



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 and recommended disclosures, 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	2026/27 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 2026 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 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	- Re-assessment of climate-related risks and opportunities undertaken against 4°C and 1.5°C global temperature rise scenarios (see pages 74 to 76) - A disclosure on potential impact and resilience of strategy on pages 74 to 77	- Annual re-assessment of transition risks 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 are 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

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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 Sustainability Lead.

During the year, the ESG Committee considered the following climate-related issues: reviewed implementation plans, investment required and progress made on our net zero pathway, approved interim emissions reduction milestones and inclusion of relevant KPIs as performance targets for Executive Directors and reviewed the effectiveness of our climate-related policies. See page 174 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 evolving sustainability legislative requirements as part of their forward-looking review.

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 15% of weighting. These targets are also incorporated into wider team objectives. The Board received regular reports tracking progress against these goals. See pages 169 to 177 for further details.

Management responsibility

The Head of Portfolio Management is the Executive owner of our climate strategy and the Sustainability Lead reports to the Board ESG Committee on all climate-related issues. They are supported by the 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

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.

This year we worked with Willis Towers Watson ('WTW') to re-assess the impact of climate-related risks through quantitative and qualitative scenario analysis, considering short-term (now to 2030) medium-term (2050) and long-term (beyond 2050) time horizons. The short-term time horizon aligns with our portfolio strategy and financial planning. Our portfolio strategy includes business plans and budgets for individual assets out to 2030. Where feasible, we have incorporated plans to decarbonise our core portfolio in the business plans, aiming to drive accelerated transition out to 2030, whilst continuing to monitor regulatory and market risk to plan for medium-term.

The re-assessment we have conducted this year 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.

This year's reassessment also used the latest climate models from the Coupled Model Intercomparison Projects ('CMIPs')*. Compared to 'CMIP5', the latest iteration ('CMIP6') offers a more granular view of regional physical risk analysis with improved representation of extreme heat, heavy rainfall

and drought. It also explicitly integrates economical, technological factors as well as policy assumptions, through the use of Shared Socioeconomic Pathways ('SSPs').

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 2030-2050, 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 25 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.

We also commissioned WTW to assess London-specific risks, including intensified Urban Heat Island effect and a potential Thames barrier failure scenario. This reinforced the need for resilient refurbishment practices, green infrastructure, and appropriate AC installation.

* CMIP is a global framework that brings together leading climate models to provide consistent projections of future climate conditions used in climate risk assessments.



COMPLIANCE STATEMENTS continued

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2. Strategy 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	<ul style="list-style-type: none"> - 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	<ul style="list-style-type: none"> - Substitution of existing technology to lower emissions options
Market risks/opportunities	<ul style="list-style-type: none"> - Change in customer demands - Increased cost of raw materials - Increased cost and availability of electricity - Cost of capital - Emissions offset
Reputation risks/opportunities	<ul style="list-style-type: none"> - Investment risk - Employee risk

We worked with WTW this year to re-assess asset by asset exposure 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. Data used for the analysis includes state of the art models and databases within the insurance industry (including WTW Global Peril Diagnostic, Munich Re hazard database, Swiss Re 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 pages 62 and 168). This helped us narrow down the material issues applicable to Workspace as shown on page 34, 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

2. Strategy 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 (2030)	Medium term (2030-2050)	Long term (beyond 2050)
1.5°C scenario	<p>Moderate transition risk resulting from:</p> <ul style="list-style-type: none"> - 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 	<p>Moderate transition risk resulting from:</p> <ul style="list-style-type: none"> - 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 	<p>Low transition risk in the long term, assuming the UK economy has already transitioned to a low-carbon world.</p>
	<p>Transition opportunity arising from:</p> <ul style="list-style-type: none"> - 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 	<p>Transition opportunity continues to exist due to operational cost savings, customer expectations and access to green finance.</p>	<p>Low transition opportunity in the long term, assuming the UK economy has already transitioned to a low-carbon world.</p>
	<p>Low physical risk</p> <ul style="list-style-type: none"> - 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 nine buildings. The impact in terms of physical damage and business disruption is low considering asset vulnerability 	<p>Low physical risk with no significant changes to current risks profile, other than the already existing exposure to windstorm and flood risk.</p>	<p>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.</p>
4°C scenario	<p>Transition risk non-existent in this scenario, in the current/short-term</p> <p>Low physical risk, due to already existing exposure to windstorm (unrelated to changing temperature), flood risk at three buildings and localised flash flooding across nine buildings. The impact in terms of physical damage and business disruption is low considering asset vulnerability.</p>	<p>Transition risk non-existent in this scenario, in the medium term</p> <p>Low physical risk with no significant changes to current risks profile, other than the already existing exposure to windstorm and flood risk.</p>	<p>Moderate physical risk arising from failure to transition:</p> <ul style="list-style-type: none"> - Continued exposure to windstorm, flood risk at three buildings and localised flash flooding across ten buildings - Increased drought risk across all buildings - Increased heat stress across all buildings - Increased subsidence risk across all buildings



COMPLIANCE STATEMENTS continued

TCFD continued

2. Strategy 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 54 to 55) 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 page 76). 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 52 to 53), ensures we are aligning our business to a 1.5°C warming scenario and mitigating any potential risks.

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 60 and 168 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 62) 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 62). 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 2050, 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 78 to 79 along with current mitigation strategy for the two climate scenarios we have assessed.



COMPLIANCE STATEMENTS continued

TCFD continued

3. Risk management 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.

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	<ul style="list-style-type: none"> - 19% of the Workspace portfolio is rated C and 16% is rated D and E. Additional investment of £35-67m will be required to meet EPC A/B across the portfolio by 2030 (c.£9-17m 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 	<ul style="list-style-type: none"> - Target set to upgrade a significant proportion of the portfolio to EPC A/B each year. We successfully upgraded 4.4% 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	<ul style="list-style-type: none"> - 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 	<ul style="list-style-type: none"> - 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	<ul style="list-style-type: none"> - 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 	<ul style="list-style-type: none"> - 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	<ul style="list-style-type: none"> - 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 	<ul style="list-style-type: none"> - 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	<ul style="list-style-type: none"> - Our current emissions are around 21,060 tonnes of CO₂e. In line with our net zero pathway, we expect to reduce our emissions by 90% by 2040 from a 2020 baseline (32,695 tonnes of CO₂e) - Applying UCL projected cost of carbon at \$100 per tonne¹ worst case scenario, this could cost us up to £245k annually from the point we achieve our net zero carbon target 	<ul style="list-style-type: none"> - 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

3. Risk management 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.

Risk	Evaluation of residual risk	Mitigation strategy
Physical risks in the current/short and medium term – 1.5°C warming scenario		
Windstorm	<ul style="list-style-type: none"> - 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 £1.7m, assuming worst case scenario). The risk profile will likely remain within the current levels of variability, with changing temperatures 	<ul style="list-style-type: none"> - 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	<ul style="list-style-type: none"> - 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 £1.2m, assuming worst case scenario). The risk profile only moderately changes with time or changing temperature 	<ul style="list-style-type: none"> - 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	<ul style="list-style-type: none"> - Whilst the precipitation stress due to heavy rainfall is likely to stay the same, nine 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 £1.6m, assuming worst case scenario). The risk profile is not likely to change with time or changing temperatures 	<ul style="list-style-type: none"> - 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 scenario¹		
Drought	<ul style="list-style-type: none"> - 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 	<ul style="list-style-type: none"> - We are installing water efficient fittings across our buildings - Our landscaping has been designed to bear warmer climates in mind
Heat stress	<ul style="list-style-type: none"> - 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 	<ul style="list-style-type: none"> - 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.



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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 81).
- Total electricity consumption, including proportion generated from renewables (page 81).
- Proportion of electricity sourced from renewable sources (page 84).
- Total fuel consumed on site (page 81).
- Building emissions intensity by floor area (page 81).
- Total emissions from water consumption (page 81).
- Total emissions from waste, waste recycled and diverted from landfill (page 81).
- EPC split of the portfolio by floor area (page 55).
- Number of buildings with sustainability certification (page 55).
- Number of energy efficiency projects implemented and associated capital expenditure (page 82).
- Number of buildings exposed to flooding (page 79).
- ESG metrics linked to remuneration and performance against these (pages 39 to 40 and 208).
- Internal carbon price of \$100/tonne (page 78).

Pages 50 to 59 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 52). 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 81 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 page 52 and 53 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 39 for further details.



90%

Reduction in total greenhouse gas emissions by 2040, from 2020 baseline



COMPLIANCE STATEMENTS continued

SECR

Greenhouse gas ('GHG') emissions and energy use data for Streamlined Energy & Carbon Reporting ('SECR')¹

Source of emissions	2019/20	2024/25	Lfl 2024/25	2025/26	Lfl 2025/26	2025/26 vs 2024/25 % change	Lfl 2025/26 vs 2024/25 % change	2025/26 vs 2019/20 % change
Scope 1 (Direct)	3,451	1,945	1,688	1,627	1,578	-16%	-6%	-53%
Gas (tCO ₂ e)	2,620	1,507	1,361	1,328	1,280	-12%	-6%	-49%
Fugitive Emissions (tCO ₂ e)	828	438	327	298	298	-32%	-9%	-64%
Vehicle Emissions (tCO ₂ e)	3	0	0	0	0	n/a	n/a	-100%
Scope 2 Location-based (Energy Indirect)	7,144	6,372	5,858	5,213	4,948	-18%	-16%	-27%
Scope 2 Market-based (Energy Indirect)	123	190	152	168	153	-12%	1%	36%
Electricity (Location-based) (tCO ₂ e)	7,021	6,181	5,706	5,045	4,795	-18%	-16%	-28%
Electricity (Market-based) (tCO ₂ e)	0	0	0	0	0	0%	0%	0%
Purchased Heat (Location-based) (tCO ₂ e)	123	190	152	168	153	-11%	1%	36%
Purchased Heat (Market-based) (tCO ₂ e)	123	190	152	168	153	-11%	1%	36%
Vehicle Emissions (tCO ₂ e) – Location-based	0	0.4	0.4	0.0	0.0	-100%	-100%	0%
Vehicle Emissions (tCO ₂ e) – Market-based	0	0.4	0.4	0.0	0.0	-100%	-100%	0%
Total Scope 1 & 2 (Location-based)	10,595	8,317	7,546	6,840	6,527	-18%	-14%	-35%
Energy consumption used to calculate above emissions (kWh)	42,429,912	39,149,360	35,840,992	36,723,968	34,960,953	-6%	-2.5%	-13%
Intensity Ratio: Net Lettable Area tCO ₂ e/sq. ft.	0.00268	0.00178	0.00193	0.00157	0.00167	-12%	-14%	-41%
Intensity Ratio: Gross Internal Area tCO ₂ e/sq. ft.	0.00191	0.00127	0.00135	0.00111	0.0014	-12%	-14%	-42%
Scope 3 (Other Indirect)	22,100	18,395	n/a	14,220	n/a	-23%	n/a	-36%
Fuel and Energy-Related Activities (tCO ₂ e)	2,025	2,320	n/a	2,212	n/a	-5%	n/a	9%
Customer Direct Energy (tCO ₂ e)	2,928	1,683	1,353	1,188	987	-29%	-27%	-59%
Water Supply (tCO ₂ e)	91	33	n/a	40	n/a	21%	n/a	-56%
Water Treatment (tCO ₂ e)	187	40	n/a	36	n/a	-11%	n/a	-81%
Waste Management (tCO ₂ e)	82	20	n/a	14	n/a	-30%	n/a	-83%
Embodied carbon in development projects (tCO ₂ e)	8,982	3,974	n/a	2,244	n/a	-44%	n/a	-75%
Purchased goods and services (tCO ₂ e)	7,647	9,900	n/a	8,219	n/a	-17%	n/a	7%
Employee Commuting (tCO ₂ e)	84	394	n/a	265	n/a	-33%	n/a	216%
Business Travel (tCO ₂ e)	74	30	n/a	2	n/a	-94%	n/a	-98%
Total Scope 1, 2 & 3 (tCO₂e)	32,695	26,712	n/a	21,060	n/a	-21%	n/a	-36%
Total energy consumption – whole building (kWh)	55,120,583	47,414,532	42,487,982	43,403,579	40,508,058	-8%	-5%	-21%
Total gas use – whole building (kWh)	15,617,931	9,352,996	8,403,226	8,199,861	7,823,586	-12%	-7%	-47%
Total electricity use – whole building (kWh)	38,801,849	37,001,628	33,239,989	34,243,114	31,811,142	-7%	-4%	-12%
Total purchased heat – whole building (kWh)	700,803	1,059,909	844,767	960,603	873,330	-9%	3%	37%
Self-generated renewable electricity (kWh)	129,533	218,594	218,594	240,423	240,423	10%	10%	86%

1. Note: All figures reported relate to emissions and energy consumed in the United Kingdom.



COMPLIANCE STATEMENTS continued

SECR continued

Reporting framework

Policy a Reporting period:

1 April 2025 – 31 March 2026
Reporting Frequency – Annual, aligned with financial reporting

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.25% of NLA as at April 2025), 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.

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 review section of our investor website. Further, our social value data has been verified by Social Value Portal.

Regulatory:

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

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 review section of our investor website.
- Sustainability Accounting Standards Board ('SASB') real estate metrics. Pages 84 to 85.
- Global Reporting Initiative ('GRI') 2021 Standard. Published in the sustainability section of our investor website.

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 18% reduction in scope 1 and scope 2 emissions across the portfolio compared to FY 24/25. This is underpinned by a 6% reduction in Workspace procured energy consumption (12% reduction in gas and 5% reduction in electricity). On a like-for-like basis, which only includes properties that have been owned for the entirety of the April 2024 to March 2026 period, we achieved a 14% reduction in scope 1 and 2 emissions and a 2.5% reduction in energy consumption.

The reduction in energy use was driven by investment in high efficiency heat pump installations 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 tCO₂e/sq. ft. This year, we have delivered savings of 14% in our scope 1&2 location-based emissions per sq. ft. of Net Lettable Area ('NLA'), across the like-for-like portfolio.

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 2025/26

We have proactively identified and delivered a range of energy efficiency projects across our portfolio (invested £11.5m across 33 properties), such as LED and PIR lighting upgrades, installation of secondary glazing and a rolling programme of high efficiency heat pumps. We have also benefitted 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 pages 54 and 55 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

SECR 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. It is worth noting that there may be a short period following a unit becoming vacant during which Workspace temporarily manages a legacy 'brown' electricity contract. However, consumption during this period is immaterial, as the units are not in use.

This year, we made the decision to restate our 2024/25 emissions data, specifically electricity, gas and heat-related emissions as well as emissions from purchased goods and services following significant improvements in the accuracy of our historical data. We have also restated emissions from fuel and energy related activities for FY 24/25 and FY 2019/20, to account for transmission and distribution emissions from well-to-tank emissions associated with electricity and heat. On page 81, we have also reported like-for-like figures, which include properties that have been owned for the entirety of the April 2024 to March 2026 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

2024/25 period to enable a like-for-like comparison. On page 53, 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 Veolia, 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 JLL's research team have allowed us to estimate embodied carbon emissions for small projects, representative of standard market practice (196kgCO₂e/m² for office retrofits involving heat decarbonisation, 77kgCO₂e/m² 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. Currently, less than 5% of the purchased goods and services emissions reported are based on carbon data reported directly by our suppliers (typically Scope 1, 2, 3 upstream). This carbon data could only be partially verified.

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 four days a week and at home one 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.

With the exception of embodied carbon and purchased goods and services, GHG emissions were calculated using DEFRA (Department for Environment, Food & Rural Affairs) 2025 factors.

// ROBUST MONITORING AND TRANSPARENT DISCLOSURE OF OUR IMPACT UNDERPIN ACCOUNTABILITY AND ENABLE US TO DELIVER PURPOSEFUL, MEASURABLE PROGRESS.

Ariane Ephraim
Sustainability Lead

Methodology note on EPC A/B Rated Space (relevant to ESG LTIP results on page 209):

Energy Performance Certificates (EPCs) are standardised ratings that assess the energy efficiency of buildings on a scale from A (most efficient) to G (least efficient), based on factors such as construction, insulation, heating, and energy use. To measure the energy performance of our real estate portfolio, we maintain a comprehensive, unit-level schedule of EPC ratings for all assets. These certificates are prepared by accredited, independent third-party EPC assessors in line with regulatory requirements. At the end of each financial year, we calculate the share of EPC A and B rated space by aggregating the net lettable area (NLA) of all units holding valid A or B ratings and expressing this as a proportion of the total portfolio NLA with disclosed EPCs. This approach ensures consistency and comparability over time. Using this methodology, we have achieved a 21.4 percentage point increase in the proportion of EPC A/B rated space over the past three years, measured between the portfolio positions as at 31 March 2023 and 31 March 2026, reflecting ongoing improvements in the energy efficiency of our portfolio. Floor areas referenced within EPC certificates may in some cases include common parts, which can result in minor discrepancies when compared to the net lettable area figures used in the EPC schedule for calculation purposes.