £m	2024 £m
Short term borrowings	402	(384)	10	-	(20)	2	10
Long term borrowings	1,865	355	(10)	(7)	1	(2)	2,202
Derivatives ⁴	(77)	(15)	-	7	42	-	(43)
Total liabilities from financing activities ⁵	2,190	(44)	-	-	23	-	2,169
Cash and cash equivalents	(125)	37	-	-	-	-	(88)
Net debt	2,065	(7)	-	-	23	-	2,081

1. Transfers comprises debt maturing from long term to short term borrowings.
2. Cash flows on derivatives include £37m of net receipts on derivative interest.
3. Cash flows of £530m includes repayment of bank and other borrowings of £132m, proceeds from new borrowings of £297m, drawdowns on bank and other borrowings of £138m, which includes £9m of issue costs, net drawdown of revolving credit facilities of £198m and capital payments in respect of interest rate derivatives of £8m as shown in the consolidated statement of cash flows, along with £37m of net receipts on derivative interest.
4. Cash flows on derivatives include £16m of net receipts on derivative interest.
5. Cash flows of £44m includes capital payments in respect of interest rate derivatives of £31m, repayment of bank and other borrowings of £385m, drawdowns on bank and other borrowings of £361m and net repayment of revolving credit facilities of £2m shown in the consolidated statement of cash flows, along with £16m of net receipts on derivative interest and £3m of issue costs.

Fair value hierarchy

The table below provides an analysis of financial instruments carried at fair value, by the valuation method. The fair value hierarchy levels are defined in Note 10.

	2025				2024			
	Level 1 £m	Level 2 £m	Level 3 £m	Total £m	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Interest rate and currency derivative assets	-	(82)	-	(82)	-	(99)	-	(99)
Other investments – fair value through profit or loss (Note 12)	-	-	(41)	(41)	-	-	(46)	(46)
Assets	-	(82)	(41)	(123)	-	(99)	(46)	(145)
Interest rate and currency derivative liabilities	-	58	-	58	-	56	-	56
Liabilities	-	58	-	58	-	56	-	56
Total	-	(24)	(41)	(65)	-	(43)	(46)	(89)

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

16 Net debt continued

Categories of financial instruments

	2025 £m	2024 £m
Financial assets		
Amortised cost		
Cash and cash equivalents	57	88
Trade and other debtors (Note 13)	28	22
Fair value through profit or loss		
Derivatives in designated fair value hedge accounting relationships ^{1,2}	14	15
Derivatives not in designated hedge accounting relationships	68	84
Other investments (Note 12)	41	46
	208	255
Financial liabilities		
Amortised cost		
Creditors (Note 14)	(182)	(187)
Gross debt	(2,728)	(2,212)
Lease liabilities (Notes 14 and 15)	(114)	(127)
Fair value through profit or loss		
Derivatives in designated fair value hedge accounting relationships ^{1,2}	(6)	(17)
Derivatives not in designated hedge accounting relationships	(52)	(39)
	(3,082)	(2,582)
Total	(2,874)	(2,327)

1. Derivative assets and liabilities in designated hedge accounting relationships sit within the derivative assets and derivative liabilities balances of the consolidated balance sheet.

2. The fair value of derivative assets in designated hedge accounting relationships represents the accumulated amount of fair value hedge adjustments on hedged items.

Gains and losses on financial instruments, as classed above, are disclosed in Note 6 (net financing charges), Note 13 (debtors), the consolidated income statement and the consolidated statement of comprehensive income. The Directors consider that the carrying amounts of other investments are approximate to their fair value, and that the carrying amounts are recoverable.

Capital risk management

The capital structure of the Group consists of net debt and equity attributable to the equity holders of The British Land Company PLC, comprising issued capital, reserves and retained earnings. Risks relating to capital structure are addressed within Managing risk in delivering our strategy on pages 47 to 58. The Group's objectives, policies and processes for managing debt are set out in the Financial policies and principles on pages 44 to 46.

Interest rate risk management

The Group uses interest rate swaps and caps to hedge exposure to the variability in cash flows on floating rate debt, such as revolving bank facilities, caused by movements in market rates of interest. The Group's objectives and processes for managing interest rate risk are set out in the Financial policies and principles on pages 44 to 46.

At 31 March 2025, the fair value of these derivatives is a net asset of £63m (2023/24: £74m). Interest rate swaps with a fair value of £nil (2023/24: £nil) have been designated as cash flow hedges under IFRS 9.

The ineffectiveness recognised in the consolidated income statement on cash flow hedges in the year ended 31 March 2025 was £nil (2023/24: £nil).

16 Net debt continued

The cash flows occur and are charged to profit and loss until the maturity of the hedged debt. The table below summarises variable rate debt hedged at 31 March.

Variable rate debt hedged

	2025 £m	2024 £m
Outstanding: at one year	2,020	1,175
at two years	1,670	1,520
at five years	950	700

Fair value hedged debt

The Group uses interest rate swaps to hedge exposure on fixed rate financial liabilities caused by movements in market rates of interest.

At 31 March 2025, the fair value of these derivatives is a net liability of £39m (2023/24: net liability of £32m). Interest rate swaps with a fair value asset of £8m have been designated as fair value hedges under IFRS 9 (2023/24: liability of £2m).

The cross-currency swaps of the 2025/2026 US Private Placements fully hedge the foreign exchange exposure at an average floating rate of 150 basis points above SONIA. These have been designated as fair value hedges of the US Private Placements.

Interest rate profile – including effect of derivatives

	2025 £m	2024 £m
Fixed or capped rate	2,647	2,081
	2,647	2,081

All the debt is effectively Sterling denominated except for £33m of USD debt of which £33m is at a variable rate (2023/24: £30m).

At 31 March 2025 the weighted average interest rate of the Sterling fixed rate debt is 4.3% (2023/24: 4.2%). The weighted average period for which the rate is fixed is 5.5 years (2023/24: 6.3 years).

Sensitivity table – market rate movements

	2025		2024	
	Increase	Decrease	Increase	Decrease
Movement in interest rates (bps) ¹	100	(100)	100	(100)
Impact on underlying annual profit (£m)	-	-	-	-
Movement in medium and long term swap rates (bps) ²	424	(424)	424	(424)
Impact on cash flow hedge and non-hedge accounted derivative valuations (£m)	164	(185)	189	(203)

1. The movement used for sensitivity analysis is a 1% change in interest rates.

2. This movement used for sensitivity analysis represents the largest annual change in the seven-year Sterling swap rate over the last 10 years.

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

16 Net debt continued

Foreign currency risk management

The Group's policy is to have no material unhedged net assets or liabilities denominated in foreign currencies. The currency risk on overseas investments may be hedged via foreign currency denominated borrowings and derivatives. The Group has adopted net investment hedging in accordance with IFRS 9 and therefore the portion of the gain or loss on any hedging instrument that is determined to be an effective hedge is recognised directly in equity. The ineffective portion of the gain or loss on any hedging instrument is recognised immediately in the income statement.

The table below shows the carrying amounts of the Group's foreign currency denominated assets and liabilities. Provided contingent tax on overseas investments is not expected to occur it will be ignored for hedging purposes. Based on the 31 March 2025 position, a 28% appreciation (largest annual change over the last 10 years) in the USD relative to Sterling would result in a £1m change (2023/24: £2m) in reported profits.

	Assets ¹		Liabilities	
	2025 £m	2024 £m	2025 £m	2024 £m
USD denominated	35	37	33	30

1. The USD denominated asset of £35m (2023/24: £37m) is an other investment accounted for as fair value through profit or loss as disclosed in Note 12. The remaining £6m (2023/24: £9m) other investment accounted for as fair value through profit or loss is a Sterling denominated other investment.

Credit risk management

The Group's approach to credit risk management of counterparties is referred to in Financial policies and principles on pages 44 to 46 and the risks addressed within Managing risk in delivering our strategy on pages 47 to 58. The carrying amount of financial assets recorded in the financial statements represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

Banks and financial institutions

Cash and cash equivalents at 31 March 2025 amounted to £57m (2023/24: £88m). Cash and cash equivalents were placed with financial institutions with BBB+ or better credit ratings.

At 31 March 2025, the fair value of all interest rate derivative assets was £82m (2023/24: £99m).

At 31 March 2025, prior to taking into account any offset arrangements, the largest combined credit exposure to a single counterparty arising from money market deposits, liquid investments and derivatives was £42m (2023/24: £34m). This represents 0.5% (2023/24: 0.4%) of gross assets.

The deposit exposures are with UK banks and UK branches of international banks.

Trade debtors

Trade debtors are presented net of provisions for impairment for expected credit losses. Expected credit losses are calculated on initial recognition of trade debtors and subsequently in accordance with IFRS 9, taking into account historic and forward-looking information.

Tenant incentives

Tenant incentives and the associated tenant incentive provisions for impairment for expected credit losses are both recognised within investment property. Expected credit losses are calculated on initial recognition of tenant incentives and subsequently in accordance with IFRS 9, taking into account historic and forward-looking information.

16 Net debt continued**Liquidity risk management**

The Group's approach to liquidity risk management is discussed in Financial policies and principles on pages 44 to 46, and the risks addressed within Managing risk in delivering our strategy on pages 47 to 58.

The following table presents a maturity profile of the contracted undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal flows. Where the interest payable is not fixed, the amount disclosed has been determined by reference to the projected interest rates implied by yield curves at the reporting date. For derivative financial instruments that settle on a net basis (e.g. interest rate swaps) the undiscounted net cash flows are shown and for derivatives that require gross settlement (e.g. cross-currency swaps) the undiscounted gross cash flows are presented. Where payment obligations are in foreign currencies, the spot exchange rate ruling at the balance sheet date is used. Trade creditors which are repayable within one year have been excluded from the analysis.

The Group expects to meet its financial liabilities through the various available liquidity sources, including a secure rental income profile, asset sales, undrawn committed borrowing facilities and, in the longer term, debt refinancings.

The future aggregate minimum rentals receivable under non-cancellable operating leases are shown in the table on the following page. Income from joint ventures is not included. Additional liquidity will arise from letting space in properties under construction as well as from distributions received from joint ventures.

	2025				Total £m
	Within one year £m	Following year £m	Three to five years £m	Over five years £m	
Gross debt ¹	337	105	1,374	937	2,753
Interest on debt	129	110	272	195	706
Derivative payments	93	66	31	14	204
Lease liability payments	9	10	30	319	368
Total payments	568	291	1,707	1,465	4,031
Derivative receipts	(117)	(81)	(18)	(4)	(220)
Net payment	451	210	1,689	1,461	3,811
Operating leases with tenants	307	271	583	584	1,745
Liquidity (deficit) surplus	(144)	61	(1,106)	(877)	(2,066)
Cumulative liquidity deficit	(144)	(83)	(1,189)	(2,066)	

	2024				Total £m
	Within one year £m	Following year £m	Three to five years £m	Over five years £m	
Gross debt ¹	12	318	999	911	2,240
Interest on debt	112	101	223	211	647
Derivative payments	15	93	88	17	213
Lease liability payments	10	10	30	342	392
Total payments	149	522	1,340	1,481	3,492
Derivative receipts	(56)	(103)	(85)	(1)	(245)
Net payment	93	419	1,255	1,480	3,247
Operating leases with tenants	260	234	503	556	1,553
Liquidity surplus (deficit)	167	(185)	(752)	(924)	(1,694)
Cumulative liquidity surplus (deficit)	167	(18)	(770)	(1,694)	

1. Gross debt of £2,728m (2023/24: £2,212m) represents the total of £2,753m (2023/24: £2,240m), less unamortised issue costs of £17m (2023/24: £10m), less fair value adjustments to debt of £8m (2023/24: £18m).

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

16 Net debt continued

Any short term liquidity gap between the net payments required and the rentals receivable can be met through other liquidity sources available to the Group, such as committed undrawn borrowing facilities of £1,775m (2023/24: £1,845m) and cash and cash equivalents of £57m (2023/24: £88m), of which £21m (2023/24: £58m) is not subject to a security interest. As a result, the Group has no requirement to refinance until late 2028. Further liquidity can be achieved through sales of property assets or investments and financing activity.

The Group's property portfolio is valued externally at £6,065m (2023/24: £5,130m) and the share of joint ventures' property is valued at £3,421m (2023/24: £3,568m). The committed undrawn borrowing facilities available to the Group are a further source of liquidity. The maturity profile of committed undrawn borrowing facilities is shown below.

Maturity of committed undrawn borrowing facilities

	2025 £m	2024 £m
Maturity date: over five years	140	145
between four and five years	1,055	310
between three and four years	6	149
Total facilities available for more than three years	1,201	604
Between two and three years	24	450
Between one and two years	450	625
Within one year	100	166
Total	1,775	1,845

17 Leasing**Operating leases with tenants**

The Group leases out all of its investment properties under operating leases with a weighted average lease length of five years (2023/24: six years). The future aggregate minimum rentals receivable under non-cancellable operating leases are as follows:

	2025 £m	2024 £m
Less than one year	307	260
Between one and two years	271	234
Between three and five years	583	503
Between six and ten years	364	355
Between eleven and fifteen years	164	147
Between sixteen and twenty years	48	39
After twenty years	8	15
Total	1,745	1,553

17 Leasing continued

Lease commitments

Lease liabilities are payable in line with the disclosure below and no contingent rents were payable in either year. The lease payments mainly relate to head leases where the Group does not own the freehold of a property.

	2025			2024		
	Minimum lease payments £m	Interest £m	Principal £m	Minimum lease payments £m	Interest £m	Principal £m
British Land Group						
Less than one year	9	2	7	10	4	6
Between one and two years	10	2	8	10	3	7
Between two and five years	30	8	22	30	9	21
More than five years	319	242	77	342	249	93
Total	368	254	114	392	265	127
Less future finance charges	(254)			(265)		
Present value of lease obligations	114			127		

18 Dividends

The final dividend payment for the six-month period ended 31 March 2025 will be 10.56p. Payment will be made on 25 July 2025 to shareholders on the register at close of business on 20 June 2025.

PID dividends are paid, as required by REIT legislation, after deduction of withholding tax at the basic rate (currently 20%), where appropriate. Certain classes of shareholders may be able to elect to receive dividends gross. Please refer to our website www.britishland.com/dividends for details.

Payment date	Dividend	Pence per share	2025 £m	2024 £m
Current year dividends				
25.07.2025	2025 Final	10.56		
15.01.2025	2025 Interim	12.24	122	
		22.80		
Prior year dividends				
26.07.2024	2024 Final	10.64	99	
05.01.2024	2024 Interim	12.16		113
		22.80		
28.07.2023	2023 Final	11.04		102
Dividends disclosed in consolidated statement of changes in equity			221	215
Dividends settled in cash			221	215
Timing difference relating to payment of withholding tax			(1)	(2)
Dividends disclosed in consolidated statement of cash flows			220	213

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

19 Share capital and reserves

	2025	2024
Number of ordinary shares in issue at 1 April	938,764,023	938,334,977
Share issues	71,656,481	429,046
At 31 March	1,010,420,504	938,764,023

Of the issued 25p ordinary shares, nil shares were held in the ESOP trust (2023/24: 7,376), 11,266,245 shares were held as treasury shares (2023/24: 11,266,245) and 999,154,259 shares were in free issue (2023/24: 927,490,402). No treasury shares were acquired by the ESOP trust during the year. All issued shares are fully paid.

On 2 October 2024, the Company announced a share placing, retail offer and subscription of 71,227,309 ordinary shares of 25p each at a price of 422 pence per share. The Company raised gross proceeds of £301m and net proceeds of £295m. Consequently, the Company's share capital increased by £18m and share premium by £277m. The new shares are fully paid and rank pari passu in all respects with those ordinary shares of the Company in issue prior to the placing.

Hedging and translation reserve

The hedging and translation reserve comprises the effective portion of the cumulative net change in the fair value of cash flow and foreign currency hedging instruments, as well as all foreign exchange differences arising from the translation of the financial statements of foreign operations. The foreign exchange differences also include the translation of the liabilities that hedge the Company's net investment in a foreign subsidiary. In the current year to 31 March 2025, £nil (2023/24: £2m) was reclassified from the hedging and translation reserve to the income statement.

Revaluation reserve

The revaluation reserve relates to investments in joint ventures. In the current year to 31 March 2025, £nil was transferred from the revaluation reserve to retained earnings (2023/24: £1m).

Merger reserve

This comprises the premium on the share placing in the year ended 31 March 2013. No share premium is recorded in the Company's financial statements, through the operation of the merger relief provisions of the Companies Act 2006.

At 31 March 2025, options over 1,172,159 ordinary shares were outstanding under employee share option plans. The options had a weighted average life of 2.42 years. Details of outstanding share options and shares awarded to employees, including Executive Directors, are set out below and on the following page:

							Exercise dates	
	At 1 April 2024	Granted	Exercised/ Vested	Lapsed/ Forfeited	At 31 March 2025	Exercise price (pence)	From	To
Date of grant								
Share options Sharesave Scheme								
18.06.19	5,516	-	-	(4,827)	689	435	01.09.24	01.03.25
07.07.20	11,782	-	(11,782)	-	-	336	01.09.23	01.03.24
07.07.20	154,002	-	-	(8,928)	145,074	336	01.09.25	01.03.26
06.07.21	55,801	-	(10,865)	(40,938)	3,998	414	01.09.24	01.03.25
06.07.21	19,849	-	-	-	19,849	414	01.09.26	01.03.27
22.06.22	68,000	-	-	(14,533)	53,467	421	01.09.25	01.03.26
22.06.22	8,476	-	-	(1,781)	6,695	421	01.09.27	01.03.28
21.06.23	604,044	-	(4,842)	(68,337)	530,865	287	01.09.26	01.03.27
21.06.23	290,141	-	-	(21,322)	268,819	287	01.09.28	01.03.29
03.07.24	-	107,821	-	(19,596)	88,225	352	01.09.27	01.03.28
03.07.24	-	61,210	-	(6,732)	54,478	352	01.09.29	01.03.30
	1,217,611	169,031	(27,489)	(186,994)	1,172,159			
Total	1,217,611	169,031	(27,489)	(186,994)	1,172,159			
Weighted average exercise price of options (pence)								
	311	352	358	342	311			

19 Share capital and reserves continued

Date of grant	At 1 April 2024	Granted	Exercised/ Vested	Lapsed/ Forfeited	At 31 March 2025	Share price at grant date (pence)	Vesting date
Performance Shares Long Term Incentive Plan							
22.06.21	800,679	-	(320,267)	(480,412)	-	516.80	22.06.24
02.08.21	238,945	-	-	(238,945)	-	519.60	02.08.24
01.09.21	41,294	-	(16,517)	(24,777)	-	542.00	01.09.24
19.07.21	28,209	-	(28,209)	-	-	482.50	12.05.24
19.07.21	9,403	-	-	(9,403)	-	482.50	12.05.25
19.07.22	1,602,503	-	-	(441,818)	1,160,685	470.70	19.07.25
15.06.23	2,130,159	-	-	(614,037)	1,516,122	334.70	15.06.26
20.06.24	-	1,406,400	-	(189,642)	1,216,758	416.60	20.06.27
	4,851,192	1,406,400	(364,993)	(1,999,034)	3,893,565		
Restricted Share Plan							
22.06.21	761,432	-	(741,291)	(20,141)	-	516.80	22.06.24
19.07.22	631,795	-	-	(36,999)	594,796	470.70	19.07.25
29.07.22	21,926	-	-	(21,926)	-	492.00	19.07.25
15.06.23	885,612	-	-	(89,988)	795,624	334.70	15.06.26
20.06.24	-	688,895	-	(23,306)	665,589	416.60	20.06.27
01.08.24	-	11,653	-	-	11,653	411.00	20.06.27
	2,300,765	700,548	(741,291)	(192,360)	2,067,662		
Total	7,151,957	2,106,948	(1,106,284)	(2,191,394)	5,961,227		
Weighted average price of shares (pence)	426	417	516	439	401		

20 Segment information

The Group allocates resources to investment and asset management according to the sectors it expects to perform over the medium term, and reports under two operating segments, being Campuses and Retail & London Urban Logistics.

The relevant gross rental income, net rental income, operating result and property assets, being the measures of segment revenue, segment result and segment assets used by the management of the business, are set out on the following pages. Management reviews the performance of the business principally on a proportionally consolidated basis, which includes the Group's share of joint ventures on a line-by-line basis and excludes non-controlling interests in the Group's subsidiaries. The chief operating decision maker for the purpose of segment information is the Executive Committee.

Gross rental income is derived from the rental of buildings. Operating result is the net of net rental income, fee income and administrative expenses. No customer exceeded 10% of the Group's revenues in either year.

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

20 Segment information continued

Segment result

	Campuses		Retail & London Urban Logistics		Unallocated		Total	
	2025 £m	2024 £m	2025 £m	2024 £m	2025 £m	2024 £m	2025 £m	2024 £m
Gross rental income								
British Land Group	95	85	235	210	-	-	330	295
Share of joint ventures	111	111	35	59	-	-	146	170
Total	206	196	270	269	-	-	476	465
Net rental income								
British Land Group	79	71	222	207	-	-	301	278
Share of joint ventures	98	95	32	56	-	-	130	151
Total	177	166	254	263	-	-	431	429
Operating result								
British Land Group	93	89	222	206	(52)	(56)	263	239
Share of joint ventures	89	85	30	54	-	(2)	119	137
Total	182	174	252	260	(52)	(58)	382	376
Reconciliation to Underlying Profit							2025 £m	2024 £m
Operating result							382	376
Net financing charges							(103)	(108)
Underlying Profit							279	268
Reconciliation to profit before taxation								
Underlying Profit							279	268
Capital and other							63	(254)
Underlying Profit attributable to non-controlling interests							-	1
Total profit before taxation							342	15
Reconciliation to Group revenue								
Gross rental income per operating segment result							476	465
Less share of gross rental income of joint ventures							(146)	(170)
Plus share of gross rental income attributable to non-controlling interests							-	2
Gross rental income (Note 3)							330	297
Service charge income							77	59
Management and performance fees (from joint ventures and assets under management)							20	17
Other fees and commissions							27	28
Revenue (consolidated income statement)							454	401

A reconciliation between net financing charges in the consolidated income statement and net financing charges of £103m (2023/24: £108m) in the segmental disclosures above can be found within Table A in the supplementary disclosures. Of the total revenues above, £nil (2023/24: £nil) was derived from outside the UK.

20 Segment information continued**Segment assets**

	Campuses		Retail & London Urban Logistics		Total	
	2025 £m	2024 £m	2025 £m	2024 £m	2025 £m	2024 £m
Property assets						
British Land Group	2,397	2,360	3,671	2,760	6,068	5,120
Share of joint ventures	3,107	2,922	314	646	3,421	3,568
Total	5,504	5,282	3,985	3,406	9,489	8,688

Reconciliation to net assets

	2025 £m	2024 £m
British Land Group		
Property assets	9,489	8,688
Other non-current assets	64	73
Non-current assets	9,553	8,761
Other net current liabilities	(310)	(331)
EPRA net debt ¹	(3,545)	(3,178)
EPRA NTA	5,698	5,252
Non-controlling interests	-	13
EPRA adjustments	12	47
Net assets (consolidated balance sheet)	5,710	5,312

1. A reconciliation between EPRA net debt and IFRS net debt can be found within Table A in the supplementary disclosures.

21 Capital commitments

The aggregate capital commitments to purchase, construct or develop investment property, for repairs, maintenance or enhancements, or for the purchase of investments which are contracted for but not provided, are set out below:

	2025 £m	2024 £m
British Land Group	38	148
Share of joint ventures	250	174
	288	322

As part of the Group's 2030 Sustainability Strategy, the Group's Transition Vehicle applies an internal levy of £90 per tonne to the embodied carbon within developments. Two-thirds of the internal levy is available to finance carbon efficient interventions which improve energy efficiency and reduce carbon emissions from our standing portfolio. The remaining third is used to purchase carbon credits to mitigate the residual embodied carbon in our developments. The Group committed £1m to carbon efficient interventions in the year to 31 March 2025 (2023/24: £5m). The Group spent £3m in the year to 31 March 2025 (2023/24: £1m) on carbon efficient interventions, of which £2m is recoverable through the service charge.

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

22 Related party transactions

Directors are the key management personnel and have the authority and responsibility for planning, directing and controlling the activities of the entity. Details of Directors' remuneration are given in the Remuneration Report on pages 107 to 129. Details of transactions with The British Land Group of Companies Pension Scheme, and other smaller pension schemes, are given in Note 9. Details of transactions with joint ventures are given in Notes 3 and 11 and outlined below.

	Note	Joint ventures 2025 £m	Joint ventures 2024 £m
Summarised income statement			
Management and performance fees (from joint ventures and assets under management)	3	20	17
Share of distributions	11	72	77
Capital return	11	2	-
Summarised balance sheet			
Loans	11	(1,152)	(1,252)

The Group's net closing investments in and loans to joint ventures, the associated closing provision for impairment and movement in provision for impairment in the year are outlined below. The provision for impairment of investments in joint ventures is calculated in accordance with IAS 36, and provision for impairment of loans to joint ventures is calculated in accordance with IFRS 9 as set out in Note 1.

Provision for impairment of investments in joint ventures

	2025						2024					
	Net closing investment		Closing provision for impairment		Movement in provision for impairment		Net closing investment		Closing provision for impairment		Movement in provision for impairment	
	Loan £m	Equity £m	Loan £m	Equity £m	Loan £m	Equity £m	Loan £m	Equity £m	Loan £m	Equity £m	Loan £m	Equity £m
Broadgate	835	634	-	(12)	-	20	634	708	-	(32)	-	97
Meadowhall ¹	-	-	-	-	174	199	145	-	(174)	(199)	18	(6)
WOSC	11	17	(3)	(21)	-	1	12	16	(3)	(22)	19	(22)
BL West End	3	61	-	(30)	-	(10)	4	69	-	(20)	-	(7)
Canada Water	-	308	-	(101)	-	(31)	-	283	-	(70)	-	(47)
Paddington Central	102	-	(11)	-	(3)	-	106	-	(8)	-	(8)	-
1 Triton Square	135	74	-	(3)	-	(1)	116	79	-	(2)	-	(2)
SouthGate	-	69	-	(38)	-	12	-	55	-	(50)	-	-
Hercules Unit Trust JV	-	110	-	-	-	-	-	102	-	-	-	-
Other joint ventures	42	61	(10)	(50)	(10)	4	50	50	-	(54)	-	-
Total	1,128	1,334	(24)	(255)	161	194	1,067	1,362	(185)	(449)	29	13

1. On 12 July 2024 the Group completed the disposal of its 50% shareholding in the Meadowhall Shopping Centre joint venture. The net closing investment and closing provision for impairment as at 31 March 2025 reflects the resulting nil Group share of Meadowhall. The movement in provision for impairment in the year is due to the disposal.

23 Contingent liabilities

Group and joint ventures

The Group and joint ventures have contingent liabilities in respect of legal claims, guarantees and warranties arising in the ordinary course of business. It is not anticipated that any material liabilities will arise from these contingent liabilities.

24 Subsequent events

There have been no significant subsequent events post the balance sheet date.

25 Audit exemptions taken for subsidiaries

The following subsidiaries are exempt from the requirements of the Companies Act 2006 relating to the audit of individual accounts by virtue of Section 479A of that Act.

Entity Name	Company Number	Entity Name	Company Number
17-19 Bedford Street Limited	07398971	BL Retail Investment Holdings Limited	11612693
18-20 Craven Hill Gardens Limited	07667839	BL Retail Properties 3 Limited	04869976
20 Brock Street Limited	07401697	BL Retail Properties Limited	13215893
Aldgate Place (GP) Limited	07829315	BL Retail Warehousing Holding Company Limited	06002154
Ashband Limited	04409592	BL Shoreditch Development Limited	05326670
B.L.Holdings Limited	00000529	BL Shoreditch No. 2 Limited	08570558
Bayeast Property Co Limited	00635800	BL South Camb Limited	07555233
BF Propco (No.3) Limited	05270196	BL Thanet Limited	13843760
BF Propco (No.5) Limited	05270219	BL Triton Building Residential Limited	07508029
BL 5KS Holdings Limited	13398992	BL Tunbridge Wells Limited	11184483
BL Aldgate Development Limited	05070564	BL West End Investments Limited	07793483
BL Aldgate Holdings Limited	05876405	BL Whiteley Limited	11253224
BL Aldgate Investment Holdings Limited	15314977	BL Whiteley Retail Limited	11254281
BL Bluebutton 2014 Limited	09048771	BL Woolwich Limited	11079254
BL Bluebutton 2023 Limited	15306841	BLD Property Holdings Limited	00823907
BL Bradford Forster Limited	07780266	BLMH 1 Limited	02261117
BL Broadway Investment Limited	10754763	BLMH Centre Limited	03918066
BL Chess Limited	08548399	BLSSP (PHC 5) Limited	04104061
BL City Offices Holding Company Limited	06002147	BLU Securities Limited	03323061
BL CW Residential Holdings Limited	14178788	British Land (Joint Ventures) Limited	04682740
BL CW Upper LP Company Limited	10375411	British Land Acquisitions Limited	05464168
BL Department Stores Holding Company Limited	06002135	British Land Fund Management Limited	04450726
BL Doncaster Wheatley Limited	07780272	British Land In Town Retail Limited	03325066
BL Drummond Properties Limited	09806622	British Land Industrial Limited	00643370
BL Eden Walk Limited	10620935	British Land Offices (Non-City) Limited	02740378
BL Euston Tower Holding Company Limited	11612398	British Land Offices (Non-City) No.2 Limited	06849369
BL Finsbury Square Limited	13797223	British Land Property Advisers Limited	02793828
BL Goodman (LP) Limited	05056902	Broadgate Adjoining Properties Limited	07580963
BL HB Investments Limited	10461500	Cavendish Geared Limited	02779045
BL HC PH LLP	OC317199	Clarges Estate Property Management Co Limited	08418875
BL High Street And Shopping Centres Holding Company Limited	06002148	Drake Circus Centre Limited	09069182
BL Innovation Properties 2 Limited	05070554	Drake Circus Leisure Limited	09190208
BL Innovation Properties Limited	12293278	Elk Mill Oldham Limited	10461879
BL Intermediate Holding Company 2 Limited	12462158	Hempel Holdings Limited	05341380
BL Leisure And Industrial Holding Company Limited	05995024	Hempel Hotels Limited	02728455
BL Newport Limited	04967720	Industrial Real Estate Limited	00503636
BL Office (Non-City) Holding Company Limited	06002133	Lonebridge UK Limited	03292034
BL Office Holding Company Limited	05995028	Longford Street Residential Limited	08700158
BL Office Properties 1 Limited	13514407	Mayflower Retail Park Basildon Limited	07566738
BL Office Properties 3 Limited	14103029	Nugent Shopping Park Limited	06153558
BL Osnaburgh St Residential Ltd	06874523	Orbital Shopping Park Swindon Limited	05489767
BL Piccadilly Residential Limited	08707494	Osnaburgh Street Limited	05886735
BL Residual Holding Company Limited	05995030	Paddington 3KS Investments Limited	13843646
BL Retail Holding Company Limited	05995033	Paddington 5KS GP Limited	13843749
BL Retail Indirect Investments Limited	12288466	Paddington 5KS Holdings Limited	13843365
		Paddington Box Limited	14782912
		Pillar Denton Limited	02982293

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

25 Audit exemptions taken for subsidiaries continued

Entity Name	Company Number	Entity Name	Company Number
Pillar Property Group Limited	02570618	St. Stephens Shopping Centre Limited	04931198
Plymouth Retail Limited	10368557	Storey Offices Limited	11417071
Regent's Place Holding 2 Limited	11864307	TBL (Bromley) Limited	03840206
Regents Place Residential Limited	11241644	Tollgate Centre Colchester Limited	10461649
Solartron Retail Park Limited	13060834	Topside Street Limited	11253428

The following partnerships are exempt from the requirements to prepare, publish and have audited individual accounts by virtue of regulation 7 of The Partnerships (Accounts) Regulations 2008. The results of these partnerships are consolidated within these Group consolidated financial statements.

Name	Name
The Hercules Property Limited Partnership	BL Lancaster Limited Partnership
Power Court Luton Limited Partnership	BL Shoreditch Limited Partnership
Hereford Shopping Centre Limited Partnership	Paddington 5KS Property Limited Partnership
The Aldgate Place Limited Partnership	BL Fixed Uplift Fund Limited Partnership

COMPANY BALANCE SHEET

As at 31 March 2025

	Note	2025 £m	2024 £m
Fixed assets			
Investments and loans to subsidiaries	D	22,829	22,786
Investments in joint ventures	D	1	157
Other investments	D	23	27
Interest rate and currency derivative assets	E	73	79
		22,926	23,049
Current assets			
Debtors	G	3	1
Interest rate and currency derivative assets	E	9	20
Cash and cash equivalents	E	2	46
		14	67
Creditors: amounts falling due within one year			
Short term borrowings and overdrafts	E	(311)	(10)
Creditors	H	(108)	(131)
Amounts due to subsidiaries	D	(15,265)	(16,237)
Interest rate and currency derivative liabilities	E	(2)	-
		(15,686)	(16,378)
Net current liabilities		(15,672)	(16,311)
Total assets less current liabilities		7,254	6,738
Creditors: amounts falling due after more than one year			
Debentures and loans	E	(2,417)	(2,202)
Lease liabilities		(19)	(21)
Deferred tax liabilities		(3)	(5)
Interest rate and currency derivative liabilities	E	(56)	(56)
		(2,495)	(2,284)
Net assets		4,759	4,454
Equity			
Called up share capital	I	253	235
Share premium		1,589	1,310
Other reserves		(5)	(5)
Merger reserve		213	213
Retained earnings		2,709	2,701
Total equity		4,759	4,454

The profit after taxation for the year ended 31 March 2025 for the Company was £232m (2023/24: £353m loss).

Simon Carter
Chief Executive

David Walker
Chief Financial Officer

The financial statements on pages 195 to 206 were approved by the Board of Directors and signed on its behalf on 21 May 2025.

Company number 621920

FINANCIAL STATEMENTS CONTINUED

COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

	Share capital £m	Share premium £m	Other reserves £m	Merger reserve £m	Retained earnings £m	Total equity £m
Balance at 1 April 2024	235	1,310	(5)	213	2,701	4,454
Shares issued in the year ¹	18	279	-	-	-	297
Dividend paid	-	-	-	-	(221)	(221)
Fair value of share and share option awards	-	-	-	-	(3)	(3)
Profit for the year after taxation	-	-	-	-	232	232
Balance at 31 March 2025	253	1,589	(5)	213	2,709	4,759
Balance at 1 April 2023	234	1,308	(5)	213	3,267	5,017
Shares issued in the year	1	2	-	-	-	3
Dividend paid	-	-	-	-	(215)	(215)
Fair value of share and share option awards	-	-	-	-	2	2
Loss for the year after taxation	-	-	-	-	(353)	(353)
Balance at 31 March 2024	235	1,310	(5)	213	2,701	4,454

1. On 2 October 2024, the Company announced a share placing, retail offer and subscription of 71,227,309 ordinary shares of 25p each at a price of 422 pence per share, resulting in an increase in share capital of £18m and share premium of £277m. See Note I for further information.

The value of distributable reserves within retained earnings is £1,822m (2023/24: £1,859m) (unaudited). An explanation of how distributable reserves are determined, and any limitations, is set out on page 198 of Note A, within the distributable reserves section.

(A) Accounting policies

The British Land Company PLC is a public limited company, limited by shares, incorporated, domiciled and registered in England under the Companies Act. The address of the registered office is given on page 202 and the back cover.

The principal activities of the Company and its subsidiaries, and the nature of the Group's operations are set out in the Strategic Report on pages 2 to 73.

The financial statements for the year ended 31 March 2025 have been prepared on the historical cost basis, except for the revaluation of derivatives which are measured at fair value. These financial statements have been prepared in accordance with the Companies Act 2006 as applicable to companies using Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS 101').

The financial statements apply the recognition, measurement and presentation requirements of UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006, but make amendments where necessary in order to comply with the Act and take advantage of the FRS 101 exemptions. Instances in which advantages of the FRS 101 disclosure exemptions have been taken are set out below.

The Company has taken advantage of the exemption under S.408 Companies Act 2006, to prepare an individual profit and loss account where Group accounts are prepared.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) the requirements of IAS 1 'Presentation of Financial Statements' to provide a statement of cash flows for the year;
- (b) the requirements of IAS 1 to provide a statement of compliance with IFRS;
- (c) the requirements of IAS 1 to disclose information on the management of capital;
- (d) the requirements of paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' to disclose new IFRSs that have been issued but are not yet effective;
- (e) the requirements in IAS 24 'Related Party Disclosures' to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly-owned by such a member;
- (f) the requirements of paragraph 17 of IAS 24 to disclose key management personnel compensation;
- (g) the requirements of IFRS 7 'Financial Instruments: Disclosures' to disclose financial instruments; and
- (h) the requirements of paragraphs 91-99 of IFRS 13 'Fair Value Measurement' to disclose information of fair value valuation techniques and inputs.

Going concern

The financial statements are prepared on a going concern basis. The balance sheet shows that the Company is in a net current liability position. This results from loans due to subsidiaries of £15,265m which are repayable on demand and therefore classified as current liabilities. These liabilities are not due to external counterparties and there is no expectation or intention that these loans will be repaid within the next 12 months. The net current liability position also results from the £311m of facilities that are reaching maturity within the next 12 months and current creditors of £108m. The Company has access to £1.8bn of undrawn facilities and cash, which provides the Directors with comfort that the Company will be able to meet these current liabilities as they fall due. As a consequence of this, the Directors feel that the Company is well placed to manage its business risks successfully despite the current economic climate. Accordingly, they believe the going concern basis is an appropriate one.

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

(A) Accounting policies continued

Investments and loans

Investments in and loans to subsidiaries and joint ventures are stated at cost less any impairment. Impairment of loans is calculated in accordance with IFRS 9 'Financial Instruments'. Impairment of investments is calculated in accordance with IAS 36 'Impairment of Assets'. Further detail is provided below.

Critical accounting judgements and key sources of estimation uncertainty

The key source of estimation uncertainty relates to the Company's investments in and loans to subsidiaries and joint ventures. In estimating the requirement for impairment of investments, management makes assumptions and judgements on the value of these investments using inherently subjective underlying asset valuations, supported by independent valuers with reference to the properties held by the subsidiaries or joint ventures which are held at fair value. The assumptions and inputs used in determining the fair value of the properties, are disclosed in Note 10 of the consolidated financial statements.

In accordance with IFRS 9, management has assessed the recoverability of amounts due to the Company from its subsidiaries and joint ventures. Amounts due to the Company from subsidiaries and joint ventures are recovered through the sale of properties and investments held by subsidiaries and joint ventures and through settling financial assets, net of financial liabilities, that the subsidiaries and joint ventures hold with counterparties other than the Company. This is essentially equal to the net asset value of the subsidiary or joint venture and therefore the net asset value of the subsidiary or joint venture is considered to be a reasonable approximation of the available assets that could be realised to recover the amounts due and the requirement to recognise expected credit losses. This assumption takes into account historical analysis and future expectations prevalent at the balance sheet date. As a result, the expected credit loss is considered to be equal to the excess of the Company's interest in a subsidiary or joint venture in excess of the subsidiary or joint venture's fair value.

The Directors do not consider there to be any critical accounting judgements in the preparation of the Company's financial statements.

Distributable reserves

Included in the retained earnings the Company had distributable reserves of £1,822m as at 31 March 2025 (2023/24: £1,859m) (unaudited). When making a distribution to shareholders, the Directors determine profits available for distribution by reference to 'Guidance on realised and distributable profits under the Companies Act 2006' issued by the Institute of Chartered Accountants in England and Wales and the Institute of Chartered Accountants of Scotland in April 2017.

The profits of the Company have been received predominantly in the form of interest income, gains on disposal of investments, management and administration fee income and dividends from subsidiaries. The availability of distributable reserves in the Company is dependent on those dividends meeting the definition of qualifying consideration within the guidance and on available cash resources of the Group and other accessible sources of funds. Additionally, the Company does not recognise internally generated gains in the current and prior years from intra-Group sales of investments or investment properties as distributable until they are realised, usually through onward sale to external third parties. The distributable reserves are therefore subject to any future restrictions or limitations at the time such distribution is made.

(B) Dividends

Details of dividends paid and proposed are included in Note 18 of the consolidated financial statements.

(C) Employee information

Employee costs include wages and salaries of £37m (2023/24: £40m), social security costs of £6m (2023/24: £6m) and pension costs of £5m (2023/24: £5m). Details of the Executive Directors' remuneration are disclosed in the Remuneration Report on pages 107 to 129. Details of the number of employees of the Company are disclosed in Note 8 of the consolidated financial statements. Audit fees in relation to the parent Company only were £0.6m (2023/24: £0.5m).

(D) Investments in subsidiaries and joint ventures, loans to subsidiaries, other investments and amounts due to subsidiaries

	Shares in subsidiaries £m	Loans to subsidiaries £m	Investments in joint ventures £m	Other investments £m	Total £m
At 1 April 2024	8,794	13,992	157	27	22,970
Additions	127	1,270	-	3	1,400
Disposals	(305)	(189)	(156)	-	(650)
Capital distributions ¹	(817)	-	-	-	(817)
Amortisation	-	-	-	(7)	(7)
Reversal of (provision for) impairment	12	(55)	-	-	(43)
As at 31 March 2025	7,811	15,018	1	23	22,853

1. The Company received a capital distribution of £817m (2023/24: £nil) as a result of winding down one of its subsidiaries, BL Bluebutton 2014 Limited.

Following a corporate simplification and restructuring exercise across current and prior years, the Company recognised a disposal of £305m of shares in subsidiaries. The exercise also resulted in a net £60m decrease in loans to subsidiaries.

The historical cost of shares in subsidiaries is £8,706m (2023/24: £9,723m). The historical cost of investments in joint ventures is £2m (2023/24: £539m) net of provision for impairment of £1m (2023/24: £382m) and includes £1m (2023/24: £157m) of loans to joint ventures by the Company. Results of the joint ventures are set out in Note 11 of the consolidated financial statements. The historical cost of other investments is £55m (2023/24: £56m). The investments in joint ventures of £1m (2023/24: £157m) consists of loans of £1m (2023/24: £157m) and equity of £nil (2023/24: £nil).

Amounts due to subsidiaries is £15,265m (2023/24: £16,237m), consisting of loans that are repayable on demand. There is no expectation or intention that these loans will be repaid within the next 12 months.

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

(E) Net debt

	2025 £m	2024 £m
Secured on the assets of the Company		
5.264% First Mortgage Debenture Bonds 2035 ¹	250	321
5.0055% First Mortgage Amortising Debentures 2035	83	85
5.357% First Mortgage Debenture Bonds 2028 ¹	164	217
	497	623
Unsecured		
2.375% Sterling Unsecured Bond 2029	299	299
5.25% Sterling Unsecured Bond 2032 ¹	297	–
2.67% Senior Notes 2025	37	37
2.75% Senior Notes 2026	37	37
3.81% Senior Notes 2026	99	98
3.97% Senior Notes 2026	99	97
4.16% Senior US Dollar Notes 2025 ²	76	76
5.003% Senior US Dollar Notes 2026 ²	63	63
Floating Rate Senior Notes 2028	80	80
Floating Rate Senior Notes 2034	101	101
Facilities and overdrafts ³	568	351
Term loans ³	475	350
	2,231	1,589
Gross debt	2,728	2,212
Interest rate and currency derivative liabilities ⁴	58	56
Interest rate and currency derivative assets ⁵	(82)	(99)
Cash and cash equivalents	(2)	(46)
Net debt	2,702	2,123

- On 13 March 2025 the Company issued £300m 5.25% bonds due in 2032. The bonds were issued at a discount of £1m, and after issue costs have an effective interest rate of 5.5%. The proceeds were used to redeem £78m 5.264% bonds due in 2035 and £72m 5.357% bonds due in 2028, by way of a cash tender. £130m of the £150m total aggregate nominal amount was settled on the bearer settlement date of 27 March 2025. The remaining £20m was settled on the registered settlement date of 8 April 2025. The 5.264% 2035 bonds were redeemed at a discount and the 5.357% 2028 bonds were redeemed at a premium.
- Principal and interest on these borrowings were fully hedged into Sterling at a floating rate at the time of issue.
- Facilities and overdrafts have been represented for the year ended 31 March 2024 to exclude term loans. Term loans of £350m are now disclosed separately. As a result, facilities and overdrafts are disclosed as £351m, previously £701m.
- Interest rate and currency derivative liabilities includes non-current interest rate and currency derivative liabilities of £56m (2023/24: £56m) and current interest rate and currency derivative liabilities of £2m (2023/24: £nil).
- Interest rate and currency derivative assets includes non-current interest rate and currency derivative assets of £73m (2023/24: £79m) and current interest rate and currency derivative assets of £9m (2023/24: £20m).

(E) Net debt continued**Maturity analysis of net debt**

	2025 £m	2024 £m
Repayable within one year and on demand	311	10
between: one and two years	98	314
two and five years	1,386	991
five and ten years	531	306
ten and fifteen years	402	591
	2,417	2,202
Gross debt	2,728	2,212
Interest rate and currency derivatives	(24)	(43)
Cash and cash equivalents	(2)	(46)
Net debt	2,702	2,123

(F) Pension

The British Land Group of Companies Pension Scheme and the Defined Contribution Pension Scheme are the principal pension schemes of the Company and details are set out in Note 9 of the consolidated financial statements.

(G) Debtors

	2025 £m	2024 £m
Trade and other debtors	2	1
Corporation tax	1	–
	3	1

Trade and other debtors are shown after deducting a provision for impairment against tenant debtors of £nil (2023/24: £nil). The provision for impairment is calculated as an expected credit loss on trade and other debtors in accordance with IFRS 9.

(H) Creditors

	2025 £m	2024 £m
Trade creditors	31	58
Corporation tax	7	8
Other taxation and social security	21	20
Accruals and deferred income	49	45
	108	131

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

(I) Called up share capital

	£m	Number of ordinary shares of 25p each
Issued, called and fully paid		
At 1 April 2024	235	938,764,023
Share issues	18	71,656,481
At 31 March 2025	253	1,010,420,504

On 2 October 2024, the Company announced a share placing, retail offer and subscription of 71,227,309 ordinary shares of 25p each at a price of 422 pence per share. The Company raised gross proceeds of £301m and net proceeds of £295m. Consequently, the Company's share capital increased by £18m and share premium by £277m. The new shares are fully paid and rank pari passu in all respects with those ordinary shares of the Company in issue prior to the placing.

	£m	Number of ordinary shares of 25p each
Issued, called and fully paid		
At 1 April 2023	234	938,334,977
Share issues	1	429,046
At 31 March 2024	235	938,764,023

(J) Contingent liabilities, capital commitments and related party transactions

The Company has contingent liabilities in respect of legal claims, guarantees and warranties arising in the ordinary course of business. It is not anticipated that any material liabilities will arise from the contingent liabilities.

At 31 March 2025, the Company has £nil of capital commitments (2023/24: £nil).

Related party transactions are the same for the Company as for the Group. For details refer to Note 22 of the consolidated financial statements.

(K) Disclosures relating to subsidiary undertakings

The Company's subsidiaries and other related undertakings as at 31 March 2025 are listed on the next page. All Group entities are included in the consolidated financial statements.

Unless otherwise stated, the Company holds 100% of the voting rights and beneficial interests in the subsidiaries and related undertakings. Unless otherwise stated, the subsidiaries and related undertakings are registered in the United Kingdom.

The share capital of each of the companies, where applicable, comprises ordinary shares unless otherwise stated.

The Company holds the majority of its assets in UK companies, although some are held in overseas companies. In recent years we have reduced the number of overseas companies in the Group.

Unless noted otherwise as per the following key, the registered address of each company is York House, 45 Seymour Street, London W1H 7LX.

1. 44 Esplanade, St Helier, Jersey, JE4 9WG.
2. 540 Herengracht, 1017CG, Amsterdam, Netherlands.
3. 80 Fenchurch Street, London, EC3M 4AE.
4. First Names House, Victoria Road, Douglas, Isle of Man, IM2 4DF.
5. 45 Gresham Street, London, EC2V 7BG.
6. 28 Esplanade, St Helier, Jersey, JE4 2QP.
7. IFC 1, The Esplanade, St Helier, Jersey, JE1 4BP.
8. 26 New Street, St Helier, Jersey, JE2 3RA.

* Companies with an active proposal to be struck off the register or are undergoing liquidation.

** Companies with a pending application to be liquidated as at 31 March 2025.

(K) Disclosures relating to subsidiary undertakings continued**Direct holdings**

Name	UK/Overseas Tax Resident Status
BL Bluebutton 2014 Limited	UK Tax Resident
BL Bluebutton 2023 Limited	UK Tax Resident
BL Davidson Limited	UK Tax Resident
BL Intermediate Holding Company Limited	UK Tax Resident
BL Intermediate Holding Company 2 Limited	UK Tax Resident
BL Shoreditch Development Limited	UK Tax Resident
BLMH 4 Limited	UK Tax Resident
Bluebutton Property Management UK Limited (50% interest)	UK Tax Resident
Boldswitch (No 1) Limited	UK Tax Resident
Boldswitch Limited	UK Tax Resident
British Land Company Secretarial Limited	UK Tax Resident
British Land Properties Limited	UK Tax Resident
Broadgate Estates Limited	UK Tax Resident
London and Henley Holdings Limited	UK Tax Resident
Regis Property Holdings Limited	UK Tax Resident

Indirect holdings

Name	UK/Overseas Tax Resident Status
10 Brock Street Limited	UK Tax Resident
10 Triton Street Limited	UK Tax Resident
17-19 Bedford Street Limited	UK Tax Resident
18-20 Craven Hill Gardens Limited	UK Tax Resident
20 Brock Street Limited	UK Tax Resident
20 Triton Street Limited	UK Tax Resident
338 Euston Road Limited	UK Tax Resident
350 Euston Road Limited	UK Tax Resident
Adamant Investment Corporation Limited	UK Tax Resident
Aldgate Land One Limited	UK Tax Resident
Aldgate Place (GP) Limited	UK Tax Resident
Ashband Limited	UK Tax Resident
B.L.Holdings Limited	UK Tax Resident
B.L.C.T. (12697) Limited ¹	UK Tax Resident
B.L.C.T. (38209a) Limited ¹	UK Tax Resident
Barnclass Limited	UK Tax Resident
Barndrill Limited	UK Tax Resident
Bayeast Property Co Limited	UK Tax Resident
BF Propco (No 3) Limited	UK Tax Resident
BF Propco (No 5) Limited	UK Tax Resident
BF Properties (No 4) Limited	UK Tax Resident
BF Properties (No 5) Limited	UK Tax Resident
BL 5KS Holdings Limited	UK Tax Resident
BL Aldgate Development Limited	UK Tax Resident
BL Aldgate Holdings Limited	UK Tax Resident
BL Aldgate Investment Holdings Limited	UK Tax Resident
BL Aldgate Investment Limited	UK Tax Resident
BL Bradford Forster Limited	UK Tax Resident
BL Broadway Investment Limited	UK Tax Resident
BL Chess Limited	UK Tax Resident
BL Chilwell Limited	UK Tax Resident
BL City Offices Holding Company Limited	UK Tax Resident
BL CW Residential Holdings Limited	UK Tax Resident
BL CW Trading GP Company Limited (50% interest)	UK Tax Resident
BL CW Trading Limited Partnership (Partnership interest) (50% interest)	UK Tax Resident
BL CW Upper GP Company Limited (50% interest)	UK Tax Resident
BL CW Upper Limited Partnership (Partnership interest) (50% interest)	UK Tax Resident
BL CW Upper LP Company Limited	UK Tax Resident
BL Department Stores Holding Company Limited	UK Tax Resident
BL Didcot 1 Limited	UK Tax Resident
BL Didcot 2 Limited	UK Tax Resident
BL Doncaster Wheatley Limited	UK Tax Resident

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

(K) Disclosures relating to subsidiary undertakings continued

Name	UK/Overseas Tax Resident Status	Name	UK/Overseas Tax Resident Status
BL Drummond Properties Limited	UK Tax Resident	BL Retail Properties 2 Limited	UK Tax Resident
BL Ealing Holding Company Limited	UK Tax Resident	BL Retail Properties 3 Limited	UK Tax Resident
BL Ealing Limited	UK Tax Resident	BL Retail Properties Limited	UK Tax Resident
BL Eden Walk Limited	UK Tax Resident	BL Retail Property Holdings Limited	UK Tax Resident
BL Euston Tower Holding Company Limited	UK Tax Resident	BL Retail Warehousing Holding Company Limited	UK Tax Resident
BL Falkirk Limited	UK Tax Resident	BL Sainsbury Superstores Limited (50% interest) ^{5,*}	UK Tax Resident
BL Finsbury Square Limited	UK Tax Resident	BL Shoreditch General Partner Limited	UK Tax Resident
BL Fixed Uplift Fund Limited Partnership (Partnership interest)	UK Tax Resident	BL Shoreditch Limited Partnership (Partnership interest)	UK Tax Resident
BL Fixed Uplift General Partner Limited	UK Tax Resident	BL Shoreditch No. 1 Limited	UK Tax Resident
BL Fixed Uplift Nominee 1 Limited	UK Tax Resident	BL Shoreditch No. 2 Limited	UK Tax Resident
BL Fixed Uplift Nominee 2 Limited	UK Tax Resident	BL South Camb Limited	UK Tax Resident
BL Goodman (General Partner) Limited (50% interest)	UK Tax Resident	BL Superstores Holding Company Limited	UK Tax Resident
BL Goodman (LP) Limited	UK Tax Resident	BL Telford Limited	UK Tax Resident
BL Goodman Limited Partnership (Partnership interest) (50% interest)	UK Tax Resident	BL Thanet Limited	UK Tax Resident
BL HB Investments Limited	UK Tax Resident	BL Triton Building Residential Limited	UK Tax Resident
BL HC PH LLP (Member interest)	UK Tax Resident	BL Tunbridge Wells Limited	UK Tax Resident
BL High Street and Shopping Centres Holding Company Limited	UK Tax Resident	BL Warwickshire Limited	UK Tax Resident
BL Holdings 2010 Limited	UK Tax Resident	BL Wellington Limited	UK Tax Resident
BL Innovation Properties 2 Limited	UK Tax Resident	BL West (Watling House) Limited	UK Tax Resident
BL Innovation Properties Limited	UK Tax Resident	BL West End Investments Limited	UK Tax Resident
BL Lancaster Investments Limited	UK Tax Resident	BL West End Offices Limited (25% interest)	UK Tax Resident
BL Lancaster Limited Partnership (Partnership interest)	UK Tax Resident	BL Whiteley Limited	UK Tax Resident
BL Leisure and Industrial Holding Company Limited	UK Tax Resident	BL Whiteley Retail Limited	UK Tax Resident
BL Logistics Investment 2 Limited	UK Tax Resident	BL Woolwich Limited	UK Tax Resident
BL Logistics Investment 3 Limited	UK Tax Resident	BL Woolwich Nominee 1 Limited	UK Tax Resident
BL Logistics Investment Limited	UK Tax Resident	BL Woolwich Nominee 2 Limited	UK Tax Resident
BL Merthyr Limited	UK Tax Resident	Blackwall (1)	UK Tax Resident
BL Middlesbrough Limited	UK Tax Resident	BLD (SJ) Limited	UK Tax Resident
BL Newport Limited	UK Tax Resident	BLD Property Holdings Limited	UK Tax Resident
BL Office (Non-City) Holding Company Limited	UK Tax Resident	BLMH 1 Limited	UK Tax Resident
BL Office Holding Company Limited	UK Tax Resident	BLMH 2 Limited	UK Tax Resident
BL Office Properties 1 Limited	UK Tax Resident	BLMH 3 Limited	UK Tax Resident
BL Office Properties 3 Limited	UK Tax Resident	BLMH Centre Limited	UK Tax Resident
BL Osnaburgh St Residential Ltd	UK Tax Resident	BLMH Holdings 2 Limited	UK Tax Resident
BL Piccadilly Residential Limited	UK Tax Resident	BLMH Holdings Limited	UK Tax Resident
BL Ravenhead Limited	UK Tax Resident	BLMH Limited	UK Tax Resident
BL Residual Holding Company Limited	UK Tax Resident	BLMH Nominee 1 Limited	UK Tax Resident
BL Retail Holding Company Limited	UK Tax Resident	BLMH Nominee 2 Limited	UK Tax Resident
BL Retail Indirect Investments Limited	UK Tax Resident	BLSSP (PHC 5) Limited	UK Tax Resident
BL Retail Investment Holdings Limited	UK Tax Resident	BLU Estates Limited	UK Tax Resident
BL Retail Park Holding Company Limited	UK Tax Resident	BLU Property Management Limited	UK Tax Resident
		BLU Securities Limited	UK Tax Resident
		British Land (Joint Ventures) Limited	UK Tax Resident
		British Land Acquisitions Limited	UK Tax Resident

(K) Disclosures relating to subsidiary undertakings continued

Name	UK/Overseas Tax Resident Status	Name	UK/Overseas Tax Resident Status
British Land City Offices Limited	UK Tax Resident	Elk Mill Oldham Limited	UK Tax Resident
British Land Fund Management Limited	UK Tax Resident	Euston Tower Limited	UK Tax Resident
British Land Hercules Limited	UK Tax Resident	Finsbury Square BV ^{2,**}	Overseas Tax Resident
British Land In Town Retail Limited	UK Tax Resident	Fort Kinnaird GP Limited (50% interest)	UK Tax Resident
British Land Industrial Limited	UK Tax Resident	Fort Kinnaird Limited Partnership (Partnership interest) (50% interest)	UK Tax Resident
British Land Offices (Non-City) Limited	UK Tax Resident	FRP Group Limited	UK Tax Resident
British Land Offices (Non-City) No. 2 Limited	UK Tax Resident	Garamead Properties Limited	UK Tax Resident
British Land People Management Services Limited	UK Tax Resident	Gibraltar General Partner Limited (50% interest)*	UK Tax Resident
British Land Property Advisers Limited	UK Tax Resident	Gibraltar Nominees Limited (50% interest)*	UK Tax Resident
British Land Property Management Limited	UK Tax Resident	Giltbrook Retail Park Nottingham Limited	UK Tax Resident
British Land Property Services Limited	UK Tax Resident	Glenway Limited	UK Tax Resident
British Land Superstores (Non-Securitised) Number 2 Limited	UK Tax Resident	Hempel Holdings Limited	UK Tax Resident
Broadgate Adjoining Properties Limited	UK Tax Resident	Hempel Hotels Limited	UK Tax Resident
Broadgate City Limited	UK Tax Resident	Hercules Property UK Holdings Limited	UK Tax Resident
Broadgate Court Investments Limited	UK Tax Resident	Hercules Property UK Limited	UK Tax Resident
Broadgate Investment Holdings Limited	UK Tax Resident	Hercules Unit Trust (Units) ¹	Overseas Tax Resident
Broadgate Properties Limited	UK Tax Resident	Hereford Old Market Limited	UK Tax Resident
Broadgate REIT Limited (50% interest) ⁸	UK Tax Resident	Hereford Shopping Centre GP Limited	UK Tax Resident
Broughton Retail Park Limited ¹	UK Tax Resident	Hereford Shopping Centre Limited Partnership (Partnership interest)	UK Tax Resident
Broughton Unit Trust ¹	Overseas Tax Resident	HUT Investments Limited ¹	Overseas Tax Resident
Brunswick Park Limited	UK Tax Resident	Industrial Real Estate Limited	UK Tax Resident
Capitol Preston Limited	UK Tax Resident	Insistmetal 2 Limited	UK Tax Resident
Cavendish Geared Limited	UK Tax Resident	Lancaster General Partner Limited	UK Tax Resident
Cheshire Properties Limited (50% interest)	UK Tax Resident	London and Henley (UK) Limited	UK Tax Resident
Chester Limited ¹	UK Tax Resident	Lonebridge UK Limited	UK Tax Resident
Chrisilu Nominees Limited	UK Tax Resident	Longford Street Residential Limited	UK Tax Resident
City of London Office Unit Trust (Units) (35.94% interest) ⁷	Overseas Tax Resident	Ludgate Investment Holdings Limited	UK Tax Resident
City Residential Holdings Limited*	UK Tax Resident	Mayfair Properties	UK Tax Resident
Clarges Estate Property Management Co Limited	UK Tax Resident	Mayflower Retail Park Basildon Limited	UK Tax Resident
Cornish Residential Properties Trading Limited	UK Tax Resident	Mercari	UK Tax Resident
Crescent West Properties	UK Tax Resident	Mercari Holdings Limited	UK Tax Resident
Deepdale Co-Ownership Trust (Member interest) (50% interest)	UK Tax Resident	Moorage (Property Developments) Limited	UK Tax Resident
Drake Circus Centre Limited	UK Tax Resident	Nugent Shopping Park Limited	UK Tax Resident
Drake Circus Leisure Limited	UK Tax Resident	One Hundred Ludgate Hill	UK Tax Resident
Drake Property Holdings Limited	UK Tax Resident	One Triton Holding Limited (50% interest)	UK Tax Resident
Drake Property Nominee (No. 1) Limited	UK Tax Resident	Orbital Shopping Park Swindon Limited	UK Tax Resident
Drake Property Nominee (No. 2) Limited	UK Tax Resident	Osnaburgh Street Limited	UK Tax Resident
Eden Walk Shopping Centre General Partner Limited (50% interest)	UK Tax Resident	Paddington 3KS Investments Limited	UK Tax Resident
Eden Walk Shopping Centre Unit Trust (50% interest) (Units) ¹	Overseas Tax Resident	Paddington 5KS GP Limited	UK Tax Resident
		Paddington 5KS Holdings Limited	UK Tax Resident
		Paddington 5KS Nominee 1 Limited	UK Tax Resident
		Paddington 5KS Nominee 2 Limited	UK Tax Resident

FINANCIAL STATEMENTS CONTINUED

NOTES TO THE ACCOUNTS CONTINUED

(K) Disclosures relating to subsidiary undertakings continued

Name	UK/Overseas Tax Resident Status	Name	UK/Overseas Tax Resident Status
Paddington 5KS Unit Trust (Units) ¹	Overseas Tax Resident	Storey Spaces Limited	UK Tax Resident
Paddington Box Limited	UK Tax Resident	TBL (Bromley) Limited	UK Tax Resident
Paddington Property Investment GP Limited	UK Tax Resident	TBL Holdings Limited	UK Tax Resident
Paddington Property Investment Limited Partnership (Partnership interest) (25% interest)	UK Tax Resident	TBL Properties Limited	UK Tax Resident
Parwick Holdings Limited	UK Tax Resident	Teesside Leisure Park Limited (51% interest)	UK Tax Resident
Parwick Investments Limited	UK Tax Resident	The Aldgate Place Limited Partnership (Partnership interest)	UK Tax Resident
Piccadilly Residential Limited	UK Tax Resident	The Dartford Partnership (Partnership interest) (50% interest)	UK Tax Resident
Pillar (Dartford) Limited	UK Tax Resident	The Hercules Property Limited Partnership (Partnership interest)	UK Tax Resident
Pillar (Fulham) Limited	UK Tax Resident	The Leadenhall Development Company Limited (50% interest)	UK Tax Resident
Pillar City Limited	UK Tax Resident	The Mary Street Estate Limited	UK Tax Resident
Pillar Dartford No.1 Limited	UK Tax Resident	The Whiteley Co-Ownership (Member interest) (50% interest)	UK Tax Resident
Pillar Denton Limited	UK Tax Resident	Thurrock Retail Park Unit Trust (Units) ¹	Overseas Tax Resident
Pillar Europe Management Limited	UK Tax Resident	Tollgate Centre Colchester Limited	UK Tax Resident
Pillar Hercules No.2 Limited	UK Tax Resident	Topside Street Limited	UK Tax Resident
Pillar Nugent Limited	UK Tax Resident	Tweed Premier 4 Limited	UK Tax Resident
Pillar Projects Limited (99% interest)	UK Tax Resident	Union Property Corporation Limited	UK Tax Resident
Pillar Property Group Limited	UK Tax Resident	Union Property Holdings (London) Limited	UK Tax Resident
PillarStore Limited	UK Tax Resident	United Kingdom Property Company Limited	UK Tax Resident
Planet Investment Holdings Limited ⁴	UK Tax Resident	Wates City of London Properties Limited	UK Tax Resident
Plymouth Retail Limited	UK Tax Resident	Westbourne Terrace Partnership (Partnership interest)	UK Tax Resident
Power Court GP Limited	UK Tax Resident	Whiteley Shopping Centre Unit Trust (Units) ¹	Overseas Tax Resident
Power Court Luton Limited Partnership (Partnership interest)	UK Tax Resident	WOSC GP Limited (25% interest)	UK Tax Resident
Project Sunrise Limited	UK Tax Resident	WOSC Partners LP (Partnership interest) (25% interest)	UK Tax Resident
Reading Gate Retail Park Co-Ownership (Member interest) (50% interest)	UK Tax Resident		
Regent's Place Holding 1 Limited	UK Tax Resident		
Regent's Place Holding 2 Limited	UK Tax Resident		
Regent's Place Holding Company Limited	UK Tax Resident		
Regents Place Management Company Limited (94.39% interest)	UK Tax Resident		
Regents Place Residential Limited	UK Tax Resident		
Salmax Properties	UK Tax Resident		
Seymour Street Homes Limited	UK Tax Resident		
Southgate General Partner Limited (50% interest) ³	UK Tax Resident		
Southgate Property Unit Trust (50% interest) (Units) ⁶	Overseas Tax Resident		
Shoreditch Support Limited	UK Tax Resident		
Solartron Retail Park Limited	UK Tax Resident		
Speke Unit Trust (Units) ¹	Overseas Tax Resident		
St. Stephens Shopping Centre Limited	UK Tax Resident		
Stockton Retail Park Limited	UK Tax Resident		
Storey Offices Limited	UK Tax Resident		

SUPPLEMENTARY DISCLOSURES

Unaudited unless otherwise stated

Table A: Summary income statement and balance sheet (Unaudited)

Summary income statement based on proportional consolidation for the year ended 31 March 2025

The following pro forma information is unaudited and does not form part of the consolidated financial statements or the notes thereto. It presents the results of the Group, with its share of the results of joint ventures included on a line-by-line basis and excluding non-controlling interests.

	Year ended 31 March 2025				Year ended 31 March 2024			
	Group £m	Share of joint ventures £m	Less non- controlling interests £m	Proportionally consolidated £m	Group £m	Share of joint ventures £m	Less non- controlling interests £m	Proportionally consolidated £m
Gross rental income^{1,2}	338	146	-	484	308	170	(2)	476
Property operating expenses ³	(32)	(13)	-	(45)	(22)	(15)	1	(36)
Net rental income	306	133	-	439	286	155	(1)	440
Administrative expenses ⁴	(82)	-	-	(82)	(85)	(2)	-	(87)
Net fees and other income	25	-	-	25	23	-	-	23
Ungeared income return	249	133	-	382	224	153	(1)	376
Net financing charges	(60)	(43)	-	(103)	(55)	(53)	-	(108)
Underlying Profit	189	90	-	279	169	100	(1)	268
Underlying taxation	(4)	-	-	(4)	(3)	-	-	(3)
Underlying Profit after taxation	185	90	-	275	166	100	(1)	265
Valuation movements on property (Note 4)				134				(310)
Other capital and taxation (net) ⁵				(71)				42
Result attributable to shareholders of the Company				338				(3)

1. Group gross rental income includes £8m (2023/24: £11m) of all-inclusive rents relating to service charge income.
2. Group gross rental income in the prior year excludes £25m of rent receivable and £149m of surrender premia received within the Capital and other column of the income statement (see Note 3).
3. Group property operating expenses in the prior year excludes £54m of provisions for impairment of tenant incentives and contracted rent increases within the Capital and other column of the income statement (see Note 3).
4. Administrative expenses includes £8m (2023/24: £8m) of depreciation and amortisation.
5. Includes other comprehensive income.

FINANCIAL STATEMENTS CONTINUED

Table A: continued

Summary balance sheet based on proportional consolidation as at 31 March 2025

The following pro forma information is unaudited and does not form part of the consolidated primary statements or the notes thereto. It presents the composition of the EPRA NTA of the Group, with its share of the net assets of the joint ventures included on a line-by-line basis, excluding non-controlling interests, and assumes full dilution.

	Group £m	Share of joint ventures £m	Share options £m	Mark-to- market on derivatives and related debt adjustment £m	Lease liabilities £m	Valuation surplus on trading properties £m	Intangibles and deferred tax £m	EPRA NTA 31 March 2025 £m	EPRA NTA 31 March 2024 £m
Campuses properties	2,476	3,110	-	-	(85)	3	-	5,504	5,282
Retail & London Urban Logistics properties	3,698	330	-	-	(43)	-	-	3,985	3,406
Total properties ¹	6,174	3,440	-	-	(128)	3	-	9,489	8,688
Investments in joint ventures	2,462	(2,462)	-	-	-	-	-	-	-
Other investments	48	-	-	-	-	-	(7)	41	46
Other net (liabilities) assets	(324)	(102)	11	-	128	-	-	(287)	(304)
Deferred tax liability	(3)	(1)	-	-	-	-	4	-	-
Net debt ²	(2,647)	(875)	-	(23)	-	-	-	(3,545)	(3,178)
Net assets	5,710	-	11	(23)	-	3	(3)	5,698	5,252
EPRA NTA per share (Note 2)								567p	562p

1. Included within the total property value of £9,489m (2023/24: £8,688m) are right-of-use assets net of lease liabilities of £3m (2023/24: £4m), which in substance relates to properties held under leasing agreements. The fair values of right-of-use assets are determined by calculating the present value of net rental cash flows over the term of the lease agreements.
2. EPRA net debt of £3,545m represents adjusted net debt used in proportionally consolidated LTV and Net Debt to EBITDA calculations of £3,637m (see Note 16), less tenant deposits of £64m and issue costs and fair value hedge adjustments of £28m.

EPRA Net Tangible Assets movement

	Year ended 31 March 2025		Year ended 31 March 2024	
	£m	Pence per share	£m	Pence per share
Opening EPRA NTA	5,252	562	5,487	588
Income return	275	27	265	28
Capital and other return	95	11	(285)	(31)
Dividend paid	(221)	(23)	(215)	(23)
Dilution due to issue of shares	297	(10)	-	-
Closing EPRA NTA	5,698	567	5,252	562

SUPPLEMENTARY DISCLOSURES CONTINUED

Table B: EPRA Performance measures (Unaudited)

EPRA Performance measures summary table

	2025		2024	
	£m	Pence per share	£m	Pence per share
EPRA Earnings – basic	275	28.6	385	41.5
– diluted	275	28.5	385	41.4
	Percentage		Percentage	
EPRA Net Initial Yield		5.0%		5.1%
EPRA ‘topped-up’ Net Initial Yield		5.5%		5.8%
EPRA Vacancy Rate		10.0%		10.0%
EPRA Cost Ratio (including direct vacancy costs)		17.5%		16.4%
EPRA Cost Ratio (excluding direct vacancy costs)		10.5%		9.2%

	2025		2024	
	Net assets £m	Net asset value per share (pence)	Net assets £m	Net asset value per share (pence)
EPRA NTA	5,698	567	5,252	562
EPRA NRV	6,283	625	5,782	619
EPRA NDV	5,768	574	5,389	577
	Percentage		Percentage	
EPRA LTV		40.7%		40.5%

Calculation and reconciliation of Underlying/EPRA/IFRS Earnings and Underlying/EPRA/IFRS Earnings per share (Audited)

	2025 £m	2024 £m
Profit (loss) attributable to the shareholders of the Company	338	(1)
Exclude:		
Group – Underlying taxation (Note 7)	4	3
Group – Capital and other taxation (Note 7)	–	11
Group – valuation movements on property (Note 4)	(148)	131
Group – loss on disposal of investment properties, joint ventures and revaluation of investments	42	23
Group – Capital and other revenue and costs (Note 3)	–	(120)
Joint ventures – share of joint venture result ¹	(11)	–
Joint ventures – valuation movements on property (Note 4)	14	179
Joint ventures – capital financing charges	3	5
Joint ventures – profit on disposal of properties	(6)	(5)
Changes in fair value of financial instruments and associated close-out costs (Note 6)	43	41
Non-controlling interests in respect of the above	–	1
Underlying Profit	279	268
Group – Underlying taxation (Note 7)	(4)	(3)
Underlying Earnings – basic and diluted	275	265
Group – Capital and other revenue and costs (Note 3)	–	120
EPRA Earnings – basic and diluted	275	385
Profit (loss) attributable to the shareholders of the Company	338	(1)
IFRS Earnings – basic and diluted	338	(1)

1. The share of joint venture result relates to Broadgate REIT Limited's share of the 2 Finsbury Avenue joint venture, disclosed in further detail in Note 11.

FINANCIAL STATEMENTS CONTINUED

Table B continued

	2025 Number million	2024 Number million
Weighted average number of shares ¹	973	938
Adjustment for treasury shares	(11)	(11)
IFRS/EPRA/Underlying Weighted average number of shares (basic)	962	927
Dilutive effect of share options	-	-
Dilutive effect of ESOP shares	3	2
EPRA/Underlying Weighted average number of shares (diluted)	965	929
Remove anti-dilutive effect	-	(2)
IFRS Weighted average number of shares (diluted)	965	927

1. On 2 October 2024, the Company announced a share placing, retail offer and subscription of 71,227,309 ordinary shares of 25p each at a price of 422 pence per share, resulting in a 71,227,309 increase in the number of shares. See Note 19 for further information.

Net assets per share (Audited)

	2025		2024	
	£m	Pence per share	£m	Pence per share
IFRS net assets	5,710		5,312	
Deferred tax arising on revaluation movements	4		6	
Mark-to-market on derivatives and related debt adjustments	(23)		(55)	
Dilution effect of share options	11		11	
Surplus (deficit) on trading properties	3		(1)	
Intangible assets	(7)		(8)	
Less non-controlling interests	-		(13)	
EPRA NTA	5,698	567	5,252	562
Intangible assets	7		8	
Purchasers' costs	578		522	
EPRA NRV	6,283	625	5,782	619
Deferred tax arising on revaluation movements and the (surplus) deficit on trading properties	(5)		(6)	
Purchasers' costs	(578)		(522)	
Mark-to-market on derivatives and related debt adjustments	23		55	
Mark-to-market on debt	45		80	
EPRA NDV	5,768	574	5,389	577

EPRA NTA is considered to be the most relevant measure for the Group and is now the primary measure of net assets. EPRA NTA assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax. Due to the Group's REIT status, deferred tax is only provided at each balance sheet date on properties outside the REIT regime. As a result, deferred taxes are excluded from EPRA NTA for properties within the REIT regime. For properties outside of the REIT regime, deferred tax is included to the extent that it is expected to crystallise, based on the Group's track record and tax structuring. EPRA NRV reflects what would be needed to recreate the Group through the investment markets based on its current capital and financing structure. EPRA NDV reflects shareholders' value which would be recoverable under a disposal scenario, with deferred tax and financial instruments recognised at the full extent of their liability.

	2025 Number million	2024 Number million
Number of shares at year end ¹	1,010	938
Adjustment for treasury shares	(11)	(11)
IFRS/EPRA number of shares (basic)	999	927
Dilutive effect of share options	1	3
Dilutive effect of ESOP shares	5	4
IFRS/EPRA number of shares (diluted)	1,005	934

1. On 2 October 2024, the Company announced a share placing, retail offer and subscription of 71,227,309 ordinary shares of 25p each at a price of 422 pence per share, resulting in a 71,227,309 increase in the number of shares. See Note 19 for further information.

SUPPLEMENTARY DISCLOSURES CONTINUED

Table B continued

EPRA Net Initial Yield and 'topped-up' Net Initial Yield (Unaudited)

	2025 £m	2024 £m
Group property portfolio valuation (Note 10)	6,065	5,116
Share of property of joint ventures (Note 10)	3,421	3,568
Less developments, residential and land	(1,590)	(1,460)
Completed property portfolio	7,896	7,224
Allowance for estimated purchasers' costs	534	484
Gross up completed property portfolio valuation (A)	8,430	7,708
Annualised cash passing rental income	450	422
Property outgoings	(28)	(32)
Annualised net rents (B)	422	390
Rent expiration of rent-free periods and fixed uplifts ¹	39	55
'Topped-up' net annualised rent (C)	461	445
EPRA Net Initial Yield (B/A)	5.0%	5.1%
EPRA 'topped-up' Net Initial Yield (C/A)	5.5%	5.8%
Including fixed/minimum uplifts received in lieu of rental growth	5	5
Total 'topped-up' net rents (D)	466	450
Overall 'topped-up' Net Initial Yield (D/A)	5.5%	5.8%
'Topped-up' net annualised rent	461	445
ERV vacant space	56	51
Reversions	27	8
Total ERV (E)	544	504
Net Reversionary Yield (E/A)	6.5%	6.5%

1. The weighted average period over which rent-free periods expire is one year (2023/24: one year).

EPRA Net Initial Yield (NIY) basis of calculation

EPRA NIY is calculated as the annualised net rent (on a cash flow basis), divided by the gross value of the completed property portfolio. The valuation of our completed property portfolio is determined by our external valuers as at 31 March 2025, plus an allowance for estimated purchasers' costs. Estimated purchasers' costs are determined by the relevant stamp duty liability, plus an estimate by our valuers of agent and legal fees on notional acquisition. The net rent deduction allowed for property outgoings is based on our valuers' assumptions on future recurring non-recoverable revenue expenditure.

In calculating the EPRA 'topped-up' NIY, the annualised net rent is increased by the total contracted rent from expiry of rent-free periods and future contracted rental uplifts where defined as not in lieu of growth. Overall 'topped-up' NIY is calculated by adding any other contracted future uplift to the 'topped-up' net annualised rent.

The net reversionary yield is calculated by dividing the total estimated rental value (ERV) for the completed property portfolio, as determined by our external valuers, by the gross completed property portfolio valuation.

The EPRA Vacancy Rate is calculated as the ERV of the unrented, lettable space as a proportion of the total rental value of the completed property portfolio.

EPRA Vacancy Rate (Unaudited)

	31 March 2025 £m	31 March 2024 £m
Annualised potential rental value of vacant premises	56	51
Annualised potential rental value for the completed property portfolio	555	512
EPRA Vacancy Rate	10.0%	10.0%

The above is stated for the UK portfolio only. A discussion of significant factors affecting vacancy rates is included within the Strategic Report (pages 8 to 13).

FINANCIAL STATEMENTS CONTINUED

Table B continued

EPRA Cost Ratios (Unaudited)

	2025 £m	2024 £m
Property operating expenses	32	21
Administrative expenses	82	85
Share of joint ventures expenses	13	17
Less: Performance and management fees (from joint ventures and assets under management)	(13)	(17)
Net other fees and commissions	(12)	(6)
Ground rent costs and operating expenses de facto included in rents	(22)	(27)
EPRA Costs (including direct vacancy costs) (A)	80	73
Direct vacancy costs	(32)	(32)
EPRA Costs (excluding direct vacancy costs) (B)	48	41
Gross Rental Income less ground rent costs and operating expenses de facto included in rents	320	277
Share of joint ventures (GRI less ground rent costs)	138	168
Total Gross rental income less ground rent costs (C)	458	445
EPRA Cost Ratio (including direct vacancy costs) (A/C)	17.5%	16.4%
EPRA Cost Ratio (excluding direct vacancy costs) (B/C)	10.5%	9.2%
Overhead and operating expenses capitalised (including share of joint ventures)	8	6

In the current year, employee costs in relation to staff time on development projects have been capitalised into the base cost of relevant development assets.

Table C: Gross rental income (Audited)

	2025 £m	2024 £m
Rent receivable ¹	466	463
Spreading of tenant incentives and contracted rent increases	(2)	7
Surrender premia	20	6
Gross rental income	484	476

1. Group gross rental income includes £8m (2023/24: £11m) of all-inclusive rents relating to service charge income.

The current and prior year information is presented on a proportionally consolidated basis, excluding non-controlling interests.

SUPPLEMENTARY DISCLOSURES CONTINUED

Table D: Property related capital expenditure (Unaudited)

	Year ended 31 March 2025			Year ended 31 March 2024		
	Group £m	Share of joint ventures £m	Total £m	Group £m	Share of joint ventures £m	Total £m
Acquisitions	730	-	730	58	-	58
Development	105	205	310	144	210	354
Investment properties						
Incremental lettable space	2	-	2	1	-	1
No incremental lettable space	43	39	82	23	26	49
Tenant incentives	6	1	7	24	7	31
Other material non-allocated types of expenditure	4	4	8	3	3	6
Capitalised interest	14	19	33	17	8	25
Total property related capital expenditure	904	268	1,172	270	254	524
Conversion from accrual to cash basis	(7)	35	28	40	(11)	29
Total property related capital expenditure on cash basis	897	303	1,200	310	243	553

The above is presented on a proportionally consolidated basis, excluding non-controlling interests and business combinations. The 'Other material non-allocated types of expenditure' category contains capitalised staff costs of £8m (2023/24: £6m).

Table E: EPRA LTV (Unaudited)

	Year ended 31 March 2025				Year ended 31 March 2024			
	Group £m	Proportionally consolidated		Total £m	Group £m	Proportionally consolidated		Total £m
		Share of joint ventures £m	Non- controlling interests £m			Share of joint ventures £m	Non- controlling interests £m	
Include:								
Gross debt	2,740	998	-	3,738	2,225	1,218	-	3,443
Net payables	224	87	-	311	227	104	-	331
Exclude:								
Cash and cash equivalents	(57)	(108)	-	(165)	(88)	(152)	1	(239)
EPRA Net Debt (A)	2,907	977	-	3,884	2,364	1,170	1	3,535
Include:								
Property portfolio valuation	6,065	3,421	-	9,486	5,130	3,568	(14)	8,684
Other financial assets	43	-	-	43	46	-	-	46
Intangibles	7	-	-	7	8	-	-	8
EPRA Total Property Value (B)	6,115	3,421	-	9,536	5,184	3,568	(14)	8,738
EPRA LTV (A/B)	47.5%			40.7%	45.6%			40.5%

OTHER INFORMATION (UNAUDITED)

Data includes Group's share of Joint Ventures.

FY25 rent collection

Rent due between 25 March 2024 and 24 March 2025	Campuses	Retail & London Urban Logistics	Total
Received	99.7%	99.9%	99.8%
Outstanding	0.3%	0.1%	0.2%
Total	100.0% £189m	100.0% £219m	100.0% £408m

March quarter 2025 rent collection

Rent due between 25 March 2025 and 15 May 2025	Campuses	Retail & London Urban Logistics	Total
Received	98.6%	93.4%	95.9%
Outstanding	1.4%	6.6%	4.1%
Total	100.0% £46m	100.0% £51m	100.0% £96m

Purchases

12 months to 31 March 2025	Sector	Price (100%) £m	Price (BL Share) £m	Annualised Net Rents £m ¹
Completed				
New Mersey Shopping Park, Speke (non-controlling interest)	Retail Park	13	13	2
Southampton Road Retail Park, Salisbury	Retail Park	23	23	2
M7 Portfolio (Three Assets) ²	Retail Park	47	47	4
Brookfield Portfolio (Two Assets) ³	Retail Park	158	158	11
Inshes Retail Park, Inverness	Retail Park	28	28	2
Brookfield Portfolio (Seven Assets) ⁴	Retail Park	441	441	29
Orbital Retail Park, Cannock	Retail Park	28	28	2
Total		738	738	52

1. British Land share of annualised rent topped up for rent frees

2. Enham Arch Retail Park, Andover; Queen's Drive Retail Park, Kilmarnock; and St David's Retail Park, Bangor

3. Orchard Centre, Didcot, and Cyfarthfa Shopping Park, Merthyr Tydfil

4. Elliott's Field Shopping Park, Rugby; Central Retail Park, Falkirk; Wellington Retail Park, Waterlooville; Ravenhead Retail Park, St Helens; Cleveland Retail Park Middlesbrough; Telford Forge Shopping Park, Telford; and Chilwell Retail Park, Nottingham. Annualised net rent based off NIY

Sales

12 months to 31 March 2025	Sector	Price (100%) £m	Price (BL Share) £m	Annualised Net Rents £m ¹
Completed				
Meadowhall	Shopping Centre	720	360	26
New Century Park Land	Other	2	2	-
Homebase Derby	Retail Park	8	8	1
Tesco Plymouth	Other	5	5	-
Homebase portfolio (Feltham, Frome & Reigate)	Retail Park	37	37	3
Wells Street 19-23	West End	19	19	2
158-164 Bishopsgate	Other	26	26	2
Woking Lion Retail Park	Retail Park	40	40	2
2 Finsbury Avenue Joint Venture	City	401	100	-
33-37 New George St Plymouth	Other	-	-	-
Exchanged				
International House	Standalone Office	23	23	-
Total		1,281	620	36

1. British Land share of annualised rent topped up for rent frees

Portfolio valuation by sector^{1,2}

	Group £m	Joint Ventures £m	Total £m ¹	FY Value Growth % ²	FY Value Growth £m ²	2025 Portfolio Weighting %	2024 Portfolio Weighting %
As at 31 March 2025							
City	441	2,205	2,646	0.2	6	27.9	29.1
West End	1,572	525	2,097	(1.2)	(25)	22.1	24.0
Other Campuses	228	377	605	(3.1)	(19)	6.4	5.9
Residential ³	153	–	153	(5.4)	(9)	1.6	1.8
Campuses	2,394	3,107	5,501	(0.8)	(47)	58.0	60.8
Retail Parks	2,817	201	3,018	7.1	207	31.8	24.5
Shopping Centres	322	113	435	1.6	12	4.6	8.7
London Urban Logistics	324	–	324	(4.9)	(17)	3.4	3.6
Other Retail	208	–	208	4.0	8	2.2	2.4
Retail & London Urban Logistics	3,671	314	3,985	5.0	210	42.0	39.2
Total	6,065	3,421	9,486	1.6	163	100.0	100.0
Standing Investments	5,675	2,253	7,928	1.7	140	83.6	83.3
Developments	390	1,168	1,558	1.4	23	16.4	16.7

1. Property valuation as at 31 March 2025, including capital expenditure in the year. On a proportionally consolidated basis including the Group's share of joint ventures and excluding non-controlling interests
2. Valuation movement during the year (gross valuation less capital expenditure) of properties held at the balance sheet date, including developments (classified by end use), purchases and sales
3. Standalone residential

Accounting basis: annualised gross rental income

	Annualised as at 31 March 2025		
Accounting Basis £m	Group	Joint ventures	Total
City	16	81	97
West End	61	17	78
Other Campuses	12	–	12
Residential	2	–	2
Campuses	91	98	189
Retail Parks	192	14	206
Shopping Centres	39	9	48
London Urban Logistics	8	–	8
Other Retail	14	–	14
Retail & London Urban Logistics	253	23	276
Total¹	344	121	465

On a proportionally consolidated basis including the Group's share of joint ventures and excluding non-controlling interests

1. Annualised accounting rent as at 31 March 2025, which differs from the gross rental income seen in the year as a result of leasing activity, capital activity, properties moving from and to development and other movements

OTHER INFORMATION (UNAUDITED) CONTINUED

Portfolio net yields^{1,2}

As at 31 March 2025	EPRA NIY (%)	EPRA TUNY ³ (%)	Overall TUNY ⁴ (%)	EPRA NEY (%)	NEY Movement (bps)	EPRA NRY ⁵ (%)	ERV Growth ⁶ (%)
City Offices	3.9	4.2	4.3	5.5	14	6.0	6.0
West End Offices	4.5	4.8	4.8	5.7	14	6.4	3.1
Other Campuses	1.4	4.0	4.3	6.3	39	7.3	(5.0)
Residential	1.0	1.2	1.2	5.5	n/a	5.9	5.5
Campuses	3.9	4.3	4.4	5.6	14	6.3	4.3
Retail Parks	6.1	6.6	6.7	6.4	(32)	6.4	6.0
Shopping Centres	8.1	8.7	8.9	8.4	(12)	8.6	4.4
London Urban Logistics	3.5	3.5	3.6	5.0	13	5.2	0.8
Other Retail	5.9	6.3	6.3	7.0	(48)	7.0	10.2
Retail & London Urban Logistics	6.1	6.6	6.7	6.6	(27)	6.7	5.6
Total Portfolio	5.0	5.5	5.5	6.1	(4)	6.5	4.9

On a proportionally consolidated basis including the Group's share of joint ventures and excluding non-controlling interests

1. Including notional purchaser's costs
2. Excluding committed developments and assets held for development
3. Including rent contracted from expiry of rent-free periods and fixed uplifts not in lieu of rental growth
4. Including fixed/minimum uplifts (excluded from EPRA definition)
5. Net reversionary yield is the anticipated yield to which the initial yield will rise (or fall) once the rent reaches the estimated rental value, assuming 100% occupancy
6. As calculated by MSCI

Total property return (as calculated by MSCI)

12 months to 31 March 2025	Campuses		Retail & London Urban Logistics		Total	
%	British Land	MSCI	British Land	MSCI	British Land	MSCI
Capital Return	(0.1)	(2.1)	6.0	3.1	2.3	1.5
ERV Growth	4.3	3.1	5.6	2.6	4.9	3.7
Yield Movement ¹	14 bps	12 bps	(27) bps	(19) bps	(4) bps	(5) bps
Income Return	3.2	4.1	6.8	6.0	4.5	4.8
Total Property Return	3.1	1.9	13.2	9.3	6.9	6.4

On a proportionally consolidated basis including the Group's share of joint ventures and excluding non-controlling interests

1. Net equivalent yield movement

Top 20 occupiers by sector¹

As at 31 March 2025	Share of Retail & London Urban Logistics Rent (%)	As at 31 March 2025	Share of Campus Rent (%)
Next	5.2	Meta	12.8
M&S	4.8	Dentsu	5.1
Walgreens Boots Alliance	4.2	Softbank	4.7
TJX (TK Maxx)	3.5	Reed Smith	4.6
Currys	3.1	Herbert Smith Freehills	3.8
Kingfisher	3.1	SEFE Energy	3.4
JD Sports	2.7	Sumitomo Mitsui	2.9
DFS	2.6	TP ICAP	2.3
Frasers Group	2.2	Janus Henderson	2.3
Matalan	2.1	Interpublic Group	2.0
J Sainsbury	1.8	Bank of Montreal	1.9
Hutchison Whampoa	1.7	Mayer Brown	1.9
Pets at Home	1.6	Mimecast	1.6
River Island	1.4	Accor	1.6
Smyths Toys	1.4	Marex Spectron Group	1.6
Asda Group	1.3	Credit Agricole	1.6
SCS Properties	1.3	Milbank LLP	1.4
Tapi	1.2	Visa	1.4
Tesco	1.2	Dimensional Fund Advisors	1.1
B&M	1.2	LGC Investments	1.1
Total Top 20	47.6	Total Top 20	59.1

1. Excludes occupiers who have entered administration or CVA

Lease length & occupancy

As at 31 March 2025	Average Lease Length (Yrs)		Occupancy Rate (%)	
	To Expiry	To Break	EPRA Occupancy	Occupancy ^{1,2,3}
City	8.1	6.5	83.7	97.4
West End	6.1	5.0	89.0	96.4
Other Campuses	13.6	11.7	64.0	86.2
Residential	11.0	10.7	30.4	100.0
Campuses	7.6	6.2	82.5	96.5
Retail Parks	6.1	4.6	97.4	98.6
Shopping Centres	6.0	4.4	94.5	98.4
London Urban Logistics	2.9	2.3	100.0	100.0
Other Retail	7.7	6.2	96.9	96.9
Retail & London Urban Logistics	6.1	4.6	97.1	98.6
Total	6.7	5.3	90.0	97.7

1. EPRA Occupancy vs Occupancy: Occupancy excludes recently completed developments at Norton Folgate, Aldgate, The Priestley Centre, The Optic and Dock Shed at Canada Water
2. Space allocated to Storey is shown as occupied where there is a Storey tenant in place otherwise it is shown as vacant. Total occupancy for Campuses would rise from 96.5% to 96.8% if Storey space was assumed to be fully let
3. Where occupiers have entered administration or CVA 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 & London Urban Logistics would reduce from 98.6% to 97.4%, and total occupancy would reduce from 97.7% to 97.0%

OTHER INFORMATION (UNAUDITED) CONTINUED

Valuation basis: annualised rent & estimated rental value (ERV)

	Annualised rent (valuation basis) £m ¹			ERV £m	Average rent £psf	
	Group	Joint ventures	Total	Total	Contracted ²	ERV
As at 31 March 2025						
City ³	13	75	88	130	61	69
West End ³	67	14	81	110	72	84
Other Campuses	6	–	6	20	37	41
Residential	2	–	2	9	37	60
Campuses	88	89	177	269	59	67
Retail Parks	189	13	202	216	22	20
Shopping Centres	39	9	48	51	23	20
London Urban Logistics	8	–	8	12	17	25
Other Retail	14	–	14	16	17	16
Retail & London Urban Logistics	250	22	272	295	21	20
Total	338	111	449	564	29	30

On a proportionally consolidated basis including the Group's share of joint ventures and excluding committed, near term and assets held for development

1. Gross rents plus, where rent reviews are outstanding, any increases to ERV (as determined by the Group's external valuers), less any ground rents payable under head leases, excludes contracted rent subject to rent free and future uplift
2. Annualised rent, plus rent subject to rent free
3. £psf metrics shown for office space only

Rent subject to open market rent review

For year to 31 March As at 31 March 2025	2026 £m	2027 £m	2028 £m	2029 £m	2030 £m	2026-28 £m	2026-30 £m
City	29	4	1	14	5	34	53
West End	9	1	2	1	1	12	14
Other Campuses	–	–	–	–	1	–	1
Campuses	38	5	3	15	7	46	68
Retail Parks	16	19	11	15	13	46	74
Shopping Centres	–	2	2	1	1	4	6
London Urban Logistics	–	–	1	–	–	1	1
Other Retail	1	1	1	1	1	3	5
Retail & London Urban Logistics	17	22	15	17	15	54	86
Total	55	27	18	32	22	100	154

On a proportionally consolidated basis including the Group's share of joint ventures and excluding non-controlling interests, and excluding committed, near term and assets held for development

Rent subject to lease break or expiry

For year to 31 March As at 31 March 2025	2026 £m	2027 £m	2028 £m	2029 £m	2030 £m	2026-28 £m	2026-30 £m
West End	9	6	7	11	30	22	63
City	9	7	4	18	3	20	41
Other Campuses	1	1	1	1	–	4	5
Campuses	19	14	12	30	33	46	109
Retail Parks	37	29	26	27	27	91	146
Shopping Centres	6	8	9	7	5	23	34
London Urban Logistics	3	–	5	–	–	7	7
Other Retail	2	1	1	–	1	5	6
Retail & London Urban Logistics	48	38	41	34	33	126	193
Total	67	52	53	64	66	172	302
% of contracted rent	14	11	11	13	13	36	62

On a proportionally consolidated basis including the Group's share of joint ventures and excluding non-controlling interests excluding committed and near term, and assets held for development

Recently completed & committed developments

As at 31 March 2025	Sector	BL Share %	100% sq ft '000	PC Calendar Year	Current Value £m	Cost to come ¹ £m	ERV ² £m	Let & under offer ⁴ £m	Gross Yield on Cost ⁵ %
Aldgate Place: Phase 2	Residential	100	148	Q2 2024	148	6	6.9	1.7	5.1
The Priestley Centre	Science & Technology	100	86	Q2 2024	41	1	3.5	2.1	7.9
Norton Folgate	Office	100	335	Q3 2024	381	20	26.3	14.6	5.5
Canada Water: Dock Shed (Plot A2)	Mixed Use	50	245	Q1 2025	51	8	5.6	-	6.9
The Optic	Science & Technology	100	101	Q1 2025	70	2	4.5	4.5	6.3
Total Recently Completed			915		691	37	46.8	23.3	5.8
1 Broadgate	Office	50	546	Q2 2025	310	47	20.2	17.4	5.8
Canada Water: Plot A1 ³	Mixed Use	50	264	Q2 2025	97	22	3.6	0.1	7.3
1 Triton Square	Science & Technology	50	306	Q3 2025	210	38	17.3	0.2	6.8
	London Urban								
Mandela Way	Logistics	100	144	Q3 2025	48	16	4.2	-	5.8
The Broadgate Tower	Office	50	396	Q4 2026	149	73	18.5	6.0	8.3
2 Finsbury Avenue ⁴	Office	25	749	Q2 2027	115	134	19.7	6.2	7.8
Total Committed			2,405		929	330	83.5	29.9	7.0

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

1. From 31 March 2025. Cost to come excludes notional interest as interest is capitalised individually on each development at our capitalisation rate
2. Estimated headline rental value net of rent payable under head leases (excluding tenant incentives)
3. Canada Water Plot A1 includes Three Deal Porters Way and The Founding
4. Pre-let & under offer excludes 121,000 sq ft of office space under option
5. Gross yield on cost is calculated by dividing the ERV of the project by the total development costs, including the land value at the point of commitment, and any actual / estimated capitalisation of interest

Near term development pipeline

As at 31 March 2025	Sector	BL Share %	100% sq ft '000	Earliest Start on Site	Current Value £m	Cost to come £m ¹	ERV £m ²	Planning status
1 Appold Street	Office	50	404	Q1 2026	58	190	19.8	Consented
West One	Office	25	92	Q1 2026	30	36	3.6	Consented
Verney Road	London Urban Logistics	100	202	Q2 2026	28	83	7.7	Consented
Total Near Term			698		116	309	31.1	

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

1. From 31 March 2025. Cost to come excludes notional interest as interest is capitalised individually on each development at our capitalisation rate
2. Estimated headline rental value net of rent payable under head leases (excluding tenant incentives)

OTHER INFORMATION (UNAUDITED) CONTINUED

Medium term development pipeline

As at 31 March 2025	Sector	BL Share %	100% sq ft '000	Planning Status
Euston Tower	Office	100	563	Consented
5 Kingdom St	Office	100	214	Consented
Botley Road	Science & Technology	100	235	Consented
Hannah Close, Wembley	London Urban Logistics	100	668	Pre-submission
The Box, Paddington	London Urban Logistics	100	122	Consented
Finsbury Square	London Urban Logistics	100	81	Pre-submission
Canada Water: Future Phases ¹	Mixed Use	50	4,770	Outline Consent
Canada Water: Printworks (Plots H1 & H2)	Mixed Use	50	387	Consented
Total Medium Term			7,040	

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

1. The London Borough of Southwark has the right to invest in up to 20% of the completed development. The ownership share of the joint venture between British Land and AustralianSuper will change over time depending on the level of contributions made, but will be no less than 80%

EPRA best practice recommendations on sustainability reporting

We have received Gold Awards for sustainability reporting from the European Public Real Estate Association (EPRA), 13 years running. Selected data in the Sustainability Progress Report 2025 has been independently assured by DNV in accordance with the International Standard on Assurance Engagements (ISAE) 3000 revised – Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised), issued by the International Auditing and Assurance Standards Board.

 **READ MORE**

This year, full disclosure against the EPRA Sustainability Best Practice Recommendations can be found in the Sustainability Progress Report 2025 at www.britishland.com/SPR

Governance indicators

	Annual Report and Accounts 2025
Composition of the highest governance body	Board's Executive and Non-Executive Directors pages 82 to 85 Tenures of Non-Executive Directors page 96
Nominating and selecting the highest governance body	Appointment process for new Directors page 95
Process for managing conflicts of interest	Board procedure for managing conflicts of interest page 81

10-year record

The table below summarises the last ten years' results, balance sheets and cash flows.

	2025 £m	2024 £m	2023 £m	2022 £m	2021 £m	2020 £m	2019 £m	2018 £m	2017 £m	2016 £m
Summarised income statement¹										
Gross rental income	484	476	493	493	509	560	576	613	643	654
Net rental income	439	440	446	425	359	478	532	576	610	620
Net fees and other income	25	23	18	13	11	13	10	15	17	17
Net financing charges	(103)	(108)	(111)	(102)	(103)	(111)	(121)	(128)	(151)	(180)
Administrative expense	(82)	(87)	(89)	(89)	(74)	(74)	(81)	(83)	(86)	(94)
Underlying Profit	279	268	264	247	193	306	340	380	390	363
Summarised balance sheets¹										
Total properties at valuation ³	9,489	8,688	8,907	10,476	9,140	11,177	12,316	13,716	13,940	14,648
EPRA net debt	(3,545)	(3,178)	(3,127)	(3,397)	(2,877)	(3,854)	(3,521)	(3,973)	(4,223)	(4,765)
Other assets and liabilities	(246)	(258)	(293)	(273)	(221)	(110)	(146)	(183)	(219)	191
EPRA NTA/NAV (fully diluted) ⁵	5,698	5,252	5,487	6,806	6,080	7,213	8,649	9,560	9,498	10,074
Cash flow movement – Group only										
Cash generated from operations	260	386	238	256	218	404	617	351	379	341
Other cashflows from operations	10	23	2	(11)	(69)	(29)	(4)	2	(16)	(47)
Net cash inflow from operating activities	270	409	240	245	149	375	613	353	363	294
Cash (outflow) inflow from capital expenditure, investments, acquisitions and disposals	(853)	(172)	326	(385)	910	(361)	187	346	470	230
Equity dividends paid	(220)	(213)	(213)	(155)	(76)	(295)	(298)	(304)	(295)	(235)
Cash inflow (outflow) from management of liquid resources and financing	772	(61)	(339)	215	(1,022)	232	(365)	(404)	(538)	(283)
(Decrease) increase in cash ⁴	(31)	(37)	14	(80)	(39)	(49)	137	(9)	-	6
Capital returns										
Growth in net assets ²	8.5%	(4.3)%	(19.4)%	11.9%	(15.7)%	(16.6)%	(9.5)%	0.7%	(5.7)%	11.5%
Total accounting return	5.0%	(0.5)%	(16.3)%	14.6%	(14.6)%	(11.0)%	(3.3)%	8.9%	2.7%	14.2%
Per share information										
EPRA NTA/NAV per share ⁶	567p	562p	588p	730p	651p	774p	905p	967p	915p	919p
Memorandum										
Dividends declared in the year	22.80p	22.80p	22.64p	21.92p	15.0p	16.0p	31.0p	30.1p	29.2p	28.4p
Dividends paid in the year	22.9p	23.2p	23.2p	16.96p	8.4p	31.5p	30.5p	29.6p	28.8p	28.0p
Diluted earnings										
Underlying earnings per share	28.5p	28.5p	28.3p	27.0p	18.0p	32.7p	34.9p	37.4p	37.8p	34.1p
IFRS earnings (loss) per share	35.0p	(0.1)p	(112.0)p	103.5p	(108.0)p	(110.0)p	(30.0)p	48.5p	14.7p	119.7p

1. Including share of joint ventures

2. Represents movement in diluted EPRA NTA in 2025 to 2021 and movement in diluted EPRA NAV from 2020 to 2016

3. Including surplus over book value of trading properties

4. Represents movement in cash and cash equivalents under IFRS

5. EPRA NTA is disclosed in 2025 to 2021 and EPRA NAV is disclosed from 2020 to 2016

6. EPRA NTA per share is disclosed in 2025 to 2021 and EPRA NAV per share is disclosed from 2020 to 2016

OTHER INFORMATION (UNAUDITED) CONTINUED

Shareholder information

Analysis of shareholders – 31 March 2025

Number of shares	Number of holdings	%	Balance as at 31 March 2025 ¹	%
1–1,000	3,114	57.88	1,141,665	0.11
1,001–5,000	1,227	22.80	2,734,889	0.27
5,001–20,000	373	6.93	3,692,880	0.37
20,001–50,000	139	2.58	4,399,628	0.44
50,001–highest	527	9.81	998,451,442	98.81
Total	5,380	100	1,010,420,504	100

Holder type				
Individuals	4,403	81.84	8,731,267	0.86
Nominee and institutional investors	977	18.16	1,001,689,237	99.14
Total	5,380	100	1,010,420,504	100

1. Excluding 11,266,245 shares held in treasury

Registrars

British Land has appointed Equiniti Limited (Equiniti) to administer its shareholder register. Equiniti can be contacted at:

Aspect House
Spencer Road
Lancing, West Sussex BN99 6DA

Tel: +44 (0)371 384 2143 (UK and Overseas callers)

Lines are open from 8.30am to 5.30pm Monday to Friday excluding public holidays in England and Wales.

Website: shareview.co.uk

By registering with Shareview, shareholders can:

- view their British Land shareholding online;
- update their details; and
- elect to receive shareholder mailings electronically.

Equiniti is also the Registrar for the BLD Property Holdings Limited Stock.

Share dealing facilities

By registering with Shareview, Equiniti also provides existing and prospective UK shareholders with a share dealing facility for buying and selling British Land shares online or by phone.

FOR MORE INFORMATION

Contact Equiniti at shareview.co.uk/dealing or call 03456 037 037 (Monday to Friday excluding public holidays from 8.00am to 4.30pm, or for enquiries from 8.00am to 6.00pm). Existing British Land shareholders will need the reference number given on their share certificate to register. Similar share dealing facilities are provided by other brokers, banks and financial services

Website and shareholder communications

The British Land corporate website contains a wealth of material for shareholders, including the current share price, press releases and information on dividends. The website can be accessed at www.britishland.com.

British Land encourages its shareholders to receive shareholder communications electronically. This enables shareholders to receive information quickly and securely as well as in a more environmentally friendly and cost-effective manner. Further information can be obtained from Shareview or the Shareholder Helpline.

ShareGift

Shareholders with a small number of shares, the value of which makes it uneconomic to sell them, may wish to consider donating their shares to charity. ShareGift is a registered charity (No. 1052686) which collects and sells unwanted shares and uses the proceeds to support a wide range of UK charities. A ShareGift donation form can be obtained from Equiniti.

Further information about ShareGift can be obtained from their website: sharegift.org

Honorary President

In recognition of his work building British Land into the industry-leading company it is today, Sir John Ritblat was appointed as Honorary President on his retirement from the Board in December 2006.

Registered office

The British Land Company PLC
York House
45 Seymour Street, London W1H 7LX

Telephone: +44 (0)20 7486 4466

Registered number: 621920

Website: www.britishland.com

Dividends

As a REIT, British Land pays Property Income Distribution (PID) and non-Property Income Distribution (non-PID) dividends. More information on REITs and PIDs can be found in the Investors section of our website at www.britishland.com/dividends.

British Land dividends can be paid directly into your bank or building society account instead of being despatched to you by cheque. More information about the benefits of having dividends paid directly into your bank or building society account, and the mandate form to set this up, can be found in the Investors section of our website at www.britishland.com/dividend.

Dividend Reinvestment Plan (DRIP)

The DRIP provides shareholders with the opportunity to use cash dividends to increase their shareholding in British Land. It is a convenient and cost-effective facility provided by Equiniti Financial Services Limited.

Under the DRIP, cash dividends are automatically used to purchase shares in the market as soon as possible after the dividend payment. Any residual cash will be carried forward to the next dividend payment.

➔ **FOR MORE INFORMATION**
please visit the Investors section of our website at
www.britishland.com/dividend-reinvestment-plan

Unsolicited mail

British Land is required by law to make its share register available on request to other organisations. This may result in the receipt of unsolicited mail. To limit this, shareholders may register with the Mailing Preference Service. For more information, or to register, visit www.mpsonline.org.uk.

Shareholders are also advised to be vigilant in regard to share fraud which includes telephone calls offering free investment advice or offers to buy and sell shares at discounted or highly inflated prices. If it sounds too good to be true, it often is. Further information can be found on the Financial Conduct Authority's website fca.org.uk/scams or by calling the FCA Consumer Helpline on 0800 111 6768.

Tax

The Group elected for REIT status on 1 January 2007, paying a £308m conversion charge to HMRC in the same year.

As a consequence of the Group's REIT status, tax is not levied within the corporate group on the qualifying property rental business but is instead deducted from distributions of such income as Property Income Distributions (PID) to shareholders. Any income which does not fall within the REIT regime is subject to tax within the Group in the usual way. This includes profits on property trading activity, property related fee income and interest income.

➔ **FURTHER INFORMATION**
on our Tax Strategy can be found in the section Our Approach to Tax Strategy at www.britishland.com/governance

OTHER INFORMATION (UNAUDITED) CONTINUED

Forward-looking statements

This Annual Report contains certain (and we may make other verbal or written) 'forward-looking' statements. These forward-looking statements include all matters that are not historical facts. Such statements reflect current views, intentions, expectations, forecasts and beliefs of British Land concerning, among other things, our markets, activities, projections, strategy, plans, initiatives, objectives, performance, financial condition, liquidity, growth and prospects, as well as assumptions about future events and developments. Such 'forward-looking' statements can sometimes, but not always, be identified by their reference to a date or point in the future, the future tense, or the use of 'forward-looking' terminology, including terms such as 'believes', 'considers', 'estimates', 'anticipates', 'expects', 'forecasts', 'intends', 'continues', 'due', 'potential', 'possible', 'plans', 'seeks', 'projects', 'budget', 'ambition', 'mission', 'objective', 'goal', 'guidance', 'trends', 'future', 'outlook', 'schedule', 'target', 'aim', 'may', 'likely to', 'will', 'would', 'could', 'should' or similar expressions or in each case their negative or other variations or comparable terminology. By their nature, forward-looking statements involve inherent known and unknown risks, assumptions and uncertainties because they relate to future events and circumstances and depend on circumstances which may or may not occur and may be beyond our ability to control, predict or estimate. Forward-looking statements should be regarded with caution as actual outcomes or results may differ materially from those expressed in or implied by such statements. Recipients should not place reliance on, and are cautioned about relying on, any forward-looking statements.

Important factors that could cause actual results (including the payment of dividends), performance or achievements of British Land to differ materially from any outcomes and results expressed or implied by such forward-looking statements include, among other things, changes and/or developments as regards: (a) general business and political, social and economic conditions globally, (b) the United Kingdom's evolving relationship with the European Union, (c) industry and market trends (including demand in the property investment market and property price volatility), (d) competition, (e) the behaviour of other market participants, (f) changes in government policy, law and other regulation including in relation to the environment, sustainability-related issues, landlord and tenant law, health and safety and taxation (in particular, in respect of British Land's status as a Real Estate Investment Trust), (g) inflation and consumer confidence, (h) labour relations, work stoppages and increased costs for, or shortages of, talent, (i) climate change, natural disasters and adverse weather conditions, (j) terrorism, conflicts or acts of war, (k) British Land's overall business strategy, risk appetite and investment choices in its portfolio management, (l) legal or other proceedings against or affecting British Land, (m) cyber-attacks and other disruptions and reliability and security of IT infrastructure, (n) changes in occupier demand and tenant default, (o) changes in financial and equity markets including interest and exchange rate fluctuations, (p) changes in accounting practices and the interpretation of accounting standards, (q) the availability and cost of finances, including prolonged higher interest rates, (r) changes in construction

supplies and labour availability or cost inflation, (s) global conflicts and trade and tariff policies and their impact on supply chains and the macroeconomic outlook and (t) public health crises.

Please refer to the section of this Annual Report headed Principal Risks on pages 51 to 58 for a discussion of certain of the additional risks and other factors that could cause British Land's actual results, performance and achievements to differ materially. Forward-looking statements in this Annual Report, or on the British Land website or made subsequently, which are attributable to British Land or persons acting on its behalf, should therefore be construed in light of all such factors.

Information contained in this Annual Report relating to British Land or its share price or the yield on its shares is not a guarantee of, and should not be relied upon as an indicator of, future performance, and nothing in this Annual Report should be construed as a profit forecast or profit estimate, or be taken as implying that the earnings of British Land for the current year or future years will necessarily match or exceed the historical or published earnings of British Land. Any forward-looking statements made by or on behalf of British Land speak only as of the date they are made. Such forward-looking statements are expressly qualified in their entirety by the factors referred to above and no representation, assurance, guarantee or warranty is given in relation to them (whether by British Land or any of its associates, Directors, officers, employees or advisers), including as to their completeness, accuracy, fairness, reliability, the basis on which they were prepared, or their achievement or reasonableness. Other than in accordance with our legal and regulatory obligations (including under the UK Financial Conduct Authority's UK Listing Rules, Disclosure Guidance and Transparency Rules, the UK Market Abuse Regulation, and the requirements of the Financial Conduct Authority and the London Stock Exchange), British Land does not intend or undertake any obligation to update or revise publicly forward-looking statements to reflect any changes in British Land's expectations with regard thereto or any changes in information, events, conditions, circumstances or other information on which any such statement is based. This document shall not, under any circumstances, create any implication that there has been no change in the business or affairs of British Land since the date of this document or that the information contained herein is correct as at any time subsequent to this date.

Nothing in this document shall constitute, in any jurisdiction, an offer or solicitation to sell or purchase any securities or other financial instruments, nor shall it constitute a recommendation, invitation or inducement, or advice, in respect of any securities or other financial instruments or any other matter.

The Annual Report has been prepared for, and only for, the members of British Land, as a body, and no other persons. British Land, its Directors, officers, employees or advisers do not accept or assume responsibility to any other person to whom this document is shown or into whose hands it may come, and any such responsibility or liability is expressly disclaimed.

Printed by a carbon neutral company to the EMAS standard and Environmental Management System certified to ISO 14001. This product is made using recycled materials limiting the impact on our precious forest resources, helping reduce the need to harvest more trees.

This publication has been manufactured using 100% offshore wind electricity sourced from UK wind.

100% of the inks used are vegetable oil based, 95% of press chemicals are recycled for further use and, on average, 99% of any waste associated with this production will be recycled and the remaining 1% used to generate energy.

The paper is Carbon Balanced with World Land Trust, an international conservation charity, who offset carbon emissions through the purchase and preservation of high conservation value land. Through protecting standing forests under threat of clearance, carbon is locked-in that would otherwise be released.



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