SUSTAINABILITY PERFORMANCE
2025 HIGHLIGHTS

DELIVERING CLIMATE RESILIENT PORTFOLIO

7%
REDUCTION IN LIKE-FOR-LIKE ENERGY USE

2025	37.5 GWh
2024	40.5 GWh
2023	44.8 GWh

100%
WORKSPACE-PROCURED ELECTRICITY COMES FROM RENEWABLE SOURCES

200+
SUSTAINABILITY EVENTS DELIVERED

86%
RECYCLING RATE

2025	86
2024	76
2023	79

84%
CUSTOMER ESG SCORE[1]

2025	84
2024	79
2023	70.5

1. % of customers who agree Workspace is environmentally and socially responsible.

LOOKING AFTER OUR PEOPLE

86%
EMPLOYEE INCLUSIVITY SCORE

2,220
CUSTOMERS ATTENDED OUR WELLBEING EVENTS

14
EMPLOYEE TRAINING HOURS PER FTE

16
PEOPLE ON APPRENTICESHIPS

100%
OF EMPLOYEES AND SUPPLIERS PAID THE REAL LONDON LIVING WAGE

SUPPORTING OUR COMMUNITIES

£1.02m
DIRECT SOCIAL VALUE GENERATED

2025	1.02m
2024	827k
2023	604k

£21.7m
INDIRECT SOCIAL VALUE[1]

2,578
EMPLOYEE VOLUNTEERING HOURS

2025	2,578
2024	1,560
2023	620

1. See page 85 for detailed breakdown of social value.

SUSTAINABILITY BENCHMARKS AND RATINGS

GRESB REAL ESTATE
84
Real Estate Assessment Score

92
Development Assessment Score

A
Public Disclosure Score

CDP DISCLOSER 2023
A- (2023 rating)
2024 rating under review by CDP

EPRA sBPR GOLD
GOLD
EPRA Sustainability Best Practice Recommendations Award

MSCI ESG RATINGS AA
AA
MSCI ESG rating

SUSTAINALYTICS
Negligible Risk
Sustainalytics ESG Risk Rating

SUSTAINABILITY PERFORMANCE CONTINUED

DRIVING PERFORMANCE THROUGH SUSTAINABILITY

We are committed to a performance-driven strategy where our sustainability initiatives are integral to our operational efficiency.

To further strengthen our positive impact, we have set ambitious targets across all of our material sustainability issues, as illustrated on page 44. These targets are fully embedded within our business, with ownership distributed across relevant teams and business units to ensure accountability and integration into day-to-day operations. Progress is monitored closely throughout the year to support continuous improvement and measurable impact. The following pages outline our annual environmental and social targets, along with commentary on year-end performance and achieved outcomes.

Workspace Sustainability Managers, Mel Gooding and Ariane Ephraim

SUSTAINABILITY PERFORMANCE DASHBOARD

This dashboard summarises our current performance against our long-term goals across three pillars.

Sustainability pillar	Theme	Ambition	Current performance	Goal
DELIVERING A CLIMATE RESILIENT PORTFOLIO	**Energy & Carbon**	Aim to reduce emissions by 90% by 2040, from a 2020 baseline	35%	90%
	Nature	Aim to achieve 15% Biodiversity Net Gain across the portfolio by 2030, from a 2024 baseline	2.4%	15%
	Waste	Continue to divert 100% waste from landfill, aim for 5% annual reduction in produced waste	Achieving	
LOOKING AFTER OUR PEOPLE	**Diversity & Inclusion**	Maintain a diverse business, representative of London's demographics	Achieving	
		Aim for an employee inclusivity score of 90%	86%	90%
	Customer Engagement	Aim for a customer ESG score of 90%	84%	90%
	Supplier Engagement	Engage our top 50 suppliers on climate transition to drive scope 3 emissions reduction	20 suppliers	50
SUPPORTING OUR COMMUNITIES	**Social Value**	Aim to deliver £10m of cumulative direct social value by 2030, since 2022	£2.4m	£10m
	Skills and Employment	Aim to reach 3,000 young people with skills and employment support by 2030, since 2024	240	3,000

For more information see pages 76 to 80

For more information see pages 81 to 82

For more information see pages 83 to 85

OUR STRATEGY CONTINUED
1. ENHANCE AND EXPAND THE CORE BUSINESS CONTINUED

SUSTAINABILITY IS AT THE CORE OF OUR BUSINESS CONTINUED

USING MATERIALITY TO DEFINE WHAT MATTERS

STEP 1.
Identify key stakeholders
List material issues
Our materiality assessment helps us understand the issues that matter most to our internal and external stakeholders. We identified and assessed a number of environmental, social and governance issues to refine our approach.

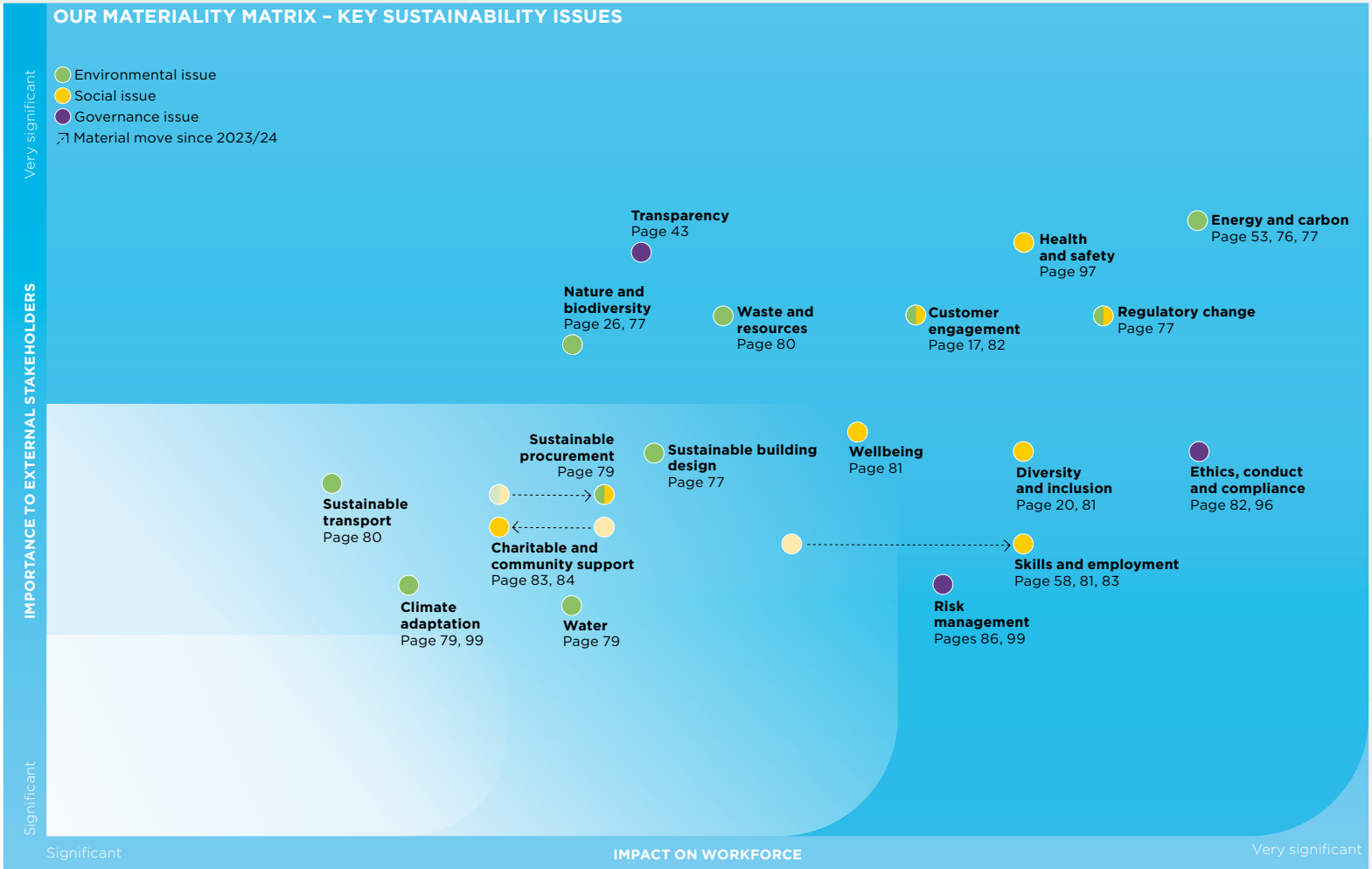
STEP 2.
Consult stakeholders
- Employees
- Customers
- Suppliers
- Regulators
- Investors

We consulted with our internal and external stakeholders, including customers and employees through our surveys and ongoing interactions with our suppliers to confirm our material issues, as shown on the matrix.

STEP 3.
Analyse consultation outputs, considering:
- Importance to stakeholders
- Significance of impacts
- Ability of the business to influence

Our sustainability strategy covers all issues identified as material to our business. The performance section in the report details how we are positively impacting these issues.

OUR MATERIALITY MATRIX – KEY SUSTAINABILITY ISSUES



While energy and carbon, health and safety, regulatory compliance, and ethical practices remain key priorities, we are also proactively responding to evolving stakeholder expectations by placing greater emphasis on customer engagement, diversity and inclusion, and sustainable procurement. In line with our long-term social impact commitment (see page 58), which focuses on skills and employment, we have elevated this area as a priority. It will now form the central focus of the majority of our charity and community impact initiatives.

GRI report
www.workspace.co.uk/investors/sustainability/our-environmental/performance

OUR STRATEGY CONTINUED
1. ENHANCE AND EXPAND THE CORE BUSINESS CONTINUED

SUSTAINABILITY IS AT THE CORE OF OUR BUSINESS CONTINUED

ALIGNING WITH THE SDGS TO MAXIMISE VALUE FOR ALL

Our sustainability strategy aims to maximise value for all our stakeholders: our people, customers, suppliers, investors, and the environment. Additionally, our strategy aligns with several of the United Nations Sustainable Development Goals (SDGs).

The SDGs provide a comprehensive framework for businesses to assess their interactions with communities, the economy, and the environment. By incorporating the SDGs, we take a holistic approach in our sustainability strategy. They serve as a valuable reference during our ESG materiality assessment process and guide the establishment of our strategic sustainability priorities.

ENVIRONMENTAL ISSUES

Through our concerted efforts to drive positive impact across several material environmental issues, we actively contribute to the goals outlined in SDGs 7, 9, 12 and 13.

Our procurement of 100% renewable electricity supports the generation of clean energy in the UK, and our energy and carbon management strategy, including the use of energy and water saving technologies, supports innovation within the industry. Our energy and carbon reduction targets, as well as recycling targets, support responsible consumption as well as climate action. Furthermore, our customer engagement programme plays a pivotal role in raising awareness about responsible resource utilisation.

ALIGNMENT TO SDG	CORRESPONDING KEY MATERIAL ISSUES
Affordable and clean energy	– Energy and carbon reduction – Sustainable procurement
Industry, innovation and infrastructure	– Energy and carbon reduction, water, waste – Sustainable procurement – Sustainable building design – Sustainable transport
Responsible consumption and production	– Energy and carbon reduction, water, waste – Sustainable procurement – Customer engagement
Climate action	– Energy and carbon reduction, water, waste – Sustainable procurement – Sustainable building design – Climate adaptation – Nature and biodiversity

SOCIAL ISSUES

Through our concerted efforts to drive positive impact across several material social issues, we actively contribute to the goals outlined in SDGs 3, 8, 5 and 10.

Our customer and employee wellbeing programme directly supports the health and wellbeing of our people. Through our skills and employment focussed programme (Growth Happens at Workspace), we actively contribute to reducing inequalities in London and strive to provide decent work opportunities. We support local economy through the construction and operation of our buildings, boosting local spend and employment. Additionally, our business practices and culture foster diversity and inclusion, addressing gender inequality. Furthermore, our partnership with the Single Homeless Project charity and our place-based support to various local community organisations play a crucial role in combating inequalities within the city.

ALIGNMENT TO SDG	CORRESPONDING KEY MATERIAL ISSUES
Good health and wellbeing	– Wellbeing – Health and safety – Risk management
Gender equality	– Skills and employment – Diversity and inclusion
Decent work and economic growth	– Skills and employment – Ethics, conduct and compliance – Charity and community support
Reduced inequality	– Skills and employment – Diversity and inclusion – Ethics, conduct and compliance – Charity and community support

SUSTAINABILITY PERFORMANCE CONTINUED

DRIVING POSITIVE ENVIRONMENTAL IMPACT

ADDRESSING OUR MATERIAL ENVIRONMENTAL ISSUES: DELIVERING A CLIMATE RESILIENT PORTFOLIO

Relevant material issue
- ENERGY & CARBON
- REGULATORY CHANGE

Workspace response

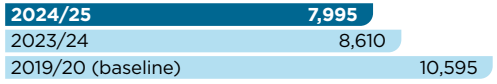
REDUCE SCOPE 1 AND 2 EMISSIONS BY 8-10% ACROSS THE LIKE-FOR-LIKE PORTFOLIO

Status: Partially Achieved

We achieved a 7% reduction in scope 1 & 2 emissions across like-for-like portfolio since last year, falling slightly short of our target. The reduction was primarily driven by limiting gas use in buildings, rolling out smart Building Energy Management Systems, optimising temperature set points and timing controls and implementing over 50 HVAC upgrade projects. Currently, over 60% of our portfolio is fossil fuel free (all electric or served by district heating).

Despite having an active energy and carbon reduction plan in place, the ongoing electrification of our portfolio led to increased electricity consumption, which offset the savings from reduced gas use. As a result, our location-based emissions reduction was slightly lower than expected.

SCOPE 1&2 LOCATION-BASED GHG EMISSION



Relevant UN SDGs

Relevant material issue
- ENERGY & CARBON

Workspace response

REDUCE LIKE-FOR-LIKE ENERGY USE INTENSITY ('EUI') BY 8% MEASURED IN KWHE/M²

Status: Partially Achieved

We achieved a 7% reduction in like-for-like Energy Use Intensity ('EUI') across the portfolio, falling slightly short of our target. This was mainly driven by an impressive 12% reduction in gas use across the portfolio, along with a 6% reduction in landlord-procured electricity. This year, we invested over £10m on various energy-efficiency initiatives across the portfolio, including LED lighting, presence-detection sensors, smart-building management systems, secondary glazing and heat pumps. We also ran extensive customer engagement campaigns to reduce whole building energy consumption (see case study on Big Energy Race on page 17). Targeted effort was also made to reduce the EUI at high energy consuming buildings (refer to case study to the right).

As noted on the left, electricity demand increased following the phase out of gas boilers which resulted in slightly lower than expected savings.

Relevant UN SDGs

Relevant material issue
- ENERGY & CARBON

Workspace response

ROLL OUT SMART BUILDING ENERGY MANAGEMENT SYSTEMS ACROSS THE PORTFOLIO

Status: Ongoing

53 buildings (c.81% of portfolio by area) are now fully enabled with our smart Building Energy Management System (BEMS), Optergy. This not only provides unit-level and equipment-level consumption visibility, but it also enables us to track energy performance in real-time and identify optimisation opportunities in a timely way. We aim to continue with the roll-out to ensure all our buildings are BEMS enabled.

> **Optergy gives us the granular data we need – zone-level usage, runtimes, peak loads, temperature set points – and helps us identify and address energy wastage across the portfolio.**
>
> **Phil Nartey**
> Senior Facilities Manager

Relevant UN SDGs

CASE STUDY: SITE ENERGY AUDITS

Uncovering energy savings through energy audits

This year, we shortlisted 12 of our high energy consuming buildings for energy audits, to identify practical ways to reduce energy. These audits led to the identification of over 70 energy-saving opportunities, many of which have already been put into action. The implemented opportunities contributed towards a 545 MWh reduction in energy use across the 12 selected buildings.

The key set of opportunities we implemented included adjusting temperature bands, introducing automated hourly equipment shutdowns, installing LED lighting with presence and lux sensors, and replacing gas-dependent systems with electric alternatives such as point-of-use water heaters and electric showers.

These audits are a simple but effective way for us to keep improving how our buildings perform, helping us lower our environmental impact while making spaces more efficient and comfortable for customers.

> **We continue to explore low and zero-cost opportunities to unlock energy savings.**

SUSTAINABILITY PERFORMANCE CONTINUED

ADDRESSING OUR MATERIAL ENVIRONMENTAL ISSUES: DELIVERING A CLIMATE RESILIENT PORTFOLIO CONTINUED

Relevant material issue
- **ENERGY & CARBON**
- **SUSTAINABLE BUILDING DESIGN**

Workspace response

ALL MAJOR PROJECTS DESIGNED TO BE NET ZERO CARBON IN CONSTRUCTION AND OPERATION, BREEAM EXCELLENT AND EPC A (B FOR REFURBISHMENTS)

Status: Achieved ✓

We continue to implement our Sustainable Development Framework across all major projects. This framework ensures all our projects meet the net zero carbon brief. We undertake whole-life carbon analysis at key design stages to help us assess and reduce embodied carbon by optimising design and material choices. The Leroy House project which we completed this year resulted in embodied carbon emissions of 293 $kgCO_2/m^2$ (which were fully offset) and achieved BREEAM Excellent (for the extension) and an EPC A rating. Estimated embodied carbon of current projects are – 436 $kgCO_2/m^2$ for the Biscuit Factory and 291 $kgCO_2/m^2$ for the Chocolate Factory. Overall, we achieved a 56% reduction in embodied carbon emissions since our 2019/20 base year.

Our portfolio is 60% A/B rated, with 22 BREEAM certified buildings, and we continue to ensure all projects in the pipeline are being designed to achieve at least an 'Excellent' BREEAM certification and A rated EPC (B for refurbishments).

Relevant UN SDGs

Relevant material issue
- **ENERGY & CARBON**
- **SUSTAINABLE PROCUREMENT**

Workspace response

SOURCE HIGH-QUALITY RENEWABLE ELECTRICITY

Status: Achieved ✓

We continue to source 100% renewable electricity. Since February 2024, two-thirds of Workspace-procured electricity comes from a solar farm in Devon through a Power Purchase Agreement. We meet the remaining third of our electricity demand by continuing to source renewable electricity through a REGO-backed contract from our utility supplier.

15 sites are equipped with solar panels and generated 218,594 kWh of renewable electricity in the past year. This is equivalent to the annual electricity usage of over 60 typical UK households.

2/3rd

OF WORKSPACE PROCURED ELECTRICITY COMES FROM A SOLAR FARM IN DEVON

Relevant UN SDGs

Relevant material issue
- **ENERGY & CARBON**
- **REGULATORY CHANGE**

Workspace response

INCREASE THE % OF ENERGY PERFORMANCE CERTIFICATE ('EPC') A AND B RATED AREAS IN THE PORTFOLIO BY 8%

Status: Achieved ✓

This year we upgraded 8% of our portfolio (346K sq. ft.) to EPC A/B rating by installing highly efficient lighting and HVAC systems. As a result, 60% of our whole portfolio has an EPC rating of A/B.

EPC BREAKDOWN ACROSS THE PORTFOLIO (BY AREA)

A/B	**60%**
C	**21%**
D	**15%**
E	**4%**

Relevant UN SDGs

Relevant material issue
- **NATURE AND BIODIVERSITY**

Workspace response

CREATE A LONG-TERM NATURE AND BIODIVERSITY STRATEGY

Status: Achieved ✓

We have published our first Nature and Biodiversity Strategy 'Make Space for Nature' setting measurable targets for our developments and operational portfolio. This strategy is now under implementation and we delivered 5 greening projects this year, resulting in a 0.4 Biodiversity Unit[1] uplift across the operational portfolio. See page 117 for more information. We have also incorporated the targets in the design brief for development projects and will report performance upon project completion. Retrospective assessments of our live projects, Chocolate Factory and Biscuit Factory, indicate an Urban Greening Factor of 0.18 (0.75 BU/ha) and 0.12 (1.7 BU/ha) respectively (BNG is not applicable due to negligible baselines).

We have also published the inaugural edition of our reporting aligned with the Taskforce on Nature-related Financial Disclosure (TNFD). See pages 112 to 117 for more details.

1. Biodiversity Units ('BU') are a measure of habitat provision based on its size, condition and distinctiveness.
2. Biodiversity Net Gain ('BNG') equals = biodiversity units post project (-) biodiversity units pre-project.

Relevant UN SDGs

SUSTAINABILITY PERFORMANCE CONTINUED

DRIVING ENERGY REDUCTION ACROSS THE PORTFOLIO

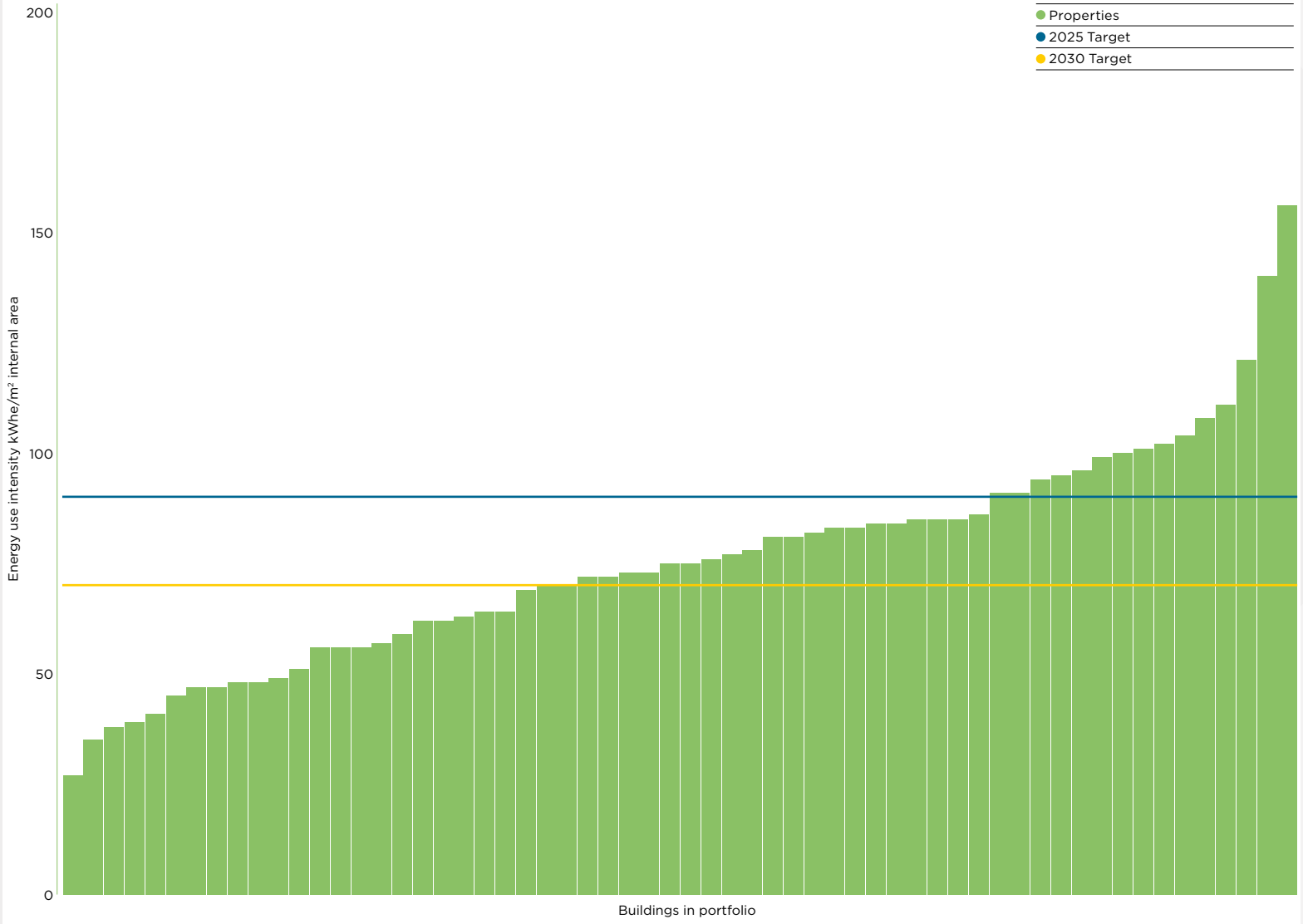
This graph shows the energy use intensity of all the buildings in the portfolio. The average energy intensity of our portfolio is 75 kWhe/m² of internal area, which is over 15% lower than the 2030 UKGBC target for net zero carbon offices. At an individual building level, 23 buildings already meet the 2030 target depicted by the yellow line. As explained in page 77, we continue to prioritise high energy use buildings for site audits and energy efficiency investments.

As a long-term goal, we are aiming for the vast majority of our buildings to perform below the 2030 net zero carbon target and to achieve an EPC A/B rating (where feasible) by 2030. We project a total investment of £40-50m will be required to meet this goal by 2030 (this is inclusive of the required ongoing annual maintenance CAPEX).

Over the 2024/25 financial year, we invested over £10m of CAPEX across 45 properties to improve the energy efficiency and EPC rating of our buildings, helping us deliver a 7% reduction in energy use intensity, across the like-for-like portfolio. We also upgraded 8% of our portfolio to EPC A/B ratings.

A recent refurbishment project at Salisbury House exemplifies our commitment to sustainable upgrades. This year, we refurbished circa 18,000 sq. ft. of space in the building, improving the EPC rating from a C to an A. We installed high efficiency lighting and heat pumps, with minimal disruption to neighbouring units. This refurbishment contributed to the 32% reduction in gas consumption witnessed in the building over the course of the year.

APRIL 2024 TO MARCH 2025 ENERGY USE INTENSITY ACROSS THE PORTFOLIO (kWhe/m² INTERNAL AREA)



SUSTAINABILITY PERFORMANCE CONTINUED

ADDRESSING OUR MATERIAL ENVIRONMENTAL ISSUES: DELIVERING A CLIMATE RESILIENT PORTFOLIO CONTINUED

Relevant material issue **WATER**	**Relevant material issue** **CLIMATE ADAPTATION**	**Relevant material issue** **SUSTAINABLE PROCUREMENT**
Workspace response **TARGET AT LEAST 5% REDUCTION IN POTABLE WATER CONSUMPTION** **Status: Achieved** ✓	**Workspace response** **ENSURE ACTIVE MANAGEMENT OF CLIMATE RISK ACROSS THE PORTFOLIO** **Status: Ongoing** +	**Workspace response** **DRIVE EMISSION REDUCTIONS THROUGH PROCUREMENT** **Status: Ongoing** +
We achieved a 8% reduction in absolute water consumption this year as a result of enhanced metering and roll-out of water saving fixtures in showers and toilets. We have nearly 100% visibility of our water consumption and track it monthly. This has also enabled us to accurately benchmark our water consumption and drive material consumption reductions. Our water consumption intensity across the portfolio is 0.5 m³/m² of lettable area, which is in line with the Real Estate Environmental Benchmark (REEB) for UK offices.	We have a robust understanding of our exposure to physical climate risk and closely monitor impacts of extreme weather events, such as flooding and storms. See our TCFD report (pages 99 to 106). Our mitigation strategy is detailed on pages 104 to 105. One of our main risks is related to flooding on select sites and a dedicated taskforce continues to monitor our flood management plans, including business continuity processes. This taskforce monitors any incidents of flooding and remedial actions being taken. We also continued to roll-out flood risk and drainage management surveys across the portfolio, resulting in no material flood-related damage or business interruption.	On the back of our updated net zero carbon commitment, we conducted a thorough review of our supply chain emissions. This review enabled us to understand the distribution of emissions across key supplier groups. Subsequently, we initiated sustainability-focused engagement with our top suppliers to drive targeted impact. We invited our top 20 suppliers to participate in a sustainability workshop, aimed at gathering their input on our proposed supply chain decarbonisation roadmap. This roadmap requires our suppliers to submit carbon data and to set their own net zero targets by no later than the 2027/28 financial year. We were pleased to receive full support on our roadmap by our key suppliers. As a result, we have taken the decision to roll it out to our top 50 suppliers. A successful implementation will help to ensure we stay on course to achieve our scope 3 emissions reduction target in line with our net zero commitments.
Relevant UN SDGs 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION	**Relevant UN SDGs** 11 SUSTAINABLE CITIES AND COMMUNITIES	**Relevant UN SDGs** 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION

CASE STUDY: OFFSETTING OUR CONSTRUCTION CARBON FOOTPRINT

Offsetting embodied carbon from Leroy House construction

Our Leroy House project was completed this year, in compliance with our development net zero carbon brief. To align with UKGBC's Net Zero Carbon Framework criteria for 'net zero carbon – in construction' we took a decision to offset the entirety of the project's upfront embodied carbon, which amounts to c.2,500tCO_2e. Carbon credits were sourced from two high quality carbon removal projects:

- 375 tonnes of CO_2e worth of credits were purchased from a carbon mineralisation project in Leeds, UK. This carbon capture technology ensures long-lived carbon removal and storage and supports sustainable construction by producing carbon negative materials.
- 2,125 tonnes of CO_2e worth of credits were purchased from the Ejido Tutuaca Improved Forest Management in Mexico, providing high quality carbon removal and storage solution. The project is Sylvera Tier 2 rated and has a 100 years permanence guarantee.

SUSTAINABILITY PERFORMANCE CONTINUED

ADDRESSING OUR MATERIAL ENVIRONMENTAL ISSUES: DELIVERING A CLIMATE RESILIENT PORTFOLIO CONTINUED

Relevant material issue
SUSTAINABLE TRANSPORT

Workspace response

ENHANCE SITE-WIDE INFRASTRUCTURE TO ENABLE GREATER UPTAKE OF SUSTAINABLE TRANSPORT MODES

Status: Achieved ✓

We have over 60 EV charging points across the portfolio, which were used over 3,000 times in the past year and helped avoid material amounts of air pollution and fossil fuel consumption from traditional thermal vehicles. We have also upgraded site facilities to encourage green transport and provide over 1,600 secure cycling racks and 90 showers across the portfolio.

Relevant UN SDGs

Relevant material issue
WASTE AND RESOURCES

Workspace response

ACHIEVE RECYCLING RATE OF 80% AND DIVERT 100% WASTE FROM LANDFILL

Status: Achieved ✓

We achieved an average recycling rate of 86% across the portfolio and diverted 100% waste from landfill. A total of 2,936 tonnes of waste was generated across the portfolio, comprising of 70% post-consumer waste, 14% general waste, 11% food/composting and 5% bottom ash.

We also partnered with CauliBox, a provider of a reusable coffee cup borrowing and returning system.. Their solution is live across two of our sites since March 2025. Within just one month, we were able to avoid 197 single-use coffee cups going to waste from our cafes.

197

LESS SINGLE-USE COFFEE CUPS PER MONTH USED AT OUR LEROY HOUSE AND VOX STUDIOS CAFÉS THANKS TO OUR PARTNERSHIP WITH 'CAULIBOX', A PROVIDER OF REUSABLE CUPS

Relevant UN SDGs

CASE STUDY: RAISING AWARENESS OF WASTE

Waste is a material issue for us and to meet our stretching recycling target, we focused on engaging with our customers on waste management practices. In September 2024, 20 customers and employees took part in a behind-the-scenes tour of the recycling centre where all Workspace's recycling is sent to be sorted. This eye-opening tour was led by our waste management partner Veolia and showed the technology and process undertaken to sort recycling, in an all-sensory tour. We have also organised two litter picking events to raise awareness of single-use plastics and contribute to improving the cleanliness of the public realm around our centres.

We are conscious that signage and waste infrastructure are paramount to enable our customers to recycle. For this reason, we upgraded our waste posters and our customer-facing waste management guidance. We are also trialling new bins and signage at Leroy House, introducing in-unit bins for the first time to improve waste segregation at source.

As a large portion of waste is generated at our cafés, we have partnered with CauliBox, a customer at Fleet Street, to bring reusable coffee cups to Leroy House and Vox Studios. This reusable cup scheme has saved 197 single use coffee cups in its first month.

SUSTAINABILITY PERFORMANCE CONTINUED

DRIVING POSITIVE SOCIAL IMPACT

ADDRESSING OUR MATERIAL SOCIAL ISSUES: LOOKING AFTER OUR PEOPLE

Relevant material issue ● **WELLBEING** ● **HEALTH AND SAFETY**	**Relevant material issue** ● **DIVERSITY AND INCLUSION**	**Relevant material issue** ● **SKILLS AND EMPLOYMENT**	**Relevant material issue** ● **SKILLS AND EMPLOYMENT**
Workspace response **SUPPORT AND ENHANCE THE WELLBEING OF OUR EMPLOYEES AND CUSTOMERS** **Status: Achieved** ✓	**Workspace response** **FOSTER A DIVERSE AND INCLUSIVE CULTURE** **Status: Achieved** ✓	**Workspace response** **SUPPORT EMPLOYEE GROWTH THROUGH CAREER DEVELOPMENT AND POSITION WORKSPACE AS AN EMPLOYER OF CHOICE** **Status: Achieved** ✓	**Workspace response** **ENABLE PEOPLE IN NEED TO BUILD BRIGHTER FUTURES THROUGH TAILORED SKILLS AND EMPLOYMENT PROGRAMMES** **Status: Achieved** ✓
This year we rolled out an enhanced wellbeing programme for our employees and customers. We facilitated over 20 employee wellbeing events, over 160 employees utilised our health cashback offering, with a total claims value of £12.2k. We also delivered 106 employee hours of mental health training. We received an average employee wellbeing score of 66%, based on our annual employee survey, matching the benchmark for similar sized companies. Our focus this year for customers was on enhancing our wellbeing offering, focusing on hands on experiences. We hosted over 70 sessions including sketch workshops and terrarium building, benefitting over 2,200 customers, and with an average feedback score of 4.9/5.	We continue to monitor and benchmark our workforce diversity metrics twice a year, confirming that we remain closely aligned with the demographic profile of London. A breakdown showing the number of directors, senior managers and all employees by gender is set out on page 166. We recently published our third Gender Pay Gap Report accompanied by a clear action plan. In addition, we delivered 728 hours of diversity training to employees across the organisation. Inclusive recruitment and career pathways continued to be a key focus for us this year, enabling us to promote social mobility. See case study on page 20. Throughout the year we celebrated 11 different cultural events (eg. Eid, Diwali) and continued our internal network for employees with caring responsibilities. We started our cross-department Diversity Action Group, aiming to drive the diversity and inclusion agenda forward (see detail on page 171). We were also pleased to receive an inclusivity score of 86% in our recent employee survey.	We supported over 10 employees to complete accredited training, such as the Chartered Institute of Personnel and Development and the National Examination Board in Occupational Safety and Health. We also delivered various personal and professional development training sessions, such as a customer service and conflict resolution session. In total we delivered over 4,350 employee hours of professional training (women – 2,693 hours and men – 1,657 hours). We supported 10 employees in their career progression, through our in-house career pathways programme. Out of a total 31 internal promotions this year, 23 were awarded to women. We formed a working group on positioning Workspace as an employer of choice, the group agreed on key targets and conducted a benefits review to ensure our offering remains competitive. Feedback from new recruits has also been implemented to ensure we are meeting expectations on recruitment and onboarding. These initiatives supported us in maintaining a low employee attrition rate of 13%, compared to a benchmark of 28% for businesses of a similar size.	We supported 16 apprenticeships through our programme (15 existing employees and one new recruit). We employed 13 people from Not in Employment, Education or Training ('NEET') backgrounds to work part-time in the Workspace cafés through Sapphire, a specialist recruitment consultancy working with people who have barriers to employment. 12 employees supported 12 pupils from under-privileged backgrounds and completed a total of 68 hours of career coaching as part of a mentorship programme with Future Frontiers. We also hosted 15 pupils for meaningful work experience. See case study on page 58. Throughout the year, we maintained active engagement with our suppliers to promote employment opportunities. We're pleased to report that four of our suppliers hired a total of 12 apprentices, all of whom gained valuable practical skills and experience by working on Workspace contracts.
Relevant UN SDGs 	**Relevant UN SDGs** 	**Relevant UN SDGs** 	**Relevant UN SDGs** 

SUSTAINABILITY PERFORMANCE CONTINUED

ADDRESSING OUR MATERIAL SOCIAL ISSUES: LOOKING AFTER OUR PEOPLE CONTINUED

Relevant material issue
- **CUSTOMER ENGAGEMENT**

Workspace response

UPSKILL AND ENGAGE OUR CUSTOMERS TO DRIVE GREATER SUSTAINABLE BEHAVIOURS

Status: Achieved ✓

We rolled-out a multifaceted customer engagement programme, helping raise awareness of sustainability issues through newsletters, social media, building installations, events and campaigns (see case study on page 17). We hosted eight customer events on sustainability skills, reaching over 60 customers. We also continued our series of sustainability suppers, see more in case study on the right.

We are pleased to say that over 84% of our customers agree that Workspace is environmentally and socially responsible. This represents an increase of more than 5% compared to last year.

84%

CUSTOMER ESG SCORE

Relevant UN SDGs

13 CLIMATE ACTION

Relevant material issue
- **ETHICS, CONDUCT AND COMPLIANCE**
- **SUSTAINABLE PROCUREMENT**

Workspace response

AMPLIFY SOCIAL IMPACT IN COLLABORATION WITH OUR SUPPLIERS

Status: Achieved ✓

Workspace are an accredited Living Wage employer and 100% of our employees and contractors are paid London Living Wage levels. We conduct an independent verification of our compliance with Real London Living Wage requirements.

Workspace's Supplier Code of Conduct is mandated across all contracts and is formally included in our supplier on-boarding procedure.

To drive social impact, Workspace partners with suppliers to gather data and set goals to maximise impact through apprenticeships, local hires, and professional training on Workspace contracts. For instance, Our cleaning partner supports the local economy by employing 144 operatives who live near our centres.

100%

OF EMPLOYEES AND CONTRACTORS ARE PAID A LIVING WAGE

Relevant UN SDGs

8 DECENT WORK AND ECONOMIC GROWTH

CASE STUDY: SUSTAINABLE SUPPER CLUB

This year we continued our sustainability themed supper clubs. We hosted two supper clubs, one about fashion and one about food.

The fashion themed supper brought together 40 customers from fashion and creative industries to reflect on The Fashion Revolution Movement, created after the Rana Plaza Disaster in 2013.

Eliza Batten, co-founder of the Cirkel, who are based at Workspace's Shepherds Building, gave a key note speech about the rise of the second-hand economy, and sparked discussion around the challenges of our fashion system and ways to solve them including increasing wears per item and championing second-hand clothing.

The sustainable food supper brought together 30 customers from the food, beverage and hospitality sectors. The discussion explored how small changes within the circular economy – where resources are reused and waste minimised – can have a huge impact on businesses reducing their waste and carbon footprints.

> **I loved seeing our customers engaging in such a lively, stimulating and meaningful discussion. The evening was very solution-oriented and great connections were made.**
>
> **Mel Gooding**
> Sustainability Manager

5/5

EVENT RATING FROM CUSTOMERS

SUSTAINABILITY PERFORMANCE CONTINUED

DRIVING POSITIVE SOCIAL IMPACT

ADDRESSING OUR MATERIAL SOCIAL ISSUES: SUPPORTING OUR COMMUNITIES

Relevant material issue
- SKILLS AND EMPLOYMENT

Workspace response

RUN OUR COMMUNITY SKILLS AND EMPLOYMENT PROGRAMME, INSPIRESME, ACROSS TWELVE CENTRES

Status: Partially Achieved

We successfully delivered InspiresMe, our community skills and employment programme, in partnership with our customers and local schools, across 11 centres, spanning across various London boroughs.

Over 200 students were reached through our CV workshops, career sessions and five students completed work placements. A total of 13 customers participated in the InspiresMe programme. The responses from school partners and customers were extremely positive with 100% of the schools who took part agreeing they were keen to continue with this initiative next year. See case study to the right of this page.

100%

OF SCHOOLS WHO TOOK PART WOULD CONTINUE NEXT YEAR

Relevant UN SDGs

Relevant material issue
- SKILLS AND EMPLOYMENT
- CHARITABLE AND COMMUNITY SUPPORT

Workspace response

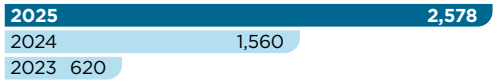
WORK IN PARTNERSHIP WITH SHP TO PREVENT HOMELESSNESS IN LONDON

Status: Achieved

We raised over £27,000 for Single Homeless Project (SHP) and also provided funding for the hiring of their full-time employability coordinator. Our support benefitted 1,210 vulnerable people. This year, we had a total of 2,578 employee volunteering hours. 1,250 of these volunteering hours were spent supporting SHP throughout the year. This involved refreshing four youth hostels.

Our support helped SHP to directly support 851 people during Christmas, a time that can be very isolating.

EMPLOYEE VOLUNTEERING HOURS



Relevant UN SDGs

CASE STUDY: INSPIRESME

Third year of InspiresMe

This year we further expanded the InspiresMe programme, our community outreach programme focused on skills and employment. The aim of the programme is to work alongside our customers to provide inspiration, knowledge, support, and experience to young individuals in our communities who are most at risk of becoming NEET and help them to reach their full potential.

Through InspiresMe, we facilitate partnerships between local schools and our customers to improve employability skills of under-privileged Londoners.

The programme spanned across 11 of our centres. This year we facilitated work placements, CV workshops, speed networking and brought our customers to career fairs to equip students with the necessary tools for success and to inspire them. In the last 12 months, we reached over 200 students through collaborative efforts with 13 of our customers.

SUSTAINABILITY PERFORMANCE CONTINUED

ADDRESSING OUR MATERIAL SOCIAL ISSUES: SUPPORTING OUR COMMUNITIES CONTINUED

Relevant material issue
CHARITABLE AND COMMUNITY SUPPORT

Workspace response

IMPLEMENT A PLACE-BASED SOCIAL IMPACT INITIATIVE ACROSS ALL CLUSTERS

Status: Achieved ✓

All 22 clusters, groups of closely located Workspace centres, covering 67 sites, ran either the InspiresMe or a place-based social impact initiative. These initiatives were led by the Centre Managers. Place-based initiatives are a partnership with a local charity or community-oriented organisation. These ranged from sports charities to business improvement districts, from homeless charities to local food kitchens.

We supported these initiatives in a range of ways from putting on fundraising events to giving them space for free to host events. Overall, our centre teams volunteered over 600 hours to support charity and community organisations.

We also partnered with local organisations to run 42 food bank drives, collecting over 240 tonnes of food.

240tonnes

FOOD DONATIONS

Relevant UN SDGs

Relevant material issue
CHARITABLE AND COMMUNITY SUPPORT

Workspace response

SUPPORT CHARITIES AND VOLUNTARY, COMMUNITY AND SOCIAL ENTERPRISES (VCSE) THROUGH OUR LETTINGS IN KIND OFFERING

Status: Achieved ✓

Workspace provided £299.5k worth of lettings and meeting room bookings as in-kind support to various charities.

These charitable organisations are dedicated to a wide array of causes, including homelessness, health, justice, and emergency aid.

£299.5k

IN-KIND SUPPORT

Relevant UN SDGs

CASE STUDY: WELLBEING SUPPORT FOR LOCAL COMMUNITIES

We partnered with Southwark Council to host health screening stations at two of our buildings, aiming to raise awareness of preventative care within local communities. Over the course of seven weeks, 267 individuals accessed the facilities to check key vital indicators and gain insights into their health.

In addition, we held a Workspace Wellbeing Fair at two of our West London locations – Barley Mow and The Mille. Delivered in collaboration with local health experts and practitioners, the fair welcomed over 130 attendees. The event received highly positive feedback and served as a valuable platform to raise awareness of health and wellbeing, while also strengthening community connections by opening our doors and encouraging local community participation.

CASE STUDY: SUPPORTING FLEET STREET QUARTER

Over the past year, our Fleet Street site has built a strong partnership with the Fleet Street Quarter (FSQ), the local Business Improvement District. As part of this collaboration, we regularly provided event space to support FSQ in its mission to revitalise the area as a vibrant destination for businesses, residents, and visitors. More than 60 members of the local community attended events hosted at our Fleet Street location.

Additionally, this partnership has benefited our customers, who have received discounts to attend local events organised by FSQ. One recent example includes discounted access to FSQ's literacy events programme, further strengthening community ties and enhancing customer benefits.

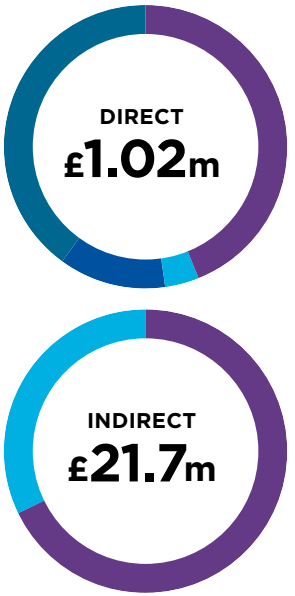
SUSTAINABILITY PERFORMANCE CONTINUED

SOCIAL VALUE GENERATED BY WORKSPACE FY2024/25

This is our third year partnering with Social Value Portal to quantify our social value creation. The National Themes, Outcomes and Measures (TOMs) Framework has been used to calculate the financial value associated with each of our initiatives, which is deemed 'additional' to business as usual. The table provides a breakdown of various initiatives and social value created by our business activities. A significant proportion of our social value contribution comes from tailored engagement with the beneficiaries which we believe delivers long lasting impact. In addition to our direct social value contribution, we have also calculated the indirect value generated through our collaboration with our suppliers and customers. We have also included our indirect value calculations from our development project, Chocolate Factory.

Strategic focus	Impact beneficiaries	Impact themes	Social initiatives generating direct value			Social initiatives generating indirect value
LOOKING AFTER OUR PEOPLE	– Employees – Customers – Suppliers – Community – Charity	RESPONSIBLE AND INCLUSIVE PRACTICES DIRECT £422.9k INDIRECT £14.8m	**£73.49k** delivered through EDI training – 211 employees received EDI training, 41 received unconscious bias training and 46 received anti-harassment training	**£869** delivered through funding 67 weeks of further studies for employees **£300.38k** delivered through spend with VCSE or hyper-local organisations	**£48.17k** delivered through upskilling programmes for customers	**£14.77m** delivered through construction spend with local organisations **£49.7k** delivered through training **£270** delivered through recycling specific items
		EMPLOYMENT AND SKILLS DIRECT £39.7k INDIRECT £6.9m	**£2.12k** delivered through 22 weeks of work placement supported by Workspace	**£11.64k** delivered through 384 weeks of existing apprenticeships training **£3.14k** delivered through 10.1 weeks of new apprenticeships training	**£22.8k** delivered through 808 hours of employment for people who were previously Not in Employment, Education, or Training	**£162.3k** delivered through 537 weeks of apprenticeships **£6.69m** delivered through hiring or retaining 138 local people **£52k** delivered through hiring individuals with disabilities
SUPPORTING OUR COMMUNITIES		WELLBEING DIRECT £140.7k INDIRECT £6.7k	**£94.54k** delivered through investment in wellbeing offering for customers	**£10.98k** delivered through investment in wellbeing campaigns for staff	**£35.2k** delivered through all employees having access to a comprehensive wellbeing programme	**£6.67k** delivered through our building contractors having access to a comprehensive wellbeing programme
		CHARITY AND COMMUNITY SUPPORT DIRECT £422.3k INDIRECT £1.4k	**£41.36k** delivered through 389 hours of skilled volunteering **£27.4k** delivered through 1,568 hours of unskilled volunteering	**£10.84k** delivered through centre teams contributing 621 hours to support the local community projects	**£342.73k** delivered through total in-kind contributions, including in-kind lettings, to local charities	**£474** delivered through our building contractor delivering 28 hours of volunteering in local schools **£950** delivered through in-kind donations to local community projects

Direct/indirect impact breakdown



OUR STRATEGY CONTINUED
2. TRANSFORM AND PREPARE FOR EMERGING OPPORTUNITIES CONTINUED

CLIMATE RESILIENCE THROUGH NET ZERO CARBON TRANSITION

As a long-term asset owner, future-proofing our portfolio is a key priority. That's why we made a commitment to net zero carbon. Our agile approach and early action have enabled us to stay ahead of the curve and remain well-prepared for emerging climate risks and opportunities.

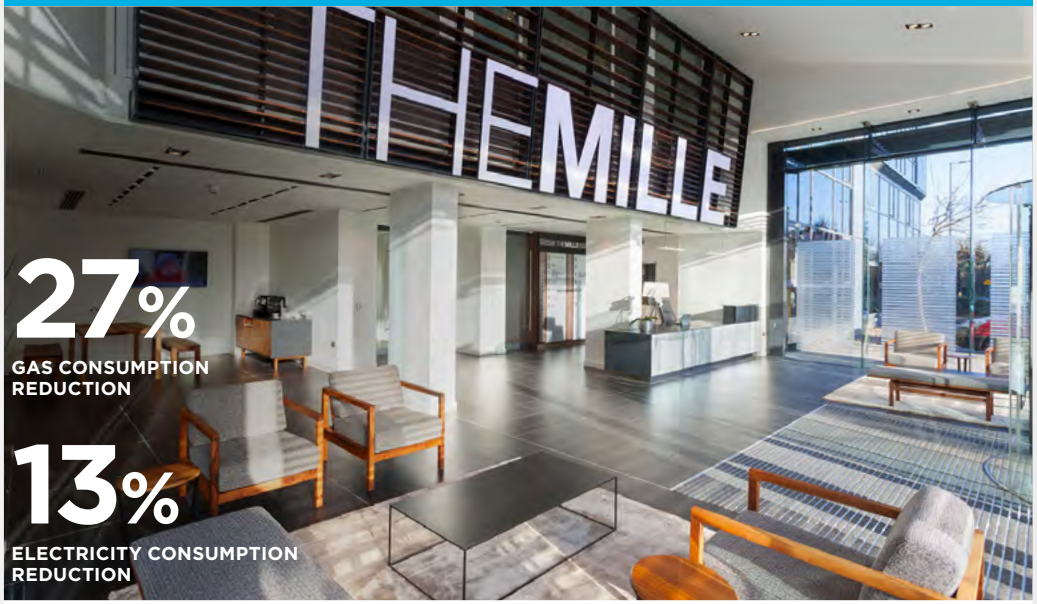
The following pages outline our net zero carbon commitment and approach. As a signatory to both the BBP Climate Commitment and the SBTi, we report annually on our progress against our net zero pathway. We disclose our absolute greenhouse gas emissions in line with the GHG Protocol guidelines. See the pie chart on the right for our 2024/25 emissions footprint. While we procure 100% of our electricity from renewable sources, we report Scope 2 emissions using a location-based methodology.

LOCATION-BASED SCOPE 1, 2, 3 GHG EMISSIONS (tCO_2e)

Scope 1	**1,912**
Scope 2	**6,259**
Scope 3	**12,393**

See page 107 for detailed breakdown of emissions and energy

CASE STUDY: ADDING VALUE THROUGH ENERGY EFFICIENT REFURBISHMENTS



Last year we refurbished the 9th and 10th floor at our Mille building in Brentford, delivering 12,370 sq.ft. of high quality sustainable work space. Through our works, we transformed the gas fired heating system to be fully electric by installing heat pumps, which means the space is now entirely powered by our 100% renewable electricity.

While refurbishing the space, energy performance was kept front and centre of the project's objectives. We also installed high-efficiency LED lighting as well as presence detection sensors. The EPC of the space was upgraded from a D rating to an A rating and we witnessed an annual energy saving of 153 MWh in electricity and 141 MWh in gas across the building, equivalent to the annual energy usage of over 70 typical UK homes.

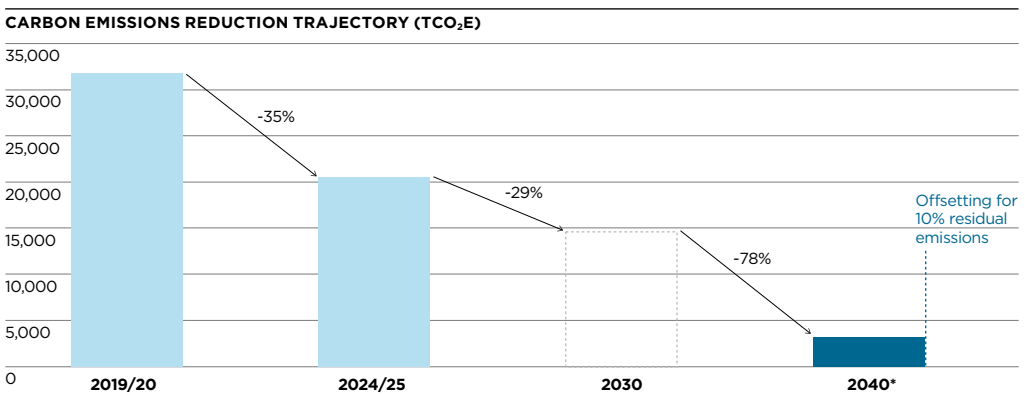
The space was also sub-metered to allow for a granular analysis of hourly energy consumption going forward. This project was an opportunity to kick start the installation of our smart BEMS system (Optergy) in the building, which is now being rolled out to all floors.

> **We always consider carbon savings when designing our refurbishment projects, whether large or small.**
>
> **Alex Anderson**
> Senior Project Manager

Relevant material issue:
Energy and Carbon

OUR STRATEGY CONTINUED
2. TRANSFORM AND PREPARE FOR EMERGING OPPORTUNITIES CONTINUED

NET ZERO PATHWAY



Our net zero carbon pathway
We have a long-standing commitment to achieving net zero carbon, with our initial SBT validated in 2020. However, evolving climate science has made it clear that the pace and scale of action must increase. In response, we have updated our net zero commitment this year to align with the latest SBTi Net-Zero and building sector guidance, committing to fully decarbonise our business by 2040. Our new targets specifically include:

- 90% reduction in whole building energy-related GHG emissions intensity by 2040 from a 2020 base year (with a 58% interim reduction target by 2030).
- 90% reduction in absolute scope 3 GHG emissions by 2040 from a 2020 base year (with a 46% interim reduction target by 2030).

Our progress to date has been remarkable, and we have already reduced our carbon emissions by 35% since 2020. The chart above shows our indicative emissions reductions trajectory and we intend to continue on our climate transition journey at pace, by focussing on the following key pillars of our net zero carbon pathway.

1. Whole building operational emissions: Ensuring our portfolio is energy efficient and powered by renewables
2. Supply chain emissions: Taking timely action to optimise our procurement and help our suppliers progress on their climate transition.
3. Embodied carbon: Continuing with a refurbishment led ethos to minimise emissions from development and construction activities
4. Offsetting: Investing in high quality removal projects for residual emissions only

The next page further details our net zero pathway and progress made under each pillars.

> **Our updated science-based targets ensure our net zero carbon trajectory reflects the latest climate-science and sectoral best practice.**
>
> **Ariane Ephraim**
> Senior Sustainability Manager

Metal Box Factory

WHOLE BUILDING ENERGY-RELATED EMISSIONS INTENSITY REDUCTION TRAJECTORY ($kgCO_2e/m^2$)

1.3 2040 target	
2024/25	6.2
2019/20 (baseline)	12.6

OTHER SCOPE 3 EMISSIONS REDUCTION TRAJECTORY (tCO_2e)[1]

1,919 2040 target	
2024/25	10,702
2019/20 (baseline)	19,190

1. Excluding energy directly procured by customers.

CASE STUDY: VOLTAGE OPTIMISATION

Unlocking energy savings through technology
Voltage Optimisation (VO) is a technology that reduces the incoming electricity supply from the grid, typically around 245 volts in the UK, to a more efficient level, usually around 222 volts. Most electrical equipment is designed to operate optimally at lower voltages, so this reduction helps cut energy consumption, reduce wear on equipment, and lower emissions.

Several buildings across our portfolio have VO systems, and our most recent was installed at Metal Box Factory in November 2024. Through a voltage reduction from 245 volts incoming from the grid to 222 volts delivered to building devices, the building has already saved 16,211 kWh in energy in a four-month period, the equivalent of the annual electricity usage of 5 typical UK households.

Following this success, eight more buildings have been identified for rollout.

16MWh
SAVED IN 4 MONTHS AT METAL BOX FACTORY

8
PROPERTIES EARMARKED FOR VOLTAGE OPTIMISATION INSTALLATION

Relevant Material Issue: Energy and Carbon

OUR STRATEGY CONTINUED
2. TRANSFORM AND PREPARE FOR EMERGING OPPORTUNITIES CONTINUED

CLIMATE RESILIENCE THROUGH NET ZERO CONTINUED

OUR NET ZERO CARBON PATHWAY TIMELINE

2019	2020	2021	2023	2025	2040 – NET ZERO CARBON
Signed a REGO[1]-based green electricity contract to cover 100% of our electricity usage.	Set out first science-based targets.	Published our first net zero carbon pathway.	Signed our first power-purchasing agreement with a solar farm in Devon to cover two-thirds of our electricity demand.	Reset our science-based targets and revised our net zero carbon pathway.	Workspace aiming for net zero carbon by 2040 (achieving 90% emissions reduction from a 2020 baseline).

1. Renewable Energy Guarantees of Origin certificate, providing transparency on the source of electricity.

PROGRESS ON OUR NET ZERO CARBON PATHWAY

1 WHOLE BUILDING OPERATIONAL EMISSIONS (SCOPE 1&2 + CUSTOMER EMISSIONS)

Goal:
Reduce whole building energy-related emissions intensity by 90% by 2040 (2020 baseline)

Progress:
- 51% reduction in whole building energy-related emissions intensity since 2020
- 43% reduction in customer-direct emissions
- Over 60% of portfolio fully electric
- £10m invested in upgrading our portfolio in 2024/25
- 100% electricity sourced from renewables

Relevant UN SDGs

2 REDUCE SUPPLY-CHAIN EMISSIONS (SCOPE 3)

Goal:
Reduce emissions from procurement of goods and services (i.e. supply chain emissions) by 90% by 2040 (2020 baseline)

Progress:
- 29% reduction in supply chain emissions since 2020 through improved data quality and supplier engagement
- Created a roadmap for supplier decarbonisation, aiming to achieve full compliance with top 50 suppliers. See case study on page 22
- Enhanced supply chain emissions data quality by gathering supplier-specific GHG emissions data from 13 suppliers

Relevant UN SDGs

3 REDUCE EMBODIED-CARBON EMISSIONS (SCOPE 3)

Goal:
Reduce embodied carbon of projects, aiming for less than 500 kg CO_2/m^2 for major projects.

Progress:
- 56% reduction in embodied carbon emissions since 2020
- A detailed embodied carbon assessment and reduction plan is created for all projects
- Leroy House achieved an embodied carbon intensity of 293 $kgCO_2/m^2$
- Estimated embodied carbon of our current projects at The Chocolate Factory and The Biscuit Factory is 291 $kgCO_2/m^2$ and 436 $kgCO_2/m^2$ respectively

Relevant UN SDGs

4 OFFSETTING RESIDUAL EMISSIONS

Goal:
Invest in permanent removal projects to offset no more than 10% of our emissions from 2040 onwards.

Progress:
- Created a streamlined carbon offsetting strategy, outlining key criteria for investment
- Fully offset embodied carbon from Leroy House refurbishment by purchasing 2,500tCO2e high quality carbon credits from a forest management project and a carbon capture technology project. See case study on page 79

Relevant UN SDGs

COMPLIANCE STATEMENTS CONTINUED

TCFD

Workspace considers climate change to be a principal risk and a material issue. In line with the 'Task Force on Climate-Related Financial Disclosures' ('TCFD') recommendations, we have provided information to our stakeholders on our climate-related risks and opportunities, in turn helping them to make informed decisions.

We have assessed our material climate risks and opportunities, and their potential impact using a number of climate change scenarios. This assessment has provided us with an in-depth view of the levels of risks across the portfolio and helped us test the resilience of our strategy. We also have a more robust understanding of the opportunities to Workspace, arising from the transition to a low-carbon economy. We have used the findings of this assessment to update our approach to risk management, implement a strategy to mitigate material risks and maximise the opportunity. Aligned to this is our net zero carbon target, which ensures we are closely managing our transition risks and building resilience.

The following section includes our climate-related financial disclosures for purposes of the UK Listing Rules, including details on climate change scenarios and how they may affect our business in the short, medium and long term. As required by the UK Listing Rules (UKLR 6.6.6R), we confirm that this report is consistent with all of the TCFD recommendations and recommended disclosures, taking into account Section C of the TCFD Annex entitled 'Guidance for All Sectors' and (where appropriate) Section E of the TCFD Annex entitled 'Supplemental Guidance for Non-Financial Groups'.

TCFD PILLAR AND RECOMMENDATION	RECOMMENDED DISCLOSURES	COMPLIANCE STATUS	PROGRESS TO DATE	2025/26 OBJECTIVES
1. GOVERNANCE Disclose the organisation's governance around climate-related risks and opportunities.	– Describe the Board oversight of climate-related risks and opportunities	✓ Achieved	– Board ESG Committee oversees climate-related risks, opportunities and goals – Joint Audit and ESG meeting held in January 2025 which reviewed ESG policies and related assurance – Executive ownership of climate-related objectives, with performance linked to their remuneration	– Board ESG Committee to continue monitoring climate-related risks and opportunities – Emission reduction objectives in line with updated science-based targets to be included in relevant teams' objectives
	– Describe management's role in assessing and managing climate-related risks and opportunities	✓ Achieved		
2. STRATEGY Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material.	– Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term	✓ Achieved	– In-depth assessment of climate-related risks and opportunities undertaken against 4°C and 1.5°C global temperature rise scenarios (see pages 101 to 102) – A disclosure on potential impact and resilience of strategy on pages 102 to 103	– Whilst we expect minimal changes in physical risks, annual re-assessment of transition risks (specifically from regulation) will be carried out
	– Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning	✓ Achieved		
	– Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	✓ Achieved		
3. RISK MANAGEMENT Disclose how the organisation identifies, assesses, and manages climate-related risks.	– Describe the organisation's processes for identifying and assessing climate-related risks	✓ Achieved	– Risks identified using climate models, academic research and expert advice – Based on probability and impact scale, risk level assessed as low, moderate or high – Utilising enterprise risk management framework to capture, document and manage risks	– Climate risk is identified as a principal risk and will continue to be assessed as part of the overall risk management framework, including a bi-annual review of effectiveness of controls
	– Describe the organisation's processes for managing climate-related risks	✓ Achieved		
	– Describe processes for identifying, assessing, and managing climate-related risks and integrating them into the organisation's overall risk management	✓ Achieved		
4. METRICS AND TARGETS Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	– Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	✓ Achieved	– Annual publication of energy consumption, renewable energy generation and procurement, carbon emissions (from fuels, waste, water), recycling rates, EPC split, voluntary green certifications, energy efficiency projects, portfolio flood exposure – Emissions reduction targets were updated to be in line with latest SBTi criteria	– Key metrics to continue being tracked on a monthly basis and presented to the Board
	– Disclose scope 1, scope 2, and if appropriate, scope 3 greenhouse gas ('GHG') emissions and the related risks	✓ Achieved		
	– Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	✓ Achieved		

COMPLIANCE STATEMENTS CONTINUED
TCFD CONTINUED

1. GOVERNANCE

The role of the Board
Our Chief Executive Officer has the highest level of responsibility for climate-related risks and opportunities and, together with the rest of the Workspace Board, ensures we maintain close oversight of climate-related issues.

Climate-related issues are regularly considered by the Board as part of broader decision-making processes regarding strategy, risk management, budgeting, business planning and overseeing the Group's performance objectives. To do this effectively, the Board has set up an ESG Committee comprising of all members of the Board – the Board Chair, the five independent Non-Executive Directors, the Chief Executive Officer and the Chief Financial Officer. The ESG Committee receives a detailed update on our sustainability and climate-related goals three times a year, from members of the Executive Committee and the Head of Sustainability.

During the year, the ESG Committee considered the following climate-related issues: approved the proposal to update net zero targets in line with latest SBTi guidance, approved interim emissions reduction milestones and inclusion of relevant KPIs as performance targets for Executive Directors, endorsed the launch of Leroy House as our first net zero building and reviewed the effectiveness of our climate-related policies. See page 189 for further details of climate-related responsibilities of the Board and its Committees (including the Audit and Remuneration Committees). The Board also received a technical briefing on three topics as part of the ongoing upskilling drive, including net zero carbon, nature and biodiversity and evolving sustainability legislative requirements.

Climate risk remained a principal business risk this year and the Board reviewed the mitigation strategy and effectiveness of controls as part of the principal risk register review. This information is provided to the Board and the Executive Committee via the Risk Management Group, comprising of senior members from different parts of the business. The Risk Management Group meets monthly and is responsible for monitoring and implementing risk management activities, including climate risk.

We have also linked climate-related performance measures to the Executive Directors' LTIP grants this year, accounting for 25% of weighting. These targets are also incorporated into wider team objectives. The Board received regular reports tracking progress against these goals. See pages 186 to 191 for further details.

Management responsibility
The Head of Portfolio Management was nominated as the Executive owner of our climate strategy and reports to the Board ESG Committee on all climate-related issues. They are supported by the Head of Sustainability and members of the Environmental Committee in the day-to-day management and delivery of climate-related initiatives. The Environmental Committee is made up of cross-functional members who head up various business departments, such as development, asset management, facilities management, investment and support functions. The Committee includes a number of other Executive Committee members, which ensures senior level ownership and oversight of implementation plans and also streamlines communication to the wider Executive team and the Board. The Environmental Committee meets bi-monthly and is responsible for operationalising our climate-related objectives, and hence is well positioned to manage, report, communicate and inform our approach on climate-related issues.

2. STRATEGY

Climate change risk and opportunity
As a responsible business, we consider climate-related risks and opportunities across our portfolio and business wide activities. We have identified the physical and transition risks arising from climate change and are committed to actively managing these risks. Due to the nature of our business model, Workspace is also in a position to capture several opportunities arising from the transition to a low-carbon economy.

Since 2022, we have worked with Willis Towers Watson ('WTW') to identify and assess the impact of climate-related risks through quantitative and qualitative scenario analysis, considering short (current, 2025), medium-term (2025-2030) and long-term (to 2050 and beyond) time horizons. These short-term and medium-term time horizons align with our portfolio strategy and financial planning. Our portfolio strategy categorises projects that are live and will be completed in the short term (1 year) and a medium-term development pipeline that extends out to 2030. We accordingly do our budgeting for short and medium term. Aligned to this strategy, we are aiming to decarbonise our portfolio by 2030, where feasible. Anything beyond 2030 is considered long term given the regulatory and market uncertainty involved.

The assessment we have conducted is based on two pre-defined climate scenarios – a 4°C global temperature rise scenario in line with the Intergovernmental Panel on Climate Change ('IPCC') Representative Concentration Pathway ('RCP 8.5') and a 1.5°C global temperature rise scenario in line with RCP 2.6.

The 4°C warming scenario assumes that markets, governments and society will continue business as usual with increasing adoption of energy and resource intensive lifestyles and abundant exploitation of fossil fuels. There will be limited action taken to mitigate climate change in this scenario and hence as a result in the period after 2030, the physical effects of climate change will begin to intensify rapidly.

The 1.5°C warming scenario assumes proactive and sustained action to reduce carbon emissions over the next 30 years to build a low-carbon economy, in the form of stringent Government policies on stricter energy efficiency building codes and carbon taxes. There will also likely be significant public and private sector investment in low emissions technologies to help the global economy achieve net zero goals by 2050. Overall, this scenario would result in higher transition risk in the short and medium term. Given the warming over pre-industrial levels is going to be limited, the extent of physical risk will only be slightly higher than it is today.

COMPLIANCE STATEMENTS CONTINUED
TCFD CONTINUED

Our assessment considered all plausible climate-related risks and opportunities that are applicable for real estate businesses. These are identified in the table below. The impact of physical risks is mainly in the form of direct damage to property, business interruption or supply chain disruption. Impact of transition risks is mainly in the form of increased cost of business, property obsolescence or failure to meet customer expectations.

RISKS RELATED TO THE PHYSICAL IMPACTS OF CLIMATE

ACUTE CLIMATE RISKS	CHRONIC CLIMATE RISKS
Winter storm	Heat stress
Tornado	Precipitation
River flood	Drought
Flash flood	Fire weather
Coastal flood	Sea level rise
Hailstorm	
Lightning	

RISKS AND OPPORTUNITIES RELATED TO THE TRANSITION TO A LOWER-CARBON ECONOMY

POLICY AND LEGAL RISKS/OPPORTUNITIES	– Pricing of GHG emissions – Proposed MEES requirements (EPC B by 2030) – Climate Change litigation – Enhanced emissions reporting obligations – Increasingly stringent planning requirements
TECHNOLOGY RISKS/OPPORTUNITIES	– Substitution of existing technology to lower emissions options
MARKET RISKS/OPPORTUNITIES	– Change in customer demands – Increased cost of raw materials – Increased cost and availability of electricity – Cost of capital – Emissions offset
REPUTATION RISKS/OPPORTUNITIES	– Investment risk – Employee risk

We have worked with WTW since 2022 to conduct an asset by asset exposure analysis for a range of climate risks (as shown in the table to the left) at the present day, as well as for future years under the selected scenarios. This analysis was last repeated in 2023 as we had a significant change in portfolio during that time. Data used for the analysis includes state of the art models and databases within the insurance industry (including WTW Global Peril Diagnostic, MunichRe hazard database, SwissRe CatNet amongst others), climate models, published research and information from IPCC. The assessment was further supplemented with local information and data that we hold on the assets.

To assess the transition risks, we conducted scenario analysis using the guidance issued by TCFD. The scenario used for the analysis aligns with projections to keep global warming below 1.5°C above pre-industrial temperatures and it was constructed based on a variety of sources including RCP 2.6 scenario from IPCC, International Energy Agency ('IEA') and the Network for Greening the Financial System ('NGFS'). NGFS has also been used as a primary source for carbon price estimates. Potential transition risks to Workspace were identified and articulated using academic research and discussions with Workspace teams (as shown in the table on the bottom left).

All the identified risks were assessed in terms of impact and probability via a series of subject matter expert interviews with Workspace teams (such as finance, investment, technology, legal, development, HR and leasing). Where the risk criteria allowed for quantification, financial impacts were estimated using assumptions and likelihood assessed and aligned to our Enterprise Risk Management ('ERM') risk rating criteria (details of our ERM framework can be found on page 185). This helped us narrow down the material risks and opportunities applicable to Workspace as shown on page 44, along with risk levels.

Our analysis showed that all of London and the South East could be exposed to a mix of acute and chronic climate risks such as flooding, windstorm, drought and heat stress, thereby affecting our properties as well. The analysis showed that the chronic risk would become more evident in the long term, but the impact level will still be low and manageable under the 1.5°C scenario. The impact level is deemed moderate under the 4°C scenario, arising from failure to transition. Acute risk, on the other hand, could be felt today. Using catastrophe models such as Property Quantified and KatRisk, we simulated thousands of acute climate events to estimate the level of impact in terms of property damages and business interruption. Taking this probabilistic view and accounting for actual vulnerability of our locations has further provided rigour to our risk level projections. Overall, we estimate the level of impact from acute risks (such as flooding, flash floods and wind storms) is low.

On transition risk, the impact is evident even now, and could be significant under the 1.5°C warming scenario due to stringent policy requirements, increasing customer expectations and expected raw materials price increases. We have estimated the risk level to be moderate, considering impact in terms of increased cost, property obsolescence and customer demand. However, through our sustainable business model we hold an advantage over our peers and have made a net zero carbon commitment in line with the UK's commitment in Climate Change Act 2008 (2050 Target Amendment) Order 2019, thereby minimising our risk. We are also well positioned to capture the transition opportunities, such as operational cost efficiencies, lower cost of capital and changing customer demands.

COMPLIANCE STATEMENTS CONTINUED
TCFD CONTINUED

The table below shows the summary of material risks and opportunities, applicable to Workspace, across the various time horizons and considering the two warming scenarios.

	CURRENT / SHORT TERM (2025)	MEDIUM TERM (2025-2030)	LONG TERM (TO 2050+)
1.5°C SCENARIO	**Moderate transition risk resulting from:** – Proposed MEES requirements for all commercial buildings to be EPC B by 2030, requiring investment in energy efficiency upgrades across the portfolio – Changing customer demands on sustainability, requiring swift adaptation of our older buildings to meet high sustainability standards	**Moderate transition risk resulting from:** – Proposed MEES requirements – Increase in planning requirements, resulting in higher upfront investment in energy efficiency or offsetting – Increased costs of raw materials – Increased costs associated with offsetting of scope 3 emissions	**Low transition risk in the long term,** assuming the UK economy has already transitioned to a low-carbon world.
	Transition opportunity arising from: – Operational cost savings and efficiencies from upgraded EPCs and implementation of low-carbon technologies – Enhanced customer attractiveness due to our ability to meet their expectations on sustainability across many of our new and refurbished buildings – Access to green finance	**Transition opportunity continues to exist** due to operational cost savings, customer expectations and access to green finance.	**Low transition opportunity in the long term,** assuming the UK economy has already transitioned to a low-carbon world.
	Low physical risk – Existing exposure to windstorm across the portfolio (unrelated to changing temperature). The impact in terms of physical damage and business disruption is low considering asset vulnerability – Flood risk exposure at three buildings and risk of localised flash flooding due to heavy precipitation across 10 buildings. The impact in terms of physical damage and business disruption is low considering asset vulnerability	**Low physical risk with no significant changes to current risks profile**, other than the already existing exposure to windstorm and flood risk.	**Low physical risk,** mainly due to smaller manageable changes in chronic risks such as drought and heat stress. The main impact from droughts is water scarcity and impact on green areas. Heat stress can impact running costs and customer wellbeing. On acute risk, windstorm continues to pose risk. However, the impact in terms of physical damage and business disruption is low considering asset vulnerability.
4°C SCENARIO	**Transition risk non-existent in this scenario, in the current / short term**	**Transition risk non-existent in this scenario, in the medium term**	**Moderate physical risk arising from failure to transition:** – Continued exposure to windstorm, flood risk at three buildings and localised flash flooding across 10 buildings – Increased drought risk across all buildings – Increased heat stress across all buildings
	Low physical risk, due to already existing exposure to windstorm (unrelated to changing temperature), flood risk at three buildings and localised flash flooding across 10 buildings. The impact in terms of physical damage and business disruption is low considering asset vulnerability.	**Low physical risk with no significant changes to current risks profile**, other than the already existing exposure to windstorm and flood risk.	

COMPLIANCE STATEMENTS CONTINUED
TCFD CONTINUED

Strategy and financial planning
Our sustainability strategy has a key focus on climate change mitigation and adaptation, ensuring we are minimising the environmental impact of our portfolio and building resilience for the long term. We are delivering on this ambition by embedding climate considerations in financial and strategic decisions across the life cycle of our properties: Development, Investment and Asset Management and the services we deliver to our customers.

Development: As a business, our primary focus is on repurposing old buildings to higher standards and hence inherently our activity is less carbon intensive than some of our peers. However, we continue to focus on further minimising our environmental and carbon impact, ensuring what we build is fit for the future. Our sustainable development brief requires all our development and refurbishment projects to meet high energy and carbon specifications, thereby minimising our exposure to risks such as proposed MEES requirements, stringent planning requirements, raw material costs and increased customer demands. We also ensure that we test our design brief against physical risks such as heat stress and flooding.

Investment: Climate considerations inform all our investment decisions, whether it's spending capex on building upgrades or acquiring new properties. We conduct sustainability due diligence, taking into account a number of warming scenarios, prior to acquisition to assess climate-related risks associated with the building and forward plan the investment and interventions required to mitigate any material risks.

Asset management: Our flexible business model allows us to implement a rolling programme of refurbishments across the existing portfolio, to ensure we continue to improve the energy and carbon performance of all our buildings and remain compliant with legislation. Our flood risk assessment has also helped us prioritise adequate defences and mitigation plans for exposed assets.

Services to customer: Climate considerations are fully embedded in our operational platform, ensuring our site teams are delivering customer services sustainably. This includes initiatives to manage whole building energy consumption, raising awareness with our customers to reduce carbon and manage our waste sustainably. We are also actively upgrading our portfolio to be more sustainable, in line with changing customer expectations.

Financial planning: Climate considerations inform our business financial reporting and planning. The Board deem there is no material financial impact from climate-related issues, considering valuation of properties, going concern and viability of the Group and the capital expenditure required. The Board reviewed the investment plan to transition our portfolio to net zero carbon and upgrade EPC to A and B, where feasible, (see pages 76 to 77) and this has enabled us to forward plan investments on interventions such as energy efficiency technology, decarbonising heat, onsite renewables and sustainable materials and construction practices. To ensure we have access to capital at competitive rates, our financing is also linked to climate-related criteria (£300m Green Bond, £335m ESG-linked revolving credit facility and a £65m loan from Aviva).

Resilience of strategy
The climate scenario assessment has enabled us to test the resilience of our strategy and revealed that our overall exposure to climate-related risks is moderate, mainly arising from transition risk under 1.5°C scenario (see table on pages 104 to 105). The geographic concentration of our portfolio in London and low vulnerability of assets to acute risks means that the overall exposure to physical climate risks is low, even under a 4°C scenario.

Our strategy and financial planning effectively addresses the transition risk identified in the 1.5°C scenario. Our sustainable business model, whereby our carbon and energy intensity is lower compared to the industry average and our focus on repurposing older buildings to meet high sustainability standards ensures we are building resilience across the business in the near to medium term. Our robust operational platform allows us to proactively manage environmental performance of our assets and mitigate both physical and transition risks.

Given our long-term ownership of buildings, coupled with our flexible lease model which allows us to invest across our portfolio in a timely manner and actively address climate risks, we are confident that our strategy is resilient against plausible climate scenarios. Further, our pathway to become net zero carbon (see pages 53 to 55), ensures we are aligning our business to a 1.5°C warming scenario and mitigating any potential risks.

> **Our updated net zero targets, aligned with latest SBTi guidance, ensure we actively mitigate any potential transition risk.**

3. RISK MANAGEMENT

Identifying and assessing risk
We have an established Risk Management Framework in place to help us capture, document and manage risks facing our business, including climate-related risks. The Audit Committee along with the full Board have overall responsibility for risk management. See our Risk Management Framework on page 185 along with our criteria for determining risk scoring.

We identify risks across two key areas: Principal Business (Strategic) risks and Operational risks. Climate-related risks have been factored in to both these categories.

The scenario analysis conducted with WTW helped us assess the level of exposure to climate risk, its likelihood (taking into account both existing and emerging regulatory and market risks), and determine its financial materiality using a structured template (see impact criteria on page 87) to capture any impact on revenue, costs or property valuation. This allowed us to map our risk levels as low, moderate or high, using our risk scoring matrix (page 87). In our case, we observed no significant change in risk profile between various time horizons and hence the mitigation strategy is focused on short to medium-term actions, covering our response out to 2030, including delivery of our net zero carbon commitment.

Depending on the extent of planned mitigation measures in place, as already captured in our net zero pathway and existing business processes, we were able to narrow down the material risks which had a level of residual impact that we will continue to manage effectively. These are captured in the tables on pages 104 to 105 along with current mitigation strategy for the two climate scenarios we have assessed.

COMPLIANCE STATEMENTS CONTINUED
TCFD CONTINUED

RISK	EVALUATION OF RESIDUAL RISK	MITIGATION STRATEGY
TRANSITION RISKS AND OPPORTUNITIES IN THE CURRENT/SHORT AND MEDIUM TERM – 1.5°C WARMING SCENARIO		
POLICY AND LEGAL – EPC RATING REQUIREMENTS	– 21% of the Workspace portfolio is rated C and 19% is rated D and E. Additional investment of £40-50m will be required to meet EPC A/B across the portfolio by 2030 (c.£8-10m annually) – However, taking into account the annual maintenance capex for ongoing refurbishments throughout the year, the actual additional investment required will be much lower than c.£4-5m annually – **Opportunity:** There will be an opportunity arising from higher operational savings due to upgraded environmental performance	– Target set to upgrade a significant proportion of the portfolio to EPC A/B each year. We successfully upgraded 8% of the portfolio to EPC A/B this year – A rolling programme of EPC and net zero audits is being undertaken to identify asset level upgrade plans and a process is in place to upgrade a unit once vacant – A detailed investment plan is created for annual budgeting purposes – Central register created to track EPC compliance status monthly
POLICY AND LEGAL – INCREASINGLY STRINGENT PLANNING REQUIREMENTS	– Workspace is able to meet London Plan requirement of 35% emissions reduction over Part L, of the building regulations – If the requirements were to get more stringent in future (say 50% reduction or inclusion of offsetting for upfront carbon at planning stage), we would need to design buildings differently, which could raise project costs	– By implementing our net zero design brief, we are able to achieve 35% reduction at minimal incremental cost – Continual tracking of planning requirements to inform our design brief – Strategy in place to minimise whole life carbon through responsible design and material choices
MARKET – CHANGE IN CUSTOMER DEMANDS	– Based on a recent survey, over 25% of London SMEs factor in sustainability as one of the top five criteria in their choice of office space – We are rapidly decarbonising our portfolio in line with our net zero pathway, ensuring we are well placed to meet changing customer expectations and capture more market share by being ahead of our peers. In the interim, there is some risk to our older properties which are not in the top tier of energy/carbon performance and are awaiting upgrades – **Opportunity:** There will also be an opportunity from increased customer demands (i.e. successful lettings, high occupancy) for our newly refurbished or developed buildings that meet high sustainability standards	– Our net zero pathway ensures we continue to enhance our portfolio to meet changing customer demands – Through continual collection of customer preferences and data, we intend to proactively manage customer expectations – Improved communications with customers on our sustainability efforts further strengthen customer satisfaction
MARKET – INCREASED COST OF RAW MATERIALS	– We expect the costs of carbon intensive raw materials (such as cement, steel) will increase in the future – The resulting impact will depend on our build activity in a year and the percentage of cost passed on by suppliers	– Our focus on repurposing limits our exposure to raw materials and associated cost increased – Continued efforts to explore new materials and technologies will help further reduce embodied carbon of our developments
MARKET – EMISSIONS OFFSET	– Our current emissions are around 20,565 tonnes of CO_2e. In line with our net zero pathway, we expect to reduce our emissions by 90% by 2040 from a 2020 baseline (31,631 tonnes of CO_2e) – Applying UCL projected cost of carbon at $100 per tonne[1] worst case scenario, this could cost us up to £240k annually from the point we achieve our net zero carbon target	– Continue to drive progress on our net zero pathway by upgrading our properties to eliminate scope 1 and 2 emissions – Continue efforts to explore new materials and technologies to reduce embodied carbon of our developments, driving our scope 3 emissions down – Continue engaging with tier 1 suppliers to implement the newly established supply chain decarbonisation roadmap, requiring top 50 suppliers to report carbon data annually and setting their own net zero targets

1. Source: https://www.ucl.ac.uk/news/2021/jun/ten-fold-increase-carbon-offset-cost-predicted.

COMPLIANCE STATEMENTS CONTINUED
TCFD CONTINUED

RISK	EVALUATION OF RESIDUAL RISK	MITIGATION STRATEGY
PHYSICAL RISKS IN THE CURRENT/SHORT AND MEDIUM TERM – 1.5°C WARMING SCENARIO		
WINDSTORM	– Most of our buildings could be exposed to risk of windstorm and missile impact from flying debris. However, given the solid façade and relatively lower height of our buildings, we estimate level of impact in property damages and business interruption to be low (less than £1m, assuming worst case scenario). The risk profile will likely remain within the current levels of variability, with changing temperatures	– Business continuity and emergency response planning measures in place to minimise potential impact in case of storm warnings – Protection against portable and not secured items in building vicinity is being incorporated
RIVER FLOOD	– Flood defences provide an adequate level of protection however, there are some local areas at risk which exposes three of our buildings. The impacts could be water ingress, damage in lower floor and some level of interruption to the business. Taking into account our flood mitigation strategy and emergency preparedness plans, we estimate level of impact in property damages and business interruption to be low (less than £2m, assuming worst case scenario). The risk profile only moderately changes with time or changing temperatures	– Comprehensive flood risk management plans created for exposed assets – Business continuity and emergency response planning measures put in place in case of flooding – Flood mitigation measures being incorporated in design of new projects – Insurance protection in place in case of physical damage or interruption
LOCALISED FLASH FLOODING	– Whilst the precipitation stress due to heavy rainfall is likely to stay the same, 10 of our buildings could be exposed to localised flash flooding due to local terrain features which could cause water ingress and damage in lower floors. A deeper dive of these buildings has revealed lower vulnerability to localised flash flooding and hence we estimate level of impact in property damages and business interruption to be low (less than £1m, assuming worst case scenario). The risk profile is not likely to change with time or changing temperatures	– Comprehensive flash flood risk assessment being undertaken across the portfolio – Business continuity and emergency response planning measures put in place to minimise impact in case of high precipitation warning – Regular drainage survey being undertaken across select buildings to ensure sufficient water attenuation on site – Flood mitigation measures being incorporated in design of new projects, including blue roofs and rain water harvesting systems
PHYSICAL RISKS IN THE LONG TERM – 4°C WARMING SCENARIO[1]		
DROUGHT	– Under this climate scenario, London and the South East of the UK could be exposed to drought stress, affecting all our properties in the long term. Whilst our water consumption is not material, this would result in slightly increased utility costs and impact on green areas	– We are installing water efficient fittings across our buildings – Our landscaping has been designed to bear warmer climates in mind
HEAT STRESS	– In this scenario, by the end of the century, London and the South East of the UK could be exposed to medium level of exposure to heat stress resulting in the number of heatwave days increasing to 20 days per year, thereby affecting all our properties. On average, there will be an increase in our cooling demand. The scenario will also result in milder winters, which would in turn reduce our heating demand on average. In the current/short term, heat stress will not be a significant issue despite slight increase in heatwave days	– A rolling programme of air conditioning is being implemented across the portfolio to ensure customers are comfortable in high temperatures – Additional measures such as outdoor greenery and shade being incorporated to provide 'refuges' in hotter weather conditions – Review of current heating and cooling usage being undertaken to ensure we continue to optimise consumption, in response to outdoor temperatures

1. Note: Under the 4°C warming scenario – windstorm, flood risk and flash flood risk will exist as well, and potentially could edge further. However, the risk profile will not change significantly. The mitigation strategy listed above will continue to be effective.

COMPLIANCE STATEMENTS CONTINUED
TCFD CONTINUED

4. METRICS AND TARGETS

Metrics used to assess climate-related risks and opportunities
To understand our climate-related impact and performance we report on a wide range of consumption and intensity metrics relating to energy, carbon, waste and water, such as:
- Total energy consumption (page 107).
- Total electricity consumption, including proportion generated from renewables (page 107).
- Proportion of electricity sourced from renewable sources (page 110).
- Total fuel consumed on site (page 107).
- Building emissions intensity by floor area (page 107).
- Total emissions from water consumption (page 107).
- Total emissions from waste, waste recycled and diverted from landfill (page 107).
- EPC split of the portfolio by floor area (page 77).
- Number of buildings with sustainability certification (page 77).
- Number of energy efficiency projects implemented and associated capital expenditure (page 108).
- Number of buildings exposed to flooding (page 105).
- ESG metrics linked to remuneration and performance against these (pages 63, 64, 221).
- Internal carbon price of $100/tonne (page 104).

Pages 75 to 80 provide further detail on targets we have set against all climate-related metrics and progress made to date.

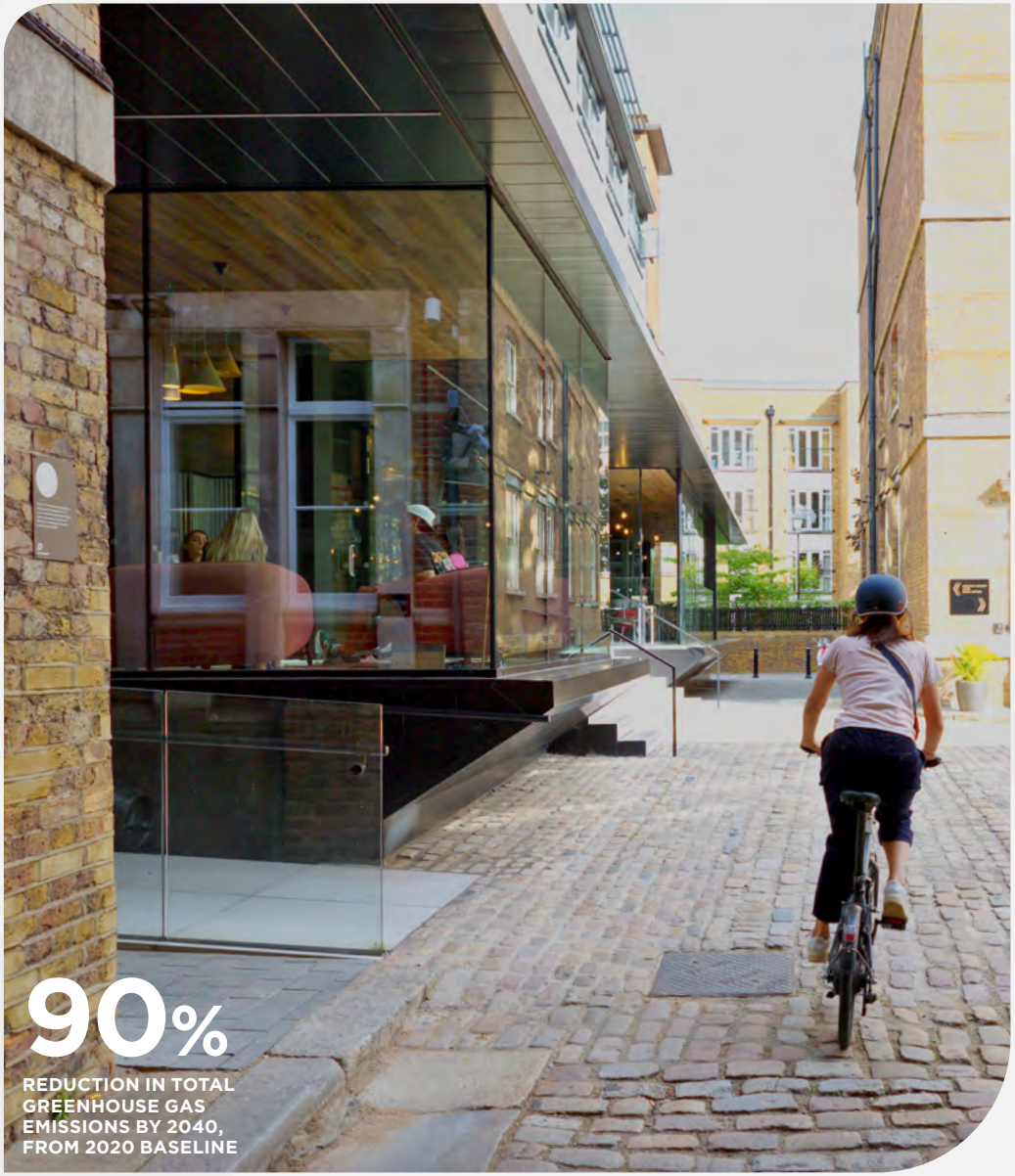
Scope 1, 2, 3 GHG emissions and related risks
Carbon emissions represent one of our largest environmental impacts and we are actively working to reduce our sources of carbon where possible (see our net zero carbon pathway on page 54). Significant contributors to our operational carbon emissions are the electricity and gas consumed within our buildings and by improving the energy efficiency of our buildings and electrifying the heating systems we aim to reduce our overall carbon footprint. Following an in-depth analysis of our scope 3 emissions, we now have a much better understanding of the emissions associated with our development and refurbishment activities which make up a significant portion of our scope 3 emissions. We are also implementing a supply chain decarbonisation roadmap to accurately assess and reduce our supply chain emissions. Refer to page 107 for our scope 1, 2 and 3 greenhouse gas emissions data and year-on-year changes (calculated using GHG protocol).

Targets used to manage climate-related risks and opportunities
To reduce our carbon emissions, we continue to focus on designing low-carbon buildings and implementing energy efficiency initiatives throughout the portfolio, whilst actively engaging our customers and suppliers to reduce scope 3 emissions.

Our main goal is to significantly decarbonise our business (see pages 54 to 55 for the scope of our net zero carbon commitment, aligned to latest SBTi guidance). This is underpinned by the following emissions reduction targets:
- Aim to reduce our total greenhouse gas emissions by 90% by 2040, from a 2020 baseline.
- Aim to significantly decarbonise heating from our portfolio by 2030 where feasible.
- Aim to source 100% energy from renewable sources.
- Undertake whole life carbon assessment of all development and refurbishment projects.

We use the following KPIs to assess progress against these targets:
- Reduction in scope 1 and 2 emissions.
- % of our property portfolio that is EPC A/B rated.

See page 63 for further details.



COMPLIANCE STATEMENTS CONTINUED

GREENHOUSE GAS ('GHG') EMISSIONS AND ENERGY USE DATA FOR STREAMLINED ENERGY & CARBON REPORTING ('SECR')[1]

Source of emissions	2019/20	2023/24	LfL 2023/24	2024/25	LfL 2024/25	2024/25 vs 2023/24 % change	LfL 2024/25 vs 2023/24 % change	2024/25 vs 2019/20 % change
Scope 1 (Direct)	**3,451**	**2,248**	**2,118**	**1,912**	**1,883**	**-15%**	**-11%**	**-45%**
Gas (tCO_2e)	2,620	1,711[2]	1,645	1,473	1,445	-14%	-12%	-44%
Fugitive Emissions (tCO_2e)	828	537	473	438	438	-18%	-7%	-47%
Vehicle Emissions (tCO_2e)	3	0	0	0	0	N/A	N/A	-86%
Scope 2 Location-based (Energy Indirect)	**7,144**	**6,470**	**6,492**	**6,259**	**6,112**	**-3%**	**-6%**	**-12%**
Scope 2 Market-based (Energy Indirect)	**123**	**166**	**166**	**179**	**179**	**8%**	**8%**	**45%**
Electricity (Location-based) (tCO_2e)	7,021	6,304	6,326	6,080	5,933	-4%	-6%	-13%
Electricity (Market-based) (tCO_2e)	0	0	0	0	0	0%	0%	0%
Purchased Heat (Location-based) (tCO_2e)	123	166	166	179	179	8%	8%	45%
Purchased Heat (Market-based) (tCO_2e)	123	166	166	179	179	8%	8%	45%
Vehicle Emissions (tCO_2e) – Location-based	0	0.3	0.3	0.4	0.4	29%	29%	NA
Vehicle Emissions (tCO_2e) – Market-based	0	0.3	0.3	0.4	0.4	29%	29%	NA
Total Scope 1 & 2 (Location-based)	**10,595**	**8,718**	**8,610**	**8,171**	**7,995**	**-6%**	**-7%**	**-23%**
Energy consumption used to calculate above emissions (kWh)	42,429,912	40,721,536	40,462,672	38,415,694	37,546,760	-6%	-7%	-9%
Intensity Ratio: Net Lettable Area tCO_2e/sq. ft.	0.00268	0.00168	0.00194	0.00175	0.00180	5%	-7%	-35%
Intensity Ratio: Gross Internal Area tCO_2e/sq. ft.	0.00191	0.00123	0.00138	0.00125	0.00128	2%	-7%	-35%
Scope 3 (Other Indirect)	**21,036**	**15,251**	**N/A**	**12,393**	**N/A**	**-19%**	**N/A**	**-41%**
Fuel and Energy-Related Activities (tCO_2e)	961[3]	868[3]	N/A	823	N/A	-5%	N/A	-14%
Customer Direct Energy (tCO_2e)	2,928	2,760	1,678	1,683	1,588	-39%	-5%	-43%
Water Supply (tCO_2e)	91	44	N/A	33	N/A	-25%	N/A	-64%
Water Treatment (tCO_2e)	187	51	N/A	40	N/A	-20%	N/A	-78%
Waste Management (tCO_2e)	82	56	N/A	20	N/A	-65%	N/A	-76%
Embodied carbon in development projects (tCO_2e)	8,982	4,495	N/A	3,974	N/A	-12%	N/A	-56%
Purchased goods and services (tCO_2e)	7,647	6,574	N/A	5,396	N/A	-18%	N/A	-29%
Employee Commuting (tCO_2e)	84	374	N/A	394	N/A	5%	N/A	369%
Business Travel (tCO_2e)	74	29	N/A	30	N/A	4%	N/A	-59%
Total Scope 1, 2 & 3 (tCO_2e)	**31,631**	**23,969**	**N/A**	**20,565**	**N/A**	**-14%**	**N/A**	**-35%**
Total energy consumption – whole building (kWh)	55,120,583	53,935,038	50,158,529	45,680,866	47,028,144	-15%	-6%	-17%
Total gas use – whole building (kWh)	15,617,931	10,626,937	11,628,536	8,167,827	10,626,937	-23%	-9%	-48%
Total electricity use – whole building (kWh)	38,801,849	42,386,431	37,608,323	36,518,439	35,406,607	-14%	-6%	-6%
Total purchased heat – whole building (kWh)	700,803	921,670	921,670	994,600	994,600	8%	8%	42%
Self-generated renewable electricity (kWh)	129,533	217,782	217,782	218,594	218,594	0.4%	0.4%	69%

1. Note: All figures reported relate to emissions and energy consumed in the United Kingdom.
2. The gas figure for FY 23/24 has been restated, as noted in page 109.
3. Figure restated due to inclusion of well to tank emissions from gas and heat use.

COMPLIANCE STATEMENTS CONTINUED

REPORTING FRAMEWORK

Reporting period:
1 April 2024 – 31 March 2025
Reporting Frequency – Annual, aligned with financial reporting

Regulatory:
Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008

Boundary:
Our GHG emissions have been prepared using the 'operational control' approach, in compliance with the Greenhouse Gas Protocol guidance. Scope 1 and 2 emissions include customer consumption where we procure gas, electricity or heat on their behalf. Where electricity is directly purchased by our customers (c.28% of NLA as at April 2024), we have estimated usage and corresponding emissions have been included under our scope 3 reporting.

In cases where a property has been acquired or sold during the reporting period, we report its greenhouse gas emissions up to the sale date or from the acquisition date. We exclude properties from greenhouse gas reporting for the duration of any major refurbishment or construction project.

Reporting standards:
World Resources Institute/World Business Council for Sustainable Development Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition (the GHG Protocol). World Resources Institute/World Business Council for Sustainable Development Greenhouse Gas Protocol: Corporate Value Chain (scope 3).

We have also aligned our reporting with:
- EPRA 'Sustainability Best Practice Recommendations' ('SBPR'). Published in the sustainability performance section of our investor website.
- Sustainability Accounting Standards Board ('SASB') real estate metrics. Pages 110 to 111.
- Global Reporting Initiative ('GRI') 2021 Standard. Published in the sustainability performance section of our investor website.

Verification:
Bureau Veritas were appointed for independent third-party verification of our carbon data. The verification has been performed to the international standard ISAE3410 Specification. Limited level of assurance, based upon a 5% materiality threshold has been carried out. The full assurance statement can be found in the sustainability performance section of our investor website. Further, our social value data has been verified by Social Value Portal.

Other:
When reporting totals, the location-based emissions are used. All our portfolio market-based emissions are backed by Renewable Energy Guarantees of Origin ('REGOs').

Any questions about the reported information, please contact:
info@workspace.co.uk

Performance against targets and KPIs
We achieved a 6% reduction in scope 1 and scope 2 emissions across the portfolio compared to FY 23/24. This is underpinned by a 6% reduction in Workspace procured energy consumption (14% reduction in gas and 4% reduction in electricity). On a like-for-like basis, which only includes properties that have been owned for the entirety of the April 2023 to March 2025 period, we achieved a 7% reduction in scope 1 and 2 emissions.

The reduction in energy use was driven by investment in high efficiency heat pump installation across a number of properties and optimisation of controls and setpoints. We also rolled out a number of energy efficiency upgrades across the portfolio such as LED lighting, presence detection sensors, a smart Building Energy Management System ('BEMS') and ran several energy awareness sessions with customers. In addition, granular energy data enabled us to monitor and optimise real time energy demand.

In line with common practice in the property sector, we use a carbon intensity metric of tCO_2e/sq. ft. This year, we have delivered savings of 7% in our emissions per sq. ft. of Net Lettable Area ('NLA'), across the like-for-like portfolio. It is worth noting that on an absolute basis we witnessed a 5% increase in emissions per sq. ft. NLA, due to the sale of several assets on FRI leases which didn't contribute to scope 1 and 2 emissions.

Our market-based electricity figure is zero because all of the electricity we purchase for our portfolio is now on a renewable energy contract backed by Renewable Energy Guarantees of Origin ('REGOs'), including the power purchase agreement with a solar plant in Devon.

Energy efficiency actions taken during 2024/25
We have proactively identified and delivered a range of energy efficiency projects across our portfolio (invested £10m across 45 properties), such as LED and PIR lighting upgrades, installation of secondary glazing and a rolling programme of high efficiency heat pumps. We have also benefited from improved data management and customer engagement initiatives across a number of our buildings.

We have continued to roll out our BEMS, Optergy, which is a smart metering technology that has enabled real-time energy monitoring at the building level right down to individual plant equipment. The data provided by the BEMS is used by our in-house Facilities Management teams to improve energy management practices and reduce GHG emissions. The Optergy portal is now fully enabled at 53 sites and enables us to view and monitor our energy consumption profiles, down to the unit level. See the case study on page 53 for further details on energy efficiency measures implemented during the year.

Method for data collection
We collect utility data across our portfolio from manual meters, automated meters and invoices, which are all collated on our energy reporting and billing platform. Our site teams are responsible for reading manual meters and log consumption data onto our energy and billing platform on a monthly basis. To remove reliance on manual meter reading, we continuously look at upgrading to automatic meters, which are currently in place across the majority of our main incomers. Our in-house energy analyst reviews the accuracy of energy data and analyses monthly performance trends to help prioritise properties for energy efficiency improvements.

COMPLIANCE STATEMENTS CONTINUED

We estimate electricity consumption data where customers have their own utility supplier. Where this relates to units in a building where we otherwise have access to energy consumption, we estimate 'Customer direct' electricity usage based on the energy usage of the rest of the building, using a floor area pro-rating method. Where this relates to a FRI building, energy consumption is estimated based on the average energy usage of the building type in the portfolio. Whilst our 'Customer direct' gas consumption is very low, we have included estimations for gas consumption where we have been made aware of customer managed gas supplies. GHG emissions calculated from 'Customer direct' electricity and gas consumption are included in our scope 3 reporting. Every time a unit becomes vacant and we take over the 'Customer direct' supply, we transition the associated energy use to our scope 1 and 2 emissions.

This year, we made the decision to restate our 2023/24 emissions data, specifically gas usage and renewable energy generation following significant improvements in the accuracy of our historical data. We have also restated emissions from fuel and energy related activities for FY 23/24 and FY 2019/20, to account for well-to-tank emissions associated with gas and heat. On page 107, we have also reported like-for-like figures, which include properties that have been owned for the entirety of the April 2023 to March 2025 period. Given we took over a significant number of 'customer direct' supplies during the course of the year, the data for these meters have been back dated for the 2023/24 period to enable a like-for-like comparison.

On page 107, we present the energy use intensity for each building in our portfolio. The energy use is normalised by the total internal area of each asset, revealing the relative performance of individual buildings and allowing us to benchmark it against industry best practice. This normalisation using total internal area allows us to take into account extensive usage of common areas provided as amenity spaces for our customers, ensuring a comprehensive assessment of energy performance of our buildings.

Fugitive emissions stem from the use of refrigerants and have been calculated based on refrigerant leak event schedules provided by our air conditioning contractors.

Vehicle emissions are calculated from the use of our company cab.

Waste data is captured by our waste contractor, who weighs recycled and general waste across the portfolio at each waste collection and provides us with a monthly tonnage report.

Embodied carbon in development projects relates to GHG emissions stemming from our construction and refurbishment activities. Since 2021, we systematically carry out whole-life carbon analysis for all developments and major refurbishment projects, and therefore have project specific embodied carbon data on our most recent projects. Whilst there is no standardised carbon emission factor for calculating embodied carbon emissions from smaller refurbishment projects, embodied carbon factors advised by our consultant's research team have allowed us to estimate embodied carbon emissions for small projects, representative of standard market practice (196 $kgCO_2e/m^2$ for office retrofits involving heat decarbonisation, 77$kgCO_2e/m^2$ for light office retrofits).

Purchased goods and services relate to the upstream emissions from the business' use of products and services. Emissions were calculated using a combination of spend-based and activity-based method, applying carbon factors from the BEIS database and supplier reported emissions, respectively. We intend to continue to move towards an activity-based method for our upstream emissions as more supply chain data becomes available. This will provide greater accuracy of the purchased goods and services emissions.

Business travel data includes flights and car mileage claimed for business purposes by our employees.

Emissions from commuting include carbon emissions from homeworking in addition to office commuting. For this year's reporting, we assumed the Head Office employees to be working in the office three days a week and at home two days a week. All site employees are assumed to be working on-site five days a week. Assumption on modes of transportation used by commuters came from the Department of Transport statistics.

On advice of our sustainability consultants, we have expanded the scope of our Fuel and Energy Related emissions to include well-to-tank emissions from gas, heat, business travel and employee commuting. This information has been back dated to previous years as well.

With the exception of embodied carbon and purchased goods and services, GHG emissions were calculated using DEFRA (Department for Environment, Food & Rural Affairs) 2024 factors.

Close monitoring and reporting of our impact not only ensures high transparency in disclosure, but also empowers us to take meaningful action informed by real insights.

Sonal Jain
Head of Sustainability

COMPLIANCE STATEMENTS CONTINUED

SASB SUSTAINABILITY ACCOUNTING STANDARD – REAL ESTATE METRIC

TOPIC	ACCOUNTING METRIC	CODE	COMMENT
ENERGY MANAGEMENT	Energy consumption data coverage as a percentage of total floor area, by property subsector	IF-RE-130a.1	The energy consumption reported on page 107, falling within our scope 1 and 2 emissions, covers 75% for our office portfolio and 39% of our industrial portfolio's total nettable floor area, as at 1 April 2024, and corresponds to the areas where Workspace have operational control. Energy data falling outside of our procurement control is estimated and corresponding carbon emissions are reported under scope 3 on page 107. A portion of this consumption is associated with the industrial assets in the portfolio which are on FRI lease.
	(1) Total energy consumed by portfolio area with data coverage (2) Percentage grid electricity (3) Percentage renewable, by property subsector	IF-RE-130a.2	(1) See 'Energy Consumption used to calculate above emissions (kWh)' on page 107. (2) 99% of electricity consumed was purchased from the grid, the rest was self-generated by on-site solar panels. (3) 100% of electricity procured was from certified renewable sources (REGO-backed). Additionally we have 15 sites that are equipped with solar panels. Refer to page 77 for more information on our renewable electricity procurement.
	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	IF-RE-130a.3	Refer to Ele-LfL, Fuel-LfL and DH&C-LfL metrics in our EPRA report.
	Percentage of eligible portfolio that (1) Has an energy rating and (2) Is certified to ENERGY STAR, by property subsector	IF-RE-130a.4	Refer to Cert-Tot metric in our EPRA report. Energy Performance certificates ('EPCs') and BREEAM certification have been used as the relevant UK alternative to ENERGY STAR.
	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	IF-RE-130a.5	Energy management is identified as one of the key material issues for the business and underpins the delivery of our net zero carbon pathway. As a result, stretching greenhouse gas emissions reduction targets directly influence Executive remuneration. Refer to pages 44 to 55 and 75 to 78 in this report for more information on our strategy and approach to energy management, along with impact delivered.
WATER MANAGEMENT	Water withdrawal data coverage as a percentage of (1) Total floor area and (2) Floor area in regions with High or Extremely High Baseline Water Stress, by property subsector	IF-RE-140a.	(1) Our water consumption data coverage amounts to 94% of our portfolio. (2) 100% of our office properties and 74% of our industrial properties are located in areas classified as under high water stress according to the World Resource Institute's ('WRI') Water Risk Atlas tool.
	(1) Total water withdrawn by portfolio area with data coverage and (2) Percentage in regions with High or Extremely High Baseline Water Stress, by property subsector	IF-RE-140a.2	(1) Refer to Water-Abs metric in our EPRA report. (2) 100% of our office properties 100% of our industrial properties are located in areas classified as under high water stress according to the World Resource Institute's ('WRI') Water Risk Atlas tool.
	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	IF-RE-140a.3	Refer to Water-LfL metric in our EPRA report.
	Description of water management risks and discussion of strategies and practices to mitigate those risks	IF-RE-140a.4	We include emissions associated with water supply and water treatment in our scope 3 footprint and intend to address it as part of our net zero carbon pathway. Our climate risk assessment also indicated water stress as a key risk in the long term and we have put in place a mitigation strategy in the form of water efficient design brief and adaptive landscaping around our sites (page 79). We are also rolling out metering to gain better coverage of our water data.

COMPLIANCE STATEMENTS CONTINUED
SASB SUSTAINABILITY ACCOUNTING STANDARD – REAL ESTATE METRICS CONTINUED

TOPIC	ACCOUNTING METRIC	CODE	COMMENT
MANAGEMENT OF TENANT SUSTAINABILITY IMPACTS	(1) Percentage of new leases that contain a cost recovery clause for resource efficiency related capital improvements (2) Associated leased floor area, by property subsector	IF-RE-410a.1	Our new leases are inclusive of rent and all bills, including utilities. A responsible energy consumption clause has been included in those leases, which allows us to charge an excessive usage fee in instances of consistent high energy consuming behaviour. Those inclusive leases represented 61% of our total sales volume in 2024/25.
	(1) Percentage of tenants that are separately metered or submetered for grid electricity consumption (2) Percentage of tenants that are separately metered or submetered for water withdrawals, by property subsector	IF-RE-410a.2	(1) 60% of tenant spaces are submetered for grid electricity consumption (as at 1st April 2024) (2) Customers are billed for water usage on a floor area pro rating basis. A small number of tenants manage their own water meter (gyms and restaurant units) in addition to single-let properties' tenants.
	Discussion of approach to measuring, incentivising, and improving sustainability impacts of tenants	IF-RE-410a.2	Our operational platform allows us to maintain a close working relationship with our customers and collaborate on whole building initiatives. We have a multi-faceted customer engagement strategy on sustainability, which includes sending quarterly sustainability newsletters to customers across all of our properties, share building-level sustainability performance data, along with practical guidance on how to operate buildings more sustainably. This year we delivered over 40 sustainability-themed customer events ranging from energy savings awareness to recycling and zero-waste environmental workshops.
CLIMATE CHANGE ADAPTATION	Area of properties located in 100-year flood zones, by property subsector	IF-RE-450a.1	1,601,363 sq. ft. of lettable area are located in a 100-year flood zone according to the Environment Agency flood map.
	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	IF-RE-450a.2	Refer to the TCFD section of this report on pages 99 to 106.

ACTIVITY METRIC AS AT 1ST APRIL 2024	CODE	COMMENT
Number of assets, by property subsector	IF-RE-000.A	71 offices 3 industrial assets 1 other (leisure)
Leasable floor area, by property subsector	IF-RE-000.B	4,508,235 sq. ft. of offices 147,136 sq. ft. of industrial assets 98,255 sq .ft. of leisure assets
Percentage of indirectly managed assets, by property subsector	IF-RE-000.C	2% of office space floor area is indirectly managed 41% of industrial floor area is indirectly managed
Average occupancy rate, by property subsector (average for FY24/25)	IF-RE-000.D	81% average occupancy rate across offices 71% average occupancy rate across industrial assets

COMPLIANCE STATEMENTS CONTINUED

TNFD

INTRODUCTION

Workspace considers nature and biodiversity to be a material issue, intrinsically linked to several of our other priority areas, including climate resilience, customer expectations, wellbeing, and regulatory compliance. Recognising the growing urgency of nature loss and its implications for our business and stakeholders, we are committed to understanding and addressing our nature-related impacts and dependencies.

In line with the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD), we are pleased to present our inaugural TNFD report. This disclosure provides transparency on the nature-related risks and opportunities we face, supporting stakeholders in making informed decisions. We intend to build on this foundation, refining and expanding our approach annually as we deepen our assessment of nature-related issues and embed them more fully into our strategic planning and risk management processes.

The need for action is clear. Globally, wildlife populations have declined by nearly 70% over the past 50 years (Source: WWF's living planet report). In the UK, one in six species is now at risk of extinction (Source: State of nature report 2023). London is not immune to these pressures. Urban development and rising temperatures are straining natural habitats, with far-reaching consequences for public health, community resilience, and quality of life.

As the owner and manager of 67 sites across 18 London boroughs and the South East, Workspace is well-positioned to enhance access to green space, improve local biodiversity, and deliver positive outcomes for communities. In recognition of this opportunity, we have launched our first Nature and Biodiversity Strategy, Make Space for Nature, available on our website.

TNFD PILLAR AND RECOMMENDATION	RECOMMENDED DISCLOSURES	ALIGNMENT WITH DISCLOSURE REQUIREMENTS
1. GOVERNANCE Disclose the organisation's governance of nature-related dependencies, impacts, risks and opportunities.	A. Board oversight of nature-related dependencies, impacts, risks and opportunities	Fully aligned
	B. Management's role in assessing/managing dependencies, impacts, risks and opportunities	Fully aligned
	C. Human rights policy and engagement activities in assessment of dependencies, impacts, risks and opportunities	Fully aligned
2. STRATEGY Disclose the effects of nature-related dependencies, impacts, risks and opportunities on the organisation's business model, strategy and financial planning where such information is material.	A. Dependencies, impacts, risks and opportunities for short, medium and long term	Partially aligned
	B. Effect on business model, value chain, strategy, financial planning, transition plans	Partially aligned
	C. Business' strategy resilience against various scenarios	N/A
	D. Interface with priority locations	Partially aligned
3. RISK MANAGEMENT Describe the process used by the organisation to identify, assess, prioritise and monitor nature-related dependencies, impacts, risk and opportunities.	A. Process for identifying, assessing and prioritising dependencies, impacts, risks and opportunities in direct operations and value chain	Partially aligned
	B. Process for monitoring dependencies, impacts, risks and opportunities	Partially aligned
	C. Integration into overall risk management	Partially aligned
4. METRICS AND TARGETS Disclose the metrics and targets used to assess and manage material nature-related dependencies, impacts, risks and opportunities.	A. Metrics used to assess and manage risks and opportunities	Fully aligned
	B. Metrics used to assess and manage dependencies and impacts	Partially aligned
	C. Description of targets (and performance monitoring) to manage dependencies, impacts, risks and opportunities	Partially aligned

COMPLIANCE STATEMENTS CONTINUED
TNFD CONTINUED

Through this strategy, we are setting ambitious, measurable targets to enhance the ecological value of our operational and development portfolios—ensuring nature is a core consideration in the design, construction, and management of our spaces.

> **With a portfolio comprising of 4.2m sq. ft. of space, Workspace is uniquely positioned to support local biodiversity and increase access to nature in the city.**
>
> **Ariane Ephraim**
> Senior Sustainability Manager

1. GOVERNANCE

Board Oversight
Our Chief Executive Officer has the highest level of responsibility for nature-related risks and opportunities and together with the rest of the Workspace Board, ensures we maintain oversight of nature-related issues. The Board ESG Committee, comprising of our Chair, five Non-Executive Directors, Non-Executive Directors, our CEO and CFO receives a detailed update three times a year on our sustainability strategy, including nature-related issues, from members of the Executive Committee and the Head of Sustainability.

This year, the Board ESG Committee reviewed and approved Workspace's first nature and biodiversity strategy, taking into account our nature-related dependencies, impacts, risks and opportunities. The strategy includes measurable targets for our developments and existing portfolio, which are now fully integrated into key performance metrics, and monitored by the Board ESG Committee annually. The Committee also received a detailed ESG regulatory update from the Executive Committee and Head of Sustainability during the year, including changes to national and local nature-related regulations.

Management's Role
The Head of Portfolio Management was nominated the Executive owner of our nature strategy and reports to the Board ESG Committee on all nature-related issues. They are supported by the Head of Sustainability and members of the Environmental Committee in setting our nature and biodiversity strategy and mobilising delivery. Nature-related targets set out in our strategy are now fully embedded into the objectives of relevant team members.

To ensure effective learning from the outset, a smaller group within the Environmental Committee has formed a dedicated Biodiversity Taskforce. Meeting monthly, the taskforce includes representatives from asset management, facilities management, and development, providing focused oversight of nature enhancement projects and tracking progress against our nature and biodiversity goals as outlined in the Make Space for Nature strategy.

Human rights and engagement
As a property business, we recognise that nature-related impacts often intersect with the rights and wellbeing of local communities. We integrate human rights considerations into our governance of nature-related risks, particularly when developing or managing properties that may affect local ecosystems, contribute to deforestation, or limit public access to natural assets. We engage with customers, suppliers, and local stakeholders to identify and address all risks, ensuring our activities support equitable and sustainable development in line with international human rights and environmental standards.

COMPLIANCE STATEMENTS CONTINUED
TNFD CONTINUED

2. STRATEGY

Nature-related Dependencies and Impacts
Workspace recognises the vital connection between a thriving natural environment and the long-term success of its business. As a provider of flexible workspaces across a densely urbanised city, we both depend on and impact key ecosystem services, including climate regulation, stormwater management, and air purification. Our reliance on nature's provisioning services is especially pronounced in our value chain, notably in construction, which demands significant volumes of natural raw materials.

Shifting regulatory and market expectations present both risks and opportunities. Increasingly, local and national regulations require greater attention to greening and biodiversity in development projects. At the same time, evolving customer expectations are a key driver of action. Our recent London SME survey revealed that access to greenery is a significant factor in office space selection. We've seen highly positive responses to the greening of our sites, highlighting a clear opportunity to expand this across our portfolio and enhance customer satisfaction.

In collaboration with nature and biodiversity experts, and through engagement with internal teams, we have undertaken an initial mapping of our nature-related risks and opportunities associated with our direct operations. Building on this foundation, we plan to conduct a comprehensive double materiality assessment of our direct and indirect impacts, dependencies, risks, and opportunities related to nature. This will be guided by the TNFD's LEAP (Locate–Evaluate–Assess–Prepare) approach.

NATURE-RELATED RISKS AND OPPORTUNITIES

CATEGORY	NATURE-RELATED RISKS / OPPORTUNITY	DESCRIPTION	EFFECT ON BUSINESS MODEL, VALUE CHAIN, STRATEGY AND FINANCIAL PLANNING	IMPACT
Physical Risk	Biodiversity degradation near urban sites	Reduced ecosystem services (e.g. pollination, shading, air quality) impacting customer wellbeing and quality of life	Diminished attractiveness of our portfolio	Low
Physical Risk	Climate stress from loss of natural safeguards	Lack of green space exacerbates urban heat island effect and flood risk	High operational costs due to heat stress and flood damage remediation	Moderate
Physical Risk	Drought risk	Water scarcity causing operational issues	High operational costs	Low
Transition Risk	Regulatory compliance (e.g., Biodiversity Net Gain, local planning requirements, nature-related disclosure)	Additional planning restrictions, cost increases, or delays for non-compliance	Compliance risk, development cost increase due to delays	Low
Transition Risk	Stakeholder expectation misalignment	Reputational risk due to lack of appropriate response to nature degradation	Reduced brand attractiveness and customer recommendation levels	Low
Transition Risk	Access to capital	Increased scrutiny on nature and biodiversity KPIs as part of lending requirements	Increase cost of capital	Low
Transition Risk	Cost of raw materials	Degraded provision of ecosystem services causing lack in supply of raw materials, such as timber.	Construction cost increase	Low
Opportunity	Enhanced asset value from green spaces	Nature-enhanced assets may command higher rents and customer retention	Increased and sustained rental income	Low
Opportunity	Customer wellbeing and productivity	Access to nature linked to improved customer satisfaction and wellness	Reputational benefits and increased tenant retention and attraction	Low
Opportunity	Alignment with urban planning and resilience strategies	Supporting local climate/nature goals can streamline approvals and community goodwill	Facilitating planning approvals and portfolio growth	Low

COMPLIANCE STATEMENTS CONTINUED
TNFD CONTINUED

2. **STRATEGY** CONTINUED

While we have mapped our operational portfolio against priority biodiversity locations - confirming that none of our sites fall within designated areas – we have not yet conducted a comprehensive assessment of our broader value chain. This is a priority we intend to address in due course. Similarly, we have not undertaken dedicated nature-related scenario analysis, primarily due to the current lack of robust and widely accepted methodologies. However, several risks and opportunities identified through our existing TCFD climate scenarios are directly linked to nature, such as surface water flooding.

ADDRESSING OUR NATURE-RELATED IMPACTS, DEPENDENCIES, RISKS AND OPPORTUNITIES
Our 'Make Space for Nature' strategy aims to address our nature-related risks and opportunities via three primary objectives:

1. Achieve ambitious Biodiversity Net Gain
The statutory metric (BNG) provides a quantifiable and verifiable method to assess our habitat creation efforts and environmental impact, which also helps to meet regulatory requirements. The aim is to achieve quantifiable biodiversity net gains, which exceed minimum compliance standards, for all new developments, major refurbishments and existing assets. This includes enhancing habitats for priority species and implementing green infrastructure across all assets where opportunity exists. Quantifying habitat enhancement and creation also allows us to incorporate nature and biodiversity performance consideration into financial planning both at design stage of development/refurbishment projects and into annual asset management budgeting.

2. Health and wellbeing engagement
The increase in urban density can constitute a barrier to accessing nature, a crucial contributor to physical and mental health. As an actor of urban transformation, Workspace recognises that people's connection to nature is essential to their wellbeing and needs to be preserved. By creating sizeable and inviting green spaces as part of each project, we are committed to meeting our customers' expectations and enhancing their wellbeing and that of local communities.

3. Ecosystem service provision and resilience
We recognise that the evolving climate presents low to moderate risks to our business, manifesting as extreme weather events such as flooding, and chronic challenges like heat and drought stress. By integrating nature-based solutions into the design of our buildings effectively help to mitigate against these risks. The creation of blue and green spaces contribute to reducing the Urban Heat Island effect, and outdoor greenery offers shaded spaces that help mitigate the effects of heat stress. Green infrastructure on site also helps managing surface water by increasing the amount of permeable ground across our properties.

To measure our progress, we have baselined our contribution to local biodiversity and set measurable targets (see Metrics and Targets on page 117).

15%
AIM FOR BIODIVERSITY NET GAIN BY 2030, AGAINST 2024 BASELINE

COMPLIANCE STATEMENTS CONTINUED
TNFD CONTINUED

3. RISK MANAGEMENT

Given the central role of nature-based solutions in climate change adaptation and mitigation, nature and climate-related risks are deeply interdependent. As such, Workspace integrates nature-related risks into its broader climate risk management approach through its enterprise risk management framework (see page 103 in the TCFD section for further detail).

As outlined in the Strategy section, the three objectives of our 'Make Space for Nature' strategy (biodiversity net gain, wellbeing, climate resilience) together address our direct nature-related risks and opportunities. To mitigate against the risks, we have incorporated the strategy, along with clear action plans, into the objectives of relevant teams, both for our operational portfolio and development projects.

Operational portfolio:
Following a comprehensive biodiversity baselining exercise of our portfolio, we have identified enhancement opportunities across our operational portfolio and created a pipeline of greening projects which were prioritised based on site needs, customer expectations and space availability.

To ensure any enhancement or addition of green spaces across our portfolio addresses our three strategic objectives, we have developed a Biodiversity Design Guide to inform and support decision making. This guide provides clear green infrastructure specifications, including species selection and is used by both our asset management and development teams to inform project specification.

This guidance also includes maintenance regimen, horticultural best practice, cost estimations and links to ecosystem service provision.

Developments:
Our Sustainable Development Framework has guided our development teams in translating Workspace's sustainability ambitions consistently into project designs. Building on this existing process, we have incorporated our latest nature-specific targets into the Framework to ensure meaningful and measurable contributions to local biodiversity are achieved at project level (exceeding the minimum compliance requirements), whilst maximising customer wellbeing. This also places nature-based solutions at the heart of our climate-related adaptation and mitigation strategy.

The table on the right outlines our mitigation strategy against each of the nature-related risks.

MITIGATING STRATEGY FOR NATURE-RELATED RISKS

CATEGORY	NATURE-RELATED RISKS/OPPORTUNITY:	MITIGATION STRATEGY
Physical Risk	Biodiversity degradation near urban sites > Reduced ecosystem services (e.g. pollination, shading, air quality) impacting customer wellbeing and quality of life	– Rolling programme of greening projects, informed by Biodiversity Design Guide, to enhance onsite biodiversity – All major projects incorporate a minimum BNG target, exceeding minimum compliance requirements
Physical Risk	Climate stress from loss of natural safeguards > Lack of green space exacerbates urban heat island effect and flood risk	– Biodiversity Design Guide encourages implementation of sustainable drainage systems and enhancement in vegetative cover, including tree planting
Physical Risk	Drought risk > Water scarcity causing operational issues	– Specification of drought resistant planting and water efficient fittings to minimise our water consumption
Transition Risk	Regulatory compliance > Additional planning restrictions, cost increases, or delays for non-compliance	– All major projects incorporate a minimum BNG target, exceeding minimum compliance requirements
Transition Risk	Stakeholder expectation misalignment > Reputational risk due to lack of appropriate response to nature degradation	– 'Make Space for Nature' strategy communicated to all stakeholders with public reporting of progress and TNFD disclosure to ensure our approach and response is widely understood
Transition Risk	Access to capital > Increased scrutiny on nature and biodiversity KPIs as part of lending requirements	– Incorporation of BNG target as a key sustainability KPI, with a long term measurable goal – TNFD disclosure ensures lenders are informed of progress being made
Transition Risk	Cost of raw materials > Degraded provision of ecosystem services causing lack in supply of raw materials, such as timber	– Focus on refurbishment minimises reliance on raw materials – Plans to update procurement policies to take into account nature-related considerations

COMPLIANCE STATEMENTS CONTINUED
TNFD CONTINUED

4. METRICS AND TARGETS

To measure our nature-related impact and dependency, we are now tracking and reporting on a number of metrics such as:

- Biodiversity Net Gain achieved on each development project[3]
- Urban Greening Factor achieved on new development project[3]
- Number of ecosystem services uplifted on new development project[3]
- Annual Biodiversity Net Gain uplift across our operational portfolio (page 117)
- Number of additional greening projects or greenery condition improvement projects carried our annually (page 77)
- Number of customer and employee nature awareness events delivered (page 117)
- Instances of surface flooding affecting our buildings (page 79)
- Waste generated and disposal (page 107)
- Water use (page 107)

The table on the right provides further detail on targets we have set against nature-related risks and opportunities.

NATURE & BIODIVERSITY TARGETS

	TARGET	PROCESS
Existing portfolio	1. Achieve 15% BNG across the operational portfolio (based on habitat units) by 2030 from a 2023/24 baseline.	– We will seek to green our buildings where feasible. – We will implement adequate 'biodiversity actions' (such as planters, trees, etc) where feasible. – We aim to monitor and report against the targets every two years including verification from a third party.
New Developments	1. Achieve 25% BNG, for sites with existing greening[1] OR achieve 2 BU/ha, for dense urban sites with little greening[2]. 2. Achieve a Urban Greening Factor ('UGF') of 0.3. 3. Achieve an uplift in at least five ecosystem services, as assessed via the Environmental Benefits for Nature ('EBN') Tool.	– We will apply the 'Biodiversity Requirements' for new developments during the design process, to provide process-led environmental net gain on each site. – We will monitor and report against the targets from RIBA Stage 3 onwards.
Business-wide commitment	1. Communicate response externally via TNFD disclosure 2. Update procurement policies to include nature-related considerations.	– We will continue to evolve our TNFD disclosure as the strategy evolves beyond direct operations. – We will build on existing sustainable procurement policy to consider embodied ecological impact of materials and information on suppliers' nature impacts.

1. Where the baseline value of site is one biodiversity unit or above.
2. Where the baseline value of site is less than one biodiversity unit.
3. Nature and Biodiversity metrics for new developments (see table to the right) are not reported this year as no new development project has been designed since the publication of the 'Make Space for Nature' strategy.

CASE STUDY

SMALL PROJECTS MAKE BIG WINS
This year we delivered external greening projects across 5 buildings, carefully designing the space to enhance local biodiversity and access to nature. These projects resulted in a biodiversity net gain of 0.4 Biodiversity Units – a 2.4% increase from our baseline of 16.76 Biodiveristy Units. We intend to continue to drive progress at pace, in line with our 2030 target.

STAKEHOLDER ENGAGEMENT ON NATURE
Meeting customer expectations around nature is a key driver of our strategy. Just as importantly, we believe that fostering awareness and connection to the natural environment will deepen the impact and long-term success of our approach. To mark the launch of our 'Make Space for Nature' strategy and involve our customers from the outset, we hosted a bulb planting workshop at our Kennington Park centre. Fifteen customers took part, learning planting techniques and creating their own planters, which are now proudly displayed on the shared terraces.