Carbon Disclosure Project

CDP 2015 Climate Change Information Request
British Land Company

Contents

Module: Introduction

Module: Management

Module: Risks and Opportunities

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

Module: Sign Off

Module: Introduction

0 Introduction

0.1 Introduction

Please give a general description and introduction to your organization.

British Land is a leading European property company and one of the largest property companies in the UK. Our shares are fully listed on the London Stock Exchange (BLND) and we have ADRs which are traded in the US on the over the counter market. The Group became a real estate investment trust (REIT) in 2007. Under UK law, UK REITs have special tax status which allows investors to invest in listed UK property companies as if they owned the assets directly themselves, without being tax disadvantaged. Our objective is to be the premier UK commercial real estate company and deliver sustainable returns to our shareholders through a balance of capital growth and dividend distribution. We own properties directly, as well as through investment funds and joint ventures.

Over the year, we undertook £2.4 billion of gross investment activity, increasing our weighting in London and the South East from 50% five years ago to 64% today. Activity included the recent acquisition of One Sheldon Square, a strategic piece of Paddington Central, which brings our total investment at the campus to 800,000 sq ft. We continued to reshape our retail portfolio, reducing our investment in superstores to under 7% of the portfolio and increasing our investment in assets we like, such as multi-let shopping parks in the South.

We had an exceptional period for leasing with 2.4 million sq. ft. of lettings and renewals across the business taking our overall occupancy to 98%.

We also progressed our development programme. At the Leadenhall Building, we completed one of London's most iconic buildings. The letting up of the building was one of the highlights of the year. We decided early on to focus on the lower floors, holding back the higher floors until the building was completed. This strategy has paid off; the Leadenhall Building is now 84% let at record rents. We completed a new restaurant re-development at Broadgate Circle, delivered extensions on almost 200,000 sq. ft. of retail assets, and pre-sold over half of the apartments at Clarges Mayfair, our super-prime residential development. At Paddington, we are now on site at 4 Kingdom Street constructing a further 147,000 sq. ft. of office space.

A number of important macro trends are driving our activity and approach.

- How technology is transforming the way people work, shop and live.
- A growing population and more urban living.
- The increasing importance of high quality infrastructure.
- Sustainability in its broadest context.
- And globalisation, not just capital, but also people.

These trends are having a big impact on the UK real estate sector. We are positioning the business to be a long term beneficiary of these trends – playing to our strengths and focusing on our areas of competitive advantage.

Places People Prefer lies at the heart of what we do. It shapes our strategy and is how we focus our efforts on creating value. By creating Places People Prefer we drive enduring demand for our properties from occupiers and investors. This generates long term growth in rental income and capital. Together with an optimal capital structure this delivers long term sustainable value for our shareholders.

Our strategic focus:
There are four key focus areas for our business, which are how we deliver our strategy and create value. They are:

- Customer Orientation
- Capital Efficiency
- Right Places
- Expert People

Right Places is about making the right investment choices in terms of the sectors and assets we invest in. We focus on two principal areas of the UK property market – retail around the UK and offices in London. We also invest in complementary sectors. So within our Retail portfolio, we are investing in food, beverage and leisure and in London, our office environments are increasingly mixed use with residential assets alongside retail and leisure. Our focus across the portfolio is to create attractive environments – this means assets which are fully integrated, which reflect the lifestyles of the people who use them, and develop a vibrancy of their own. We call this placemaking. Our priorities for this focus area in 2016 are:

- Progress strategy for London.
- Progress committed and near-term developments.
- Refresh medium-term strategies for Broadgate, Meadowhall and Canada Water.
- Progress sustainability strategy.

Climate is an important part of our sustainability strategy to generate cost efficiency and income from future-proofed assets:

- Protecting value by reducing flood risk
- Improving operational efficiency and reducing occupier costs
- Increasing on-site energy generation and associated revenue
- Preparing for resource constraints and regulation through materials and process innovation.

0.2 Reporting Year

Please state the start and end date of the year for which you are reporting data.
The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.
We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year. Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed
Tue 01 Apr 2014 - Tue 31 Mar 2015

0.3 Country list configuration

Please select the countries for which you will be supplying data. If you are responding to the Electric Utilities module, this selection will be carried forward to assist you in completing your response.

Select country
UK

0.4 Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

GBP (£)

Module: Management

1 Governance

1.1 Where is the highest level of direct responsibility for climate change within your organization?

Board or individual/sub-set of the Board or other committee appointed by the Board

1.1.a Please identify the position of the individual or name of the committee with this responsibility

(i)The CFO reports to the CEO and is a Board Director. She is also Chair of our Sustainability Committee, a Board Committee.

(ii) Our Sustainability Committee, which meets quarterly, acts as custodian for our sustainability strategy, which helps to deliver value, create positive social and environmental outcomes, and increase appeal for our stakeholders, as we work to create Places People Prefer.

Our Sustainability Committee:
- Reviews performance and monitors progress against targets and key initiatives
- Assesses emerging social, environmental and ethical issues to determine whether they can help us respond to some of the big questions our business and stakeholders face
- Considers social, environmental and ethical risks, and the mitigating actions that are in place
- Reviews sustainability communications activity
- Presents any proposed changes in sustainability strategy to the Executive Committee for approval
- Meets regularly with business units and twice annually with managing agents and project teams to share best practice and review performance
- Provides quarterly updates on sustainability to the Board, alongside an annual review of sustainability strategy.

Our Sustainability Panel meets twice yearly to provide and receive expert comment on emerging social, environmental and ethical issues. It does not make decisions, but challenges and informs our sustainability strategy.

British Land members of our Sustainability Panel comprise:
- Chief Executive – Chris Grigg (Panel Chair)
- Chief Financial Officer – Lucinda Bell
- Relevant internal participants.

External experts on our Sustainability Panel comprise:
- Kay Allen OBE (Founding Director of Trading for Good) – public and private sector experience in social issues such as diversity, and in responsible business innovations

- Patrick Bellew (Founding Director of Atelier Ten) – expertise in thermal mass energy storage technologies, environmental building design and high-efficiency building conditioning systems
- Frances Done CBE (Former Chair of the Youth Justice Board) – public and private sector experience across a range of social issues, including young people, education and sports
- Matthew Taylor (Chief Executive of the RSA) – previous roles include Chief Adviser on Political Strategy to the Prime Minister, Labour Party Director of Policy, and Deputy General Secretary and Chief Executive of the Institute for Public Policy Research.

1.2 Do you provide incentives for the management of climate change issues, including the attainment of targets?

Yes

1.2.a Please provide further details on the incentives provided for the management of climate change issues

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
Corporate executive team	Monetary reward	- Emissions reduction project - Efficiency project - Behaviour change related indicator	Executive Directors variable remuneration is linked to demonstration that they have supported the business in its efforts to perform on our annual sustainability management actions in order to receive their full Annual Incentive award. We set annual management actions in order to drive performance as we work towards our new 2020 sustainability targets. Our 2020 sustainability targets include several climate change related metrics. For more information please visit our website http://www.britishland.com/sustainability.
Environment/Sustainability managers	Monetary reward	- Emissions reduction project - Efficiency project - Behaviour change related indicator - Other: All sustainability management actions	The Annual Incentive award of the Sustainability Committee members is influenced by performance on our annual sustainability management actions. We set annual management actions in order to drive performance as we work towards our new 2020 sustainability targets. Our 2020 sustainability targets include several climate change related metrics. For more information please visit our website http://www.britishland.com/sustainability.
All employees	Recognition (non-monetary)	- Emissions reduction project - Energy reduction project - Efficiency project - Behaviour change related indicator	Each year we recognise our employees and suppliers through an awards scheme. This relates to delivering value and making a difference to our customers and communities.

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
Other: Suppliers	Recognition (non-monetary)	- Emissions reduction project - Energy reduction project - Efficiency project - Behaviour change related indicator	Each year we recognise our employees and suppliers through an awards scheme. This relates to delivering value and making a difference to our customers and communities.
Business unit managers	Monetary reward	- Emissions reduction project - Energy reduction project - Behaviour change related indicator	The Annual Incentive award of the retail team and developments team is influenced by performance on our annual sustainability management actions. We set annual management actions in order to drive performance as we work towards our new 2020 sustainability targets. Our 2020 sustainability targets include several climate change related metrics. For more information please visit our website http://www.britishland.com/sustainability.

2 Strategy

2.1 Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company-wide risk management processes

2.1.a Please provide further details on your risk management procedures with regard to climate change risks and opportunities

Frequency of monitoring	To whom are results reported?	Geographical areas considered	How far into the future are risks considered?	Comment
Six-monthly or more frequently	Board or individual/sub-set of the Board or committee appointed by the Board	The geographical area covered by assets owned and managed by British Land PLC and its subsidiaries.	> 6 years	The Board is responsible & determines the nature and extent of significant risks it is willing to take to achieve its strategic objectives. Our integrated approach to risk combines a top-down strategic view with a complementary bottom-up operational process. Top-down approach: review of the external environment to determine level of risk comfortable exposing the business to: risk appetite. Key risk indicators (KRIs) identified for each principal risk and used to monitor risk exposure to ensure business activities remain within agreed risk appetite. KRIs reviewed quarterly by Risk Committee. Bottom-up approach: identification, management and monitoring of risks in each business area, including corporate responsibility risks. Control of this process is provided through maintenance of risk registers in each area. Risk registers are aggregated and reviewed by the Risk Committee; significant and emerging risks escalated for Board consideration. Register of principal risks updated quarterly.

2.1.b Please describe how your risk and opportunity identification processes are applied at both company and asset level

Risks are reviewed by the Sustainability Committee and input into our company risk assessment and management process; a Sustainability Risk Register is completed. The team assess the issues that matter most to us and our stakeholders, considering experience over previous year, internal and managing agent feedback, stakeholder engagement results and our sustainability performance. We consider future focus areas, document the internal and external risks and how we manage them. Last year we expanded our stakeholder engagement considerably: online surveys and workshops aimed at elucidating key ethical, environmental and social risks and opportunities facing our business. Some 750 stakeholders gave online feedback. An open forum of over 100 experts also assessed our carbon strategy. We hosted workshops exploring supply chain management issues.

At the company level risks and opportunities assessment has identified:

- Stakeholder demand for energy and carbon efficient assets and mandatory carbon reporting.
- Economic/regulatory climate change-related risks from increasingly strict, in terms of energy and carbon, planning requirements, carbon taxation (e.g. CRC) and rising energy costs.
- Flooding of assets resulting in falling capital and rental values, operational disruption for occupiers and increasing insurance premiums and excess.

At the asset level:

- Physical climate change risk assessments have identified increased flooding and temperature change as potential areas of risk.
- We also identified regulatory risks from mandatory energy performance standards e.g. EPCs, ESOS and Minimum Energy Performance Standards resulting in inability to let assets, cost to rectify poor performing assets and reduced capital values.
- We identified potential energy supply risks from the UK Government decommissioning carbon intensive power stations and commissioned a portfolio assessment to inform an update to our general risk assessment process.

2.1.c How do you prioritize the risks and opportunities identified?

(i) Analysis: Sustainability risks, including those related to climate change and carbon are reviewed by the Sustainability Committee and input into our company risk assessment and management processes, including completion and submission of the Sustainability Risk Register. The team assesses the issues that matter most to us and our stakeholders, considering experience over the previous year, internal and managing agent feedback, results of our stakeholder engagement and our sustainability performance over the previous year.

(ii) Evaluation: To prioritise emerging risks, the risk register employs a risk matrix classification system to rank individual risks. The risk matrix has two axes: impact and likelihood. ‘Impact’ is graded according to predicted potential low, medium and high financial and reputational impact. ‘Likelihood’ is graded according to predicted likelihood of the risk materialising. ‘Impact’ is assessed on a ‘gross basis’, which means before taking into account the effect of recorded mitigants. ‘Likelihood’ is assessed on a ‘net basis’, which means after taking into account the effect of recorded mitigants. Once this risk classification process has been applied, a colour is awarded according to the following traffic light system: red for high impact and low, medium or high likelihood, and medium impact and high likelihood; yellow for medium impact and medium likelihood; and, green for the rest. Ultimately, the traffic light system is used to prioritise risks, including those related to climate change and carbon.

2.2 Is climate change integrated into your business strategy?

Yes

2.2.a Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process

i) How strategy influenced:

Risk evaluation frames the determination of our strategy and the actions of its execution. Many of our risks are directly or indirectly affected by climate change mitigation or adaptation matters. For example, our strategies to ensure operational efficiency, occupier and investor demand, successful investment, planning applications and development, and asset protection depend on our integration of climate change related risk mitigation into our business strategy.

Risk mitigation measures include internal processes related to due diligence, and development and asset management and are documented in our publically available Sustainability Briefs for Acquisitions, Developments and Management.

Our Sustainability Committee manages our sustainability risk register and 2020 Sustainability Strategy. Progress against our sustainability strategy is reviewed at the quarterly Sustainability Committee meetings. The Chairman of the Committee reports to the Chief Executive on progress at least quarterly. A presentation is given to the Executive Committee to approve changes in strategy and to provide updates on external change. A review of the strategy and performance is presented to the Board annually, in addition to quarterly updates on sustainability progress. The Sustainability Committee meets regularly with business units and twice annually with managing agents and project teams to share best practice and review performance.

Our 2020 Sustainability Strategy was launched in May 2015 to supersede our previous five-year strategy. Climate change is an integral aspect of one of our four sustainability focus areas - Future Proofing - and this is, in turn, presented at the heart of our business strategy and particularly capital efficiency focus area.

ii) Aspects that influenced strategy
Physical risks and opportunities, e.g. flooding: for example, flood risk assessments, government indicators regarding investment in flood defences and feedback from insurers have informed strategic discussions regarding our flood policies, insurance and asset plans.

Regulatory risks and opportunities: for example, increasingly stretching planning requirements (e.g. Part L), carbon taxation, EPCs and the requirements of the Energy Bill 2011 (i.e. MEES) and ESOS have informed our developments policies, EPC policy, acquisition policies and asset improvement plans.

Reputational risks and opportunities, including mandatory reporting and stakeholder demand for energy efficiency, have also informed our acquisition policy and asset plans.

These physical, regulatory and reputational risks were all considered during the formulation of our current targets relating to our managed and development portfolios, e.g. target to reduce like-for-like Scope 1 & 2 emissions by 40% by 2015 (compared to a 2009 baseline). Our 2020 Sustainability Strategy was launched in May 2015 to supersede our previous five-year strategy. Climate change is an integral aspect of one of our four sustainability focus areas - Future Proofing - and this is, in turn, presented at the heart of our business strategy and particularly capital efficiency focus area.

iii) Short-term strategy
Asset energy performance: In 2013/14 we confirmed no exposure to the Energy Act minimum requirement of E in our office portfolio. We completed a review of our exposure in our retail portfolio and analysed the likely costs per asset to improve ratings above an F or G (£65k per unit). We have also voluntarily undertaken landlord energy ratings in 30 buildings and shared our data with others; worked with occupiers to support their efforts to reduce resource use; implemented initiatives including a whole scale energy optimisation process, lighting upgrades and, where appropriate, accelerated plant replacement.

Asset flood risk management: Continue to explore opportunities to improve flood risk assessment and protection for our assets. For example, in 2011/12, we commissioned a flood consultant to perform an in-depth review of our entire portfolio; less than 10 assets deemed to be at risk from flooding today; many of these

assets were supermarkets and flood risk management measures have since been developed. Several assets were deemed to have a future susceptibility to climate change; we will review approximately 15 of these assets in 2015.

iv) Long-term strategy:
Asset energy supply/efficiency: We do not purchase F or G rated assets without explicit actions in the asset plan on how to improve the EPC rating, unless the Investment Committee decides otherwise. In our office portfolio we have significant influence when refurbishing and seek to ensure typically a D rating. Occupiers fit-out do not determine the EPC rating but we seek to influence through provision of an Occupier Fit-out Guide. For all new lettings we consider actions required to improve an EPC rating above F and retail lease clauses include a requirement for fit-out to exceed an F rating. We published our 2020 Sustainability Strategy in May 2015. 2020 targets include:

- 55% landlord energy intensity total portfolio reduction, based on index score of 45 against 2009 score of 100
- 55% Scope 1 and 2 carbon intensity reduction, based on index score of 45 against 2009 score of 100
- 15% reduction in landlord embodied carbon intensity for projects over £50m against 2015 per m²

We have also identified a risk of 'blackouts' arising from carbon intensive power stations going offline in 2015-16. We commissioned a study in 2014/15 to enable us to properly assess this risk and determined the risk to be low.

Asset flood risk management: We review flood risk for assets entering the portfolio and where new acquisitions do not meet the flood standard, then we need a costed proposal to mitigate the risk prior to acquisition.

Developments: On-going consideration of adaptation in the design of our developments; building in flexibility and future-proofing.

v) Strategic advantage:
We are increasingly able to demonstrate the impact of our energy reduction initiatives to occupiers, such as a 39% reduction in landlord-influenced energy across our like-for-like portfolio over the last five years, and work with them to support their own climate change objectives. Our 2014/15 independent survey of customers rated us at 7.8 out of 10. Our belief that this helps protect and grow capital value over the medium to long-term is somewhat supported by the fact that our occupancy rates have been very strong this past reporting year – 98.3%.

vi) Decisions influenced by climate change:
During the reporting year we published our Position Statement on climate change, confirming our 2020 emission reduction target and strategy to manage risks and opportunities; it also confirms our decision to play a key role in the debate around embodied carbon in construction; continue to reduce landlord influenced energy; and, continue to engage with assets at risk of flooding.

2.2.b Not applicable

2.2.c Does your company use an internal price of carbon?

No, and we currently don't anticipate doing so in the next 2 years

2.3 Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)

- Direct engagement with policy makers
- Trade associations
- Funding research organizations
- Other

2.3.a On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
Other: Part L Building Regulations	Support	Direct response.	Extracts from our Blog on www.britishland.com provided here: Scanning the horizon for Part L, By Sarah Cary, Sustainable Developments Executive at British Land. What's missing is a forum for discussion about what 2016 or 2019 standards might entail – a big uncertainty for the industry. Why we need to be able to see further from a developer's perspective, 2016 and 2019 are fast approaching; it can often take two years for a small project to go from concept through planning to the start of construction on site..... But there's very little on the detail on what might be expected in 2016 or 2019. Determining the 2019 standard now would give industry time to respond, pushing innovation in products and building design – benefiting industry and the environment. It would be a great opportunity for UK architects and construction products to become global leaders in energy efficient building designs. Thoughts on making better binoculars Given the scale of change proposed and potential impact on industry by this regulation, the current closed committee plus industry impact assessment approach to developing regulation just isn't working fast enough, or able (or enabled) to see far enough into the future. There is a wealth of knowledge, experience and interest within the commercial development sector that Government should be calling on to establish longer term objectives. A non-domestic 'energy standards hub' or similar could provide a platform from which the industry could develop far-reaching standards for new non-domestic buildings. I also want to see improvements to the modelling approach taken to set Building Regulations. Variations in modelling outputs between types and versions of software result in significant design risks, delays, cost and uncertainty. Finally, I'd like to see an absolute standard to measure the energy efficiency of on-site fabric and systems for non-domestic buildings (either in kg CO_2/m^2 to assess emissions or kWh/m^2 to assess energy consumption). And what do we think of the regulations? The overall ambition of the Building Regulations trajectory for non-domestic buildings, including an aggregate 20% improvement on 2010 for the 2013 regulations, is a good start.
Other: Zero carbon regulation for non-domestic buildings	Support	Sarah Cary, Sustainable Developments Executive at British Land chaired a task group looking into the case for zero carbon regulation for non-domestic	Extracts from UKGBC website: Building Zero Carbon - the case for action: Task Group, chaired by Sarah Cary, Sustainable Developments Executive, British Land. The policy for all new non domestic buildings to be zero carbon from 2019 was introduced by the Labour Government in 2008. The Coalition Government

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
		buildings. Sarah is now member of a task group continuing to work on this area.	recommitted to this target, and announced it would strengthen energy efficiency standards for new non-domestic buildings from April 2014. However, there was no clear definition of zero carbon for non-domestic buildings. This Task Group was set up to enable industry to investigate and recommend a way forward, as well as building the business and economic case for action. Key outcomes of Task Group: There is a very strong economic case for establishing a robust route map towards zero carbon for non-domestic buildings as soon as possible. Establishing the details of Building Regulations gives everyone in the industry time to prepare, levelling the playing field and reducing the burden to all those involved in construction. For a list of the main recommendations emerging from the task group, see: http://www.ukgbc.org/content/building-zero-carbon-task-group.
Energy efficiency	Support	Minimum building energy performance standards: Working as part of British Property Federation working group.	Report issued to Government (DECC) in early 2014 with recommendations ahead of a public consultation.
Energy efficiency	Support	Member of Better Building Partnership group	Early consultation on the Heat Network (Metering and Billing) Regulations 2014
Energy efficiency	Support	Attendance of meeting with regulators (DECC) and peers to discuss legislation	Minimum energy efficiency standards: Section 49 of the Energy Act 2011

2.3.b Are you on the Board of any trade associations or provide funding beyond membership?

Yes

2.3.c Please enter the details of those trade associations that are likely to take a position on climate change legislation

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
Better Buildings Partnership	Consistent	Extract from website: By 2030 approximately 70 per cent of buildings in London today will still be in use. New buildings are designed to be more energy efficient, but only account for only 1-2% of London's building stock per year. To continue London's drive as a leader in transforming to an exemplar low-carbon city, and successfully reach the Mayor of London's target of a 60% reduction in CO_2 emissions by 2025, the existing building stock needs to be the focus. The commercial building stock represents 33% of London's CO_2 emissions, and is an area where significant CO_2 savings can be achieved. Commercial landlords have an important role to play in reducing CO_2 emissions from their buildings. Landlords get windows of opportunity to improve buildings as part of refurbishment projects, but more often they need to work with occupiers and managing agents to retrofit buildings while they are still in use. This	Regular participation in meetings, committees and informal discussions.

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
		retrofitting poses a variety of challenges. The Better Buildings Partnership was set up for commercial landlords to collaborate in finding solutions and tools to overcome these challenges.	
British Property Federation	Consistent	Extract from website: The two million non-domestic buildings and 26 million dwellings in the UK contribute to just under half of all carbon emissions, so a move to increase the efficiency of the building stock is crucial to curbing emissions.	Regular participation in meetings, committees and informal discussions.
UK Green Building Council	Consistent	Extract from website: The built environment has a huge impact on our daily lives, our society and our natural world. Globally, it accounts for 40-50% of natural resource use, 20% of water use, 30- 40% of energy use and around a third of CO_2 emissions. This is not sustainable and we cannot go on like this forever. We believe there is another way for the construction and property sectors to do business – creating green buildings that minimise environmental impacts on the planet, help provide people with a better quality of life and which offer better value for organisations. We believe that sustainability is compatible with profitability, and that a low carbon, sustainable built environment will play a crucial role in the UK's transition to a green economy.	Regular participation in meetings, committees and informal discussions.
Chartered Institute of Building	Consistent	Extract from Sustainable Development Policy: The Chartered Institute of Building (CIOB) recognises global warming as one of the most serious challenges facing the world in the 21st Century. We believe that innovation is key to reducing emissions, or increasing their capture or sequestration. With 50% of the UK's global warming problem being apportioned directly to the buildings we live and work in, the CIOB believes that sustainability is critical in all aspects of the built environment, from planning through to demolition and the re-use of construction materials. The CIOB believes that many of the solutions can be sought at the source of the problem. We encourage the government and industry to focus on the de-carbonisation of our energy supply. If this can be achieved, de-carbonisation of all building stock will follow, as the industry moves to innovate and respond to the changing market. It is important to promote the construction of new zero carbon buildings (both domestic and non-domestic) but equally, technologies that also allow the industry to make significant gains to become more energy efficient, by upgrading existing stock for example, should be considered. The public sector procures about 40% of non-domestic construction in the UK. The CIOB would therefore like to see greater emphasis from government on the use of sustainable material, equipment and techniques, including the measurement of existing and new building stock through best practice providers like BRE Environmental Assessment Method (BREEAM).	Regular participation in meetings, committees and informal discussions.
European Public Real Estate Association	Consistent	Extract from Best Practices Recommendations on Sustainability Reporting 2011 guidance document: The practice of voluntary sustainability reporting has become increasingly common in the European real estate sector – particularly among larger listed real estate companies. An area of growing European Union and national policy debate over the past year, however, has been the introduction of mandatory sustainability reporting regulation. It is EPRA's role as a trade body representing listed companies in the real estate sector to prepare our members for the likely introduction of more stringent mandatory sustainability reporting regulations, which are already in place in a number of European countries such as France and Denmark. We therefore embarked on a programme to develop EPRA Best Practices Recommendations on Sustainability Reporting – building upon relevant mandatory reporting requirements and	Regular participation in meetings, committees and informal discussions.

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
		voluntary initiatives, in particular the Global Reporting Initiative's Construction and Real Estate Sector Supplement (GRI CRESS) which we will refer to throughout this document. … It is our hope that with the introduction of Sustainability BPR the bar will be raised in terms of sustainability disclosure, and not just among the largest listed companies. The first edition of the Sustainability BPR intentionally focuses only on environmental issues as these were identified as currently the most relevant and material to the sector in a review by the EPRA Sustainability Reporting Committee. Future editions may incorporate social indicators as we seek to reflect emerging consensus on sustainability performance measurement.	
National Association of Real Estate Investment Trusts	Consistent	Extract from website: NAREIT's annual Leader in the Light Awards honour NAREIT member companies that have demonstrated superior and sustained energy use practices. The Leader in the Light Awards are presented to REITs in eight property sectors: Diversified; Global, for non-U.S. companies; Health Care; Industrial; Lodging/Resorts; Office; Residential; and Retail. If there are both large and small-cap entries that meet the awards criteria in a given property sector, NAREIT presents awards to both the leading large and small cap companies. NAREIT has been presenting the Leader in the Light awards since 2005. Beginning in 2012, however, NAREIT modified its judging criteria to include the results of the Global Real Estate Sustainability Benchmark (GRESB) Annual Survey. Designed in 2009, GRESB's Annual Survey measures the environmental performance of property portfolios around the world. The survey is endorsed and closely watched by many of the world's largest institutional investors, representing, in 2012, more than $1.7 trillion in institutional capital under management. Incorporating the GRESB survey results into the Leader in the Light judging criteria enables the companies competing in Leader in the Light to measure their performance against a global benchmark. "Sustainability is a critical issue – one that is becoming increasingly important to our industry and its investors," said NAREIT President and CEO Steven A. Wechsler. "Our inclusion of GRESB judging criteria in the Leader in the Light program reflects NAREIT's recognition of the global importance of this issue," he said.	Participation in meetings, committees and informal discussions.
British Council for Offices	Consistent	Extract from website: Environmental Sustainability Group (ESG), Terms of Reference: - To address those aspects of environmental sustainability that effect and influence office development, design and occupation - To commission and produce research reports and discussion papers which allow the dissemination of best practice and new thinking in those aspects of environmental sustainability which may influence office developments - To follow a broader remit within this field so that concepts of urban regeneration, mixed use development and social engagement, may be full explored including investment and finance questions - To host technical seminars and workshops for members on aspects of sustainability and green issues - To report on its work to the Management Executive - To act as a focal point in responding to Government consultation papers on environmental issues	Regular participation in meetings, committees and informal discussions.

2.3.d Do you publicly disclose a list of all the research organizations that you fund?

No

2.3.e Do you fund any research organizations to produce or disseminate public work on climate change?

Yes

2.3.f Please describe the work and how it aligns with your own strategy on climate change

Title: A scheme to guarantee the base operational energy performance of new buildings
Topic: Building whole-life performance.
Output: A new UK scheme.
Organisation: This study supports our climate change strategy, specifically to reduce emissions particularly related to assets we develop and then manage. Verco proposed to Innovate UK who would fund ~50% of costs, with balance from British Land.
Results: We have supported research on implementation of a scheme to guarantee the base operational energy performance of new buildings. Developers, owners and occupiers of new and refurbished buildings might expect that compliance with Regulations will lead to an energy efficient building, with zero-carbon a regulatory goal by 2019. In practice, measured outcomes often fall short of expectations - the performance gap. The solution to this chronic problem is to equip all players to design for actual performance and not be content with compliance alone. In Australia, an approach which aligns energy performance assessments with landlord and tenant responsibilities in commercial offices, is able to guarantee base-building energy performance for the landlord's services. As a result, tenants have demanded better-rated buildings, so operational energy ratings now influence lettability and capital value. Developers and landlords also compete to deliver new buildings with guaranteed better operational energy ratings; and all the other players involved share this objective. The project seeks to develop a UK scheme that will allow owners and occupiers of new buildings to specify, receive and operate buildings to a given energy efficiency level, integrated with UK procedures including the Soft Landings Framework. This work is due to start later this year.

2.3.g Please provide details of the other engagement activities that you undertake

- UK Green Building Council UK-GBC Member and in April 2014, we (1) co-sponsored the UK Green Building Council's first Embodied Carbon Week; (2) a series of events to (3) further raise awareness of the importance of embodied carbon, hear from experts and (4) encourage collaboration on different measurement approaches and identify best practice opportunities. Sarah Cary, Sustainable Development's Executive, was Chairperson of Embodied Carbon week.
- Our Sustainable Developments Executive, Sarah Cary, chaired the UK GBC's Zero Carbon Buildings Task Force and is on Sustainability Committees with both the British Council of Offices and British Property Federation.
- Better Buildings Partnership – 18 largest London landlords. Currently developing a Landlord Energy Rating similar to NABERS base build rating to add landlord energy rating for letting of existing and new buildings.
- British Property Federation Sustainability Committee and British Property Federation Minimum Energy Performance Standards (MEPS) Working group advising DECC (Department for Environment and Climate Change) on ways to implement MEES legislation from the Energy Bill 2011.
- EPRA Sustainability Reporting Working Group - participation in meetings, committees and informal discussions.

2.3.h What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Two members of the Sustainability Committee represents environmental and social issues on our Public Affairs Committee. This ensures our direct and indirect policy-influencing activities are consistent with our climate change strategy. Public Affairs engagement strategy is approved by our Executive Committee.

2.4 Would your organization's board of directors support an international agreement between governments on climate change, which seeks to limit global temperature rise to under two degree Celsius from pre-industrial levels in line with IPCC scenarios such as RCP2.6?

Yes

2.4.a Please describe your board's position on what an effective agreement would mean for your organization and activities that you are undertaking to help deliver this agreement at the 2015 United Nations Climate Change Conference in Paris (COP 21)

(i) British Land's view on an effective agreement is encapsulated in an open letter from the WWF, supported by British Land, to Prime Minister David Cameron that called on the administration to:

- Seek a strong global climate deal in Paris in December which limits temperature rises to below 2°C.
- Set an ambitious 5th carbon budget to drive forward UK emissions reductions (covering period 2028-32).
- Establish a long-term framework for investment in the low-carbon economy, giving industry much-needed clarity over what is expected in terms of low-carbon development, and boost the confidence of green investors.

(ii) The implications of this agreement would be to enhance the commercial drivers to continue our existing agenda of making our portfolio more sustainable. Further, and more long-term, should the agreement result in minimising or reducing the physical impacts of climate change this would help reduce the physical risks to our portfolio.

(iii) In addition to signing the WWF letter to the UK Government, we have signed the Carbon Disclosure Project [CDP] Road to Paris 2015 commitment to business leadership on climate to demonstrate our support for the delivery of this agreement. Specifically we have signed the CDP commitment to report climate change information in mainstream reports as a fiduciary duty and disclose carbon information in our Annual Report and Accounts.

We have issued our position on climate change that states we take action to future proof our assets against the impact of climate change:

- Protecting value by reducing flood risks.
- Reducing occupational costs through energy efficiency.
- Increasing on-site energy generation.
- Preparing for resource constraints and regulation through materials and process innovation.

- Wherever possible, we enable our occupiers to be more resilient to climate change.

We work with Government to support the development of climate change policies. We particularly support consistency in policy making, which provides greater certainty and clarity for the long term enabling industry to react more effectively to legislative changes.

We also work with our peers to influence best practice in the industry as a whole, participating in initiatives with the Better Buildings Partnership (BBP), the British Property Federation (BPF), the European Public Real Estate Association (EPRA) and the UK Green Building Council (UK GBC).

2.5 Further Information

Copy of referenced [2.4a] WWF letter to UK Prime Minister attached.

3 Targets and Initiatives

3.1 Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?

Absolute target

3.1.a Please provide details of your absolute target

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions (metric tonnes CO_2e)	Target year	Comment
Abs1	Scope 1+2	100%	40%	2009	30,819	2015	This target is to reduce our like-for-like Scope 1 and 2 emissions across our like for like portfolio (common parts and shared services) by 40% compared to 2009.

3.1.b Not applicable

3.1.c Not applicable

3.1.d For all of your targets, please provide details on the progress made in the reporting year

ID	% complete (time)	% complete (emissions)	Comment
Abs1	100%	97.5%	Since 2009, we have achieved 39% less Scope 1 and 2 emissions across our like-for-like portfolio (weather adjusted), saving 52,600 tonnes of carbon – as much as annual emissions from more than 8,000 homes. We continue to target carbon reductions.

3.2 Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?

Yes

3.2.a Please provide details of how the use of your goods and/or services directly enable GHG emissions to be avoided by a third party

i) Developments: We seek to design and build buildings which in operation emit fewer GHG emissions than UK building regulations require (this year 25.30% more energy efficient on average). We work with our construction supply chain to reduce emissions associated with the manufacture of our developments. We have been exploring embodied carbon on our developments since 2009, commissioning studies across our development programme and detailed studies at - amongst others - 5 Broadgate. These studies highlighted the significance of energy and material use on our developments, particularly the fabrication of steel and

concrete, in relation to our other managed emissions. Building on this knowledge, we have been working with our supply chain partners to reduce embodied carbon since 2011. For instance, our design teams for 5 Broadgate and Marble Arch House conducted investigations into the embodied carbon of key building elements, seeking to design out material usage and to specify lower carbon sources of concrete and aluminium. Since January 2014, we have required all projects with a construction value over £50 million to reduce embodied carbon in concrete, steel, rebar, aluminium and glass by 10% compared to the concept design. At Aldgate Place our project team has exceeded our 10% embodied carbon reduction target, achieving a 26% reduction compared to the project baseline. Carbon reduction examples include optimising the volume of reinforcement steel in the concrete used for the 10-storey hotel by 25% to deliver an 11% saving on total embodied carbon for the structure versus comparable projects, whilst maintaining structural standards.

Managed portfolio: We work closely with our managing agents to manage energy use at our properties, implementing environmental action plans at all major assets. We have installed automatic meter reading (AMR) systems across 95% of our managed portfolio to enable our local teams to identify reduction opportunities on an ongoing basis, at the same time as improving billing accuracy. Examples of energy reduction measures include: matching heating and cooling plant run times with operational hours agreed with occupiers – 15% savings; increasing intake of external ambient air to reduce the need for heating and cooling, and eliminating heating and cooling conflicts – 10% savings; installing motion sensors and replacing lighting with energy efficient alternatives – 5% savings; and, adjusting temperature set points to reduce heating and cooling demands – 5% savings. We are working with our occupiers to reduce energy use and cut carbon emissions, notably through Green Building Management Groups in our multi-let offices. We have also completed Energy Performance Certificate assessments across our portfolio.

ii) Developments: Emissions related to operational energy use avoided on our current office and retail developments through design that exceeds Building Regulations are estimated at 4,135t CO_2/year (or 69,400t CO_2 across a 20 year operational life and 208,300t across a 60 year development life). Building regulations only address a defined subset of total building energy use and the actual value of savings is likely to be significantly larger.

Managed portfolio: In the past five years we have reduced landlord influenced emissions (common parts and shared services) across our like for like portfolio 39% against a 2009 baseline, which has resulted in the avoidance of 52,600 tCO_2e of GHG emissions.

iii) Developments: The 5 Broadgate embodied carbon LCA assessment was undertaken in accordance to BS EN ISO14040. The whole life carbon performance model evaluated from ''Cradle to end of operation''. It includes predicted CO_2 emissions associated with production of raw materials, transport of materials to site, construction activities, and operational energy consumption. The following assumptions were made: Decarbonisation of UK power grid will be according to DECC projections; 60 year life time based on life expectancy for steel frame (up to first major refurbishment). Embodied carbon factors - Hammond G, Jones C, 2006. Inventory of Carbon & Energy (ICE) Version 2.0; Transport carbon factors - Guidelines to Defra/DECCs Greenhouse Gas Conversion Factors for Company Reporting 2010; Life expectancy - BCIS, 2006. Life Expectancy of Building Components. 2nd ed.

Managed Portfolio: The carbon savings figure is calculated from electricity, gas and oil savings in MWh made since 2009, as well as any reductions in refrigerant loss and fuel use in British Land owned vehicles. The following carbon factors are used (from UK Government conversion factors for Company Reporting 2014): electricity generated scope 2 (kgCO_2e/kWh): 0.49426; nat. gas scope 1 (kgCO_2e/kWh): 0.20553; gas oil scope 1 (kgCO_2e/l): 2.92577; R407c (GWP/t): 1526; R134a (GWP/t):1300; diesel scope 1 (kg CO_2e/l): 2.6691; petrol scope 1 (kgCO_2e/l): 2.2999; LPG scope 1 (kg CO_2e/l): 1.5023.

iv) Not considering generation of CERs or ERUs

3.3 Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and/or implementation phases)

Yes

3.3.a Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO_2e savings

Stage of development	Number of projects	Total estimated annual CO_2e savings in metric tonnes CO_2e (only for rows marked *)
Under investigation	22	0
To be implemented*	2	110
Implementation commenced*	0	0
Implemented*	18	2,110
Not to be implemented	0	0

3.3.b For those initiatives implemented in the reporting year, please provide details in the table below

Activity type	Description of activity	Estimated annual CO_2e savings (metric tonnes CO_2e)	Scope	Voluntary / Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
Low carbon energy installation	350 Euston Road: Heat pump	470	Scope 1 Scope 2 Scope 3	Voluntary	60,000	30,000	11-15 years	11-15 years	Retrofit of air source heat pumps at 1 multi-let property. Please see here for more details: http://www.betterbuildingspartnership.co.uk/air-source-energy-regent%E2%80%99s-place
Energy efficiency: Building services	LED's across retail and offices	810	Scope 2 Scope 3	Voluntary	198,000	1,049,556	4-10 years	11-15 years	LED installations at 5 offices and 4 retails sites
Energy efficiency: Building services	AHUs	220	Scope 2 Scope 3	Voluntary	42,000	99,651	1-3 years	3-5 years	New Air Handling Unit at 1 shopping centre and Air Handling Unit replacements at 2 offices with speed controllers.

Activity type	Description of activity	Estimated annual CO_2e savings (metric tonnes CO_2e)	Scope	Voluntary / Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
Energy efficiency: Building services	Paddington: EP&T	390	Scope 1 Scope 2 Scope 3	Voluntary	57,000	200,256	4-10 years	6-10 years	Energy optimisation services at 2 multi-let office properties
Energy efficiency: Building services	AMRs	25	Scope 2 Scope 3	Voluntary	5,000	6,135	1-3 years	6-10 years	Installation of smart/sub meters and monitoring system at 1 shopping centre
Energy efficiency: Building services	Chillers	195	Scope 2 Scope 3	Voluntary	40,000	162,500	4-10 years	6-10 years	Chiller Pump Installation at 1 office

3.3.c What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	We have invested in energy monitoring and management systems, partially to support compliance with the CRC Energy Efficiency Scheme Early Action Metrics. More importantly these systems support the identification of energy saving opportunities. We aim to exceed and have significantly exceeded regulatory standards for energy efficiency in new developments. We aim to exceed regulatory standards for energy efficiency in new developments.
Dedicated budget for energy efficiency	Our sustainability programme budget covers a range of initiatives aimed at delivering our sustainability targets. We report on our investment annually in our Sustainability Progress Report. Since 2011/12 we have invested over £5.4 million in energy initiatives across our existing portfolio. Furthermore, in our developments, we assigned project budgets for extra metering over requirement to support operational energy efficiency.
Internal incentives/recognition programs	Each year, at an awards ceremony, we recognise the achievements of our staff and supply chain who have helped us to achieve our overall sustainability goals.
Employee engagement	At Head Office we have numerous initiatives in place to engage with employees on reducing environmental impact (including emissions). For example, we: provide employees with real-time Head Office environmental KPI data; have a bicycle user group; have a scheme to encourage use of Santander Bike Hire Scheme; and, have awareness raising campaigns on various environmental issues. We also provide staff inductions, wherein new starters receive a presentation on sustainability. In addition we have a Green Suggestion Box; on our intranet all staff are encouraged to enter their suggestions.
Internal finance mechanisms	All managed properties are required to contribute to our Sustainability Action Plan. For initiatives requiring CAPEX managers are required to complete an investment request providing information on the initiative including payback. That request is discussed with Asset Managers as part of a review of the service charge budgets and asset plans for the following year.

Method	Comment
Other	We also engage actively with occupiers in our multi-let offices, both through quarterly environmental working group meetings between occupiers and building management and through our on-going focus to minimise energy use of central heating and cooling plant. At our quarterly environmental working groups we provide a building statement of energy, water and waste use, highlighting the respective performance of each occupier and the building management. This highlights those stakeholders who are making particular progress. At these meetings, we also share best practice. We have found a number of occupiers who are also keen to work with us on optimisation of our central heating and cooling plant. This has enabled us to work with occupiers to identify savings they can make within their own space. With the extensive sub-metering in each of our buildings, we are able to project energy savings on each initiative before we secure the support from occupiers to proceed on a new initiative. In the past year, we have won several industry awards for our energy reduction work, including: 2014 CIBSE (Chartered Institute of Building Service Engineers) Client Energy Management Award 2014 for energy reduction across our managed portfolio, for the third year running, Building Operation Award 2014 for our Exchange House energy reduction collaboration and NAREIT Global Recognition Leader in the Light Award, 2014.
Other	We also engage actively with suppliers on our developments, to try to reduce embodied carbon on our new construction projects. We have been exploring embodied carbon on our developments since 2009, commissioning studies across our development programme and detailed studies at 5 Broadgate, The Leadenhall Building, Regent's Place, Ropemaker Place and Whiteley Shopping. These studies highlighted the significance of energy and material use on our developments, particularly the fabrication of steel and concrete, in relation to our other managed emissions. Building on this knowledge, we have been working with our supply chain partners to reduce embodied carbon since 2011. For instance, our design teams for 5 Broadgate and Marble Arch House conducted investigations into the embodied carbon of key building elements, seeking to design out material usage and to specify lower carbon sources of concrete and aluminium. Since January 2014, we have required all projects with a construction value over £50 million to reduce embodied carbon in concrete, steel, rebar, aluminium and glass by 10% compared to the concept design.

4 Communication

4.1 Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s)

Publication	Status	Page/Section reference	Attach the document
In mainstream financial reports but have not used the CDSB Framework	Complete	Annual Report and Accounts 2015 pages 1, 8, 48, 189	https://www.cdp.net/sites/2015/97/2297/Climate Change 2015/Shared Documents/Attachments/CC4.1/BL-annual-report-and-accounts-2015.pdf
In voluntary communications	Complete	British Land Position Statement on Climate Change, all pages	https://www.cdp.net/sites/2015/97/2297/Climate Change 2015/Shared Documents/Attachments/CC4.1/our-position-on-climate-change.pdf
In voluntary communications	Complete	Summary Sustainability Progress Report 2009-2015, pages 5, 9, 10	https://www.cdp.net/sites/2015/97/2297/Climate Change 2015/Shared Documents/Attachments/CC4.1/bl-sustainability-progress-2015.pdf
In voluntary communications	Complete	Sustainability Full Data Report, pages 11-20	https://www.cdp.net/sites/2015/97/2297/Climate Change 2015/Shared Documents/Attachments/CC4.1/bl-sustainability-full-data-report-2015.pdf
In voluntary communications	Complete	Online website pages, all	https://www.cdp.net/sites/2015/97/2297/Climate Change 2015/Shared Documents/Attachments/CC4.1/Extracts from britishland.com.pdf
In other regulatory filings	Underway - previous year attached	CRC Energy Efficiency Scheme, 2014 Annual Reports, all pages	https://www.cdp.net/sites/2015/97/2297/Climate Change 2015/Shared Documents/Attachments/CC4.1/CRC 2014 Annual Report publications.pdf

Module: Risks and Opportunities

5 Climate Change Risks

5.1 Have you identified any inherent climate change risks that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Risks driven by changes in regulation
Risks driven by changes in physical climate parameters
Risks driven by changes in other climate-related developments

5.1.a Please describe your inherent risks that are driven by changes in regulation

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Emission reporting obligations	The UK CRC Energy Efficiency Scheme Introductory Phase 1 (which expired in March 2013) required that we purchase carbon allowances for emissions incurred during 2011/12 and 2012/13 at a fixed price of £12 per tonne of carbon dioxide. We have now (since April 2013) moved into Phase 2, in which there will be 2 allowance sales periods for each compliance year. There is a cost risk associated with this scheme; for example, British Land's estimated financial exposure to the	Increased operational cost	1 to 3 years	Direct	Virtually certain	Low	British Land's estimated financial exposure to the CRC for 2014/15 was £1.53m.	We work closely with our managing agents to manage energy use at our properties, implementing environmental action plans at all major assets. We have installed automatic meter reading (AMR) systems across 95% of our managed portfolio to enable our local teams to identify reduction opportunities on an ongoing basis, at the same time as improving billing accuracy. Examples of energy reduction measures include: matching heating and cooling plant run times with operational hours agreed with occupiers – 15% savings; increasing intake of	We invested over £5.4 million in energy management improvements since 2011/12. Administrative internal costs have also been incurred.

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	CRC in 2014/15 was £1.53m. As the UK CRC Energy Efficiency Scheme is an obligatory scheme, there is also a regulatory compliance risk; for example, we must also report emissions annually and have suitable information available in an Evidence Pack.							external ambient air to reduce need for heating and cooling, and eliminating heating and cooling conflicts – 10% savings; installing motion sensors and replacing lighting with energy efficient alternatives – 5% savings; and, adjusting temperature set points to reduce heating and cooling demands – 5% savings. Through these recent and other more historic initiatives, we have been able to achieve 39% reduction on our like-for-like Scope 1 & 2 emissions since 2009.	
Product efficiency regulations and standards	The UK Energy Bill 2011 will include Minimum Energy Efficiency Standards for buildings. This will prohibit the letting of space where there is an EPC rating of F or G. These proposals will either result in an increased refurbishment cost for British Land or devaluation of assets which do not meet the minimum standards.	Increased operational cost	3 to 6 years	Direct	Virtually certain	High	Costs have been incurred in order to complete a review of EPCs across our portfolio. Furthermore, we have funded an analysis into the likely costs of improving underperforming assets above an E rating. Through our EPC review exposure to E, F or G rated assets was only found in our retail portfolio and likely costs to improve these underperforming assets was estimated at just over £62,000 per unit. Importantly, E, F and G ratings may also have an impact on valuations.	The first step to manage this risk has been for British Land to undertake an EPC review of our portfolio to understand exposure to E, F and G rated properties. Furthermore, we have funded an analysis into the likely costs of improving underperforming assets above an E rating. Where appropriate, the results of these analyses feed directly into our asset specific management plans – a procedure which enables us to work closely with managing agents to improve energy use and rating performance at our	Cost of conducting an EPC review across our portfolio was in excess of £1m. Through our EPC review exposure to E, F or G rated assets was only found in our retail portfolio and likely costs to improve these underperforming assets was estimated at just over £62,000 per unit.

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								properties. Our Sustainability Brief for Acquisitions identifies the EPC rating of a potential new acquisition as investment critical information. During the due diligence phase consultants are required to investigate energy supply and EPC recommendations further. Our Sustainability Briefs for Development and Management also provide requirements and guidance for improving the energy and carbon performance of our developments and managed assets. It is important to note that the regulations have not yet been finalized.	
Product efficiency regulations and standards	Revisions to the UK Building Regulation Part L are setting increasingly challenging energy and carbon minimum standards that may require us to increase capital investment in development projects. The UK Climate Change Act 2008 provisions, including policies required to meet the new carbon targets, such as a shift to renewable power may affect our future decisions and	Increased capital cost	Up to 1 year	Direct	Virtually certain	Medium-high	Ensuring compliance with Part L amendments may mean we further invest in capital costs that enhance energy and carbon performance of our development projects. Exact costs vary, but as an example, compliance with Part L is estimated to have cost £1,000,000 for a recent mixed-use scheme or 1-2% of the total project costs. Additional impacts include possible difficulty to secure planning permissions, accelerated asset value	We set annual targets for development projects for BREEAM; BREEAM requirements are amended in order to track ahead of Part L (and other) requirements we believe this mitigates any potential financial impact related to compliance with Building Regulation amendments. During 2014/15 our developments were designed to have 25% lower energy consumption on average than current Building Regulations. Our Sustainability Briefs for	There are no additional costs associated with the above management methods. Actions are integrated within our business activities.

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	opportunities regarding energy supply and design decisions for development and refurbishment projects.						depreciation and increased fiscal burden from environmental taxes.	Developments provides development project teams with energy and carbon requirements. We engage with government departments and advise on emerging legislation; for example, Sarah Cary (Sustainable Development Executive) chaired a UKGBC taskforce on the future of Building Regulations Part L in 2014.	
Product efficiency regulations and standards	The Energy Saving Opportunity Scheme (ESOS), emerges from the EU Energy Efficiency Directive and is currently under consultation and will take effect from January 2015. Initial proposals include requirements for businesses with over 250 employees and annual turnover of >50m EURO or annual balance sheet total exceeding 43m EURO to commission energy audits of operations (including transport) every four years. Risks from non-compliance include government fines and reputational impact.	Increased operational cost	Up to 1 year	Direct	Virtually certain	Low	Ensuring compliance with Part L amendments may mean we further invest in capital costs that enhance energy and carbon performance of our development projects. Exact costs vary, but as an example, compliance with Part L is estimated to have cost £1,000,000 for a recent mixed-use scheme or 1-2% of the total project costs. Additional impacts include possible difficulty to secure planning permissions, accelerated asset value depreciation and increased fiscal burden from environmental taxes..	As above.	As above.

5.1.b Please describe your inherent risks that are driven by change in physical climate parameters

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in mean (average) precipitation	Inability to sell or rent property assets at book value because of real or perceived increased risks arising from flooding.	Other: Reduced valuation of assets	Up to 1 year	Direct	Unlikely	High	Tenants and investors are becoming more alive to the risk of flooding, with some no longer purchasing or renting assets at book value with high flood risk.	We continue to explore opportunities to improve flood risk assessment and protection for our assets and developments. In 2011/12, we commissioned a flood consultant to perform an in-depth review of our entire portfolio. We had less than 10 assets deemed to be at risk from flooding today; many of these assets were supermarkets and flood risk management measures have since been developed. Several assets were deemed to have a future susceptibility to climate change; we will review approximately 15 of these assets in 2015. Our publically available management procedures – Sustainability Briefs for Management, Development and Acquisition – also include prescriptions for asset-level flood risk assessment and mitigation. For example, the Sustainability Brief for Management prescribes a Flood Risk Assessment and site-wide water balance calculation at RIBA Stage 2 (Concept Stage). Furthermore, the	The cost of mitigating flood risk varies for each asset; however, by way of an example before renewing the insurance at one of our assets we had to demonstrate improved flood defences at a cost of £1m. Many of the management procedures mentioned (e.g. Sustainability Brief for Acquisitions) do not represent additional costs as actions are integrated within our business activities.

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								Sustainability Brief for Acquisitions looks at flood risk as part of the due diligence process and we do not acquire assets with deemed high flood risks without a clear asset plan to mitigate the perceived risk.	
Change in mean (average) precipitation	Insurers either refuse to insure or increase insurance rates significantly to reflect increased real or perceived risks of flooding. The impact of this is indirect to British Land as we pass these costs on to occupiers.	Increased operational cost	Up to 1 year	Indirect (Supply chain)	About as likely as not	Low	Where flooding does occur, then this may result in insurance claims. In 2007, two flood events within our portfolio resulted in insurance losses of some £25 million. In this example insurance premiums on those assets were increased by 5% as a result of the flood claims. In 2012, British Land encountered one flood claim incident at a public house where the repair costs are estimated to be £100,000.	As above.	As above.
Change in mean (average) precipitation	Inability to get planning permission for new developments or increased capital costs arising from a requirement for flood defences.	Increased capital cost	Up to 1 year	Direct	About as likely as not	Medium	The cost of mitigating flood risk varies for each asset; however, by way of an example before renewing the insurance at one of our assets we had to demonstrate improved flood defences at a cost of £1m.	As above	As above
Change in mean (average) temperature	New developments will need to consider possible increases in temperature and	Increased capital cost	Up to 1 year	Direct	Likely	Low	Tenants and investors are becoming more alive to the impacts of climate change. It is possible that in future,	As outlined in our publically available Sustainability Brief for Developments, we prescribe that design and	Many of the management procedures mentioned (e.g. Sustainability Brief for Development) do not

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	its implications to facades and cooling plants.						some might no longer purchase or rent assets at book value if there is an actual or perceived risk of the asset overheating.	build standards must meet BREEAM Very Good/Excellent and Code for Sustainable Homes Level 4. As BREEAM requirements are updated in order to track emerging climate change related issues and encourage evaluation of climate change impacts through design modelling. We believe prescribing these rating tools goes some way towards mitigating potential issues such as those from overheating.	represent additional costs as actions are integrated within our business activities.
Sea level rise	Increased risk of tidal flooding from assets situated close to the coast where regional flood defences are inadequate.	Increased capital cost	>6 years	Direct	More likely than not	Medium-high	Tenants and investors are becoming more alive to the risk of flooding, with some no longer purchasing or renting assets at book value with high flood risk. Furthermore, insurers either refuse to insure or increase insurance rates significantly to reflect increased real or perceived risks of flooding. The impact of this is indirect to British Land as we pass these costs on to occupiers. Finally, there are potential costs arising from a requirement for flood defences.	See first row.	See first row.

5.1.c Please describe your inherent risks that are driven by changes in other climate-related developments

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Other drivers	Increased insurance premiums; inability to insure; inability for landlord to meet obligations under lease and funding agreements; damage costs incurred on uninsurable assets reverting to landlord; market valuation write downs: The Government has indicated that it cannot fund future flood defences for commercial property. Flood defence will fall on owners and communities, where it is deemed necessary. As a result of this, the Association of British Insurers (ABI) has indicated that it will not renew flood insurance protocols in 2013, which mandate provision of flood cover by insurance companies. Whilst the protocols are specific to existing domestic properties and small businesses, there are complications for commercial property. It is unlikely however that this will ultimately lead to	Other: Increased insurance premiums; inability to insure; inability for landlord to meet obligations under lease and funding agreements; damage costs incurred on uninsurable assets reverting to landlord; market valuation write downs	Up to 1 year	Indirect (Supply chain)	More likely than not	Medium	Increased insurance premiums; damage costs incurred on uninsurable assets reverting to landlord; market valuation write downs; investors not purchasing assets with high flood risk. For e.g.: in 2007 two retail assets flooded in Sheffield and Rotherham - total claims resulting from these floods were £25 million and resulted in a 5% increase in the annual insurance premium; before renewing the insurance at one asset we had to demonstrate improved flood defences at a cost of £1m.	See 5.1b	See 5.1b

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	insurance cover for flooding at commercial assets being withdrawn completely. The more important consequence of all of this is that investors are now more sensitive to flood risk. There is now much more scrutiny of flood risk when assets are purchased. British Land's insurance brokers have flagged this to us. British Land assets deemed to have high flood risks may therefore be more susceptible to valuation write downs in the future. Our understanding is that negotiations are advanced in relation to a Flood Re scheme proposed by the ABI. However, even if negotiations were to be concluded shortly, it seems highly unlikely that there will be any provision for commercial property.								
Other drivers	Energy security - Heightened risk of brownouts and blackouts as power stations come off line in 2015-16 impacting business of our occupiers, management of our properties and	Increased operational cost	1 to 3 years	Indirect (Supply chain)	More likely than not	Medium	British Land/occupier costs - enhanced power source back-up provision required; British Land management time - property management contingency plans required; Investment	CR Committee are monitoring and gathering information on this issue and are in the process of commissioning an external consultant to conduct a review of	Management procedures do not represent additional costs as yet as actions are integrated within our business activities.

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	occupier and investment appeal of UK/London						valuations: reduced occupier and investment appeal of UK/London properties.	the resilience of electricity supply (including back up energy provision) across the managed portfolio.	
Other drivers	Rising energy costs: Impact on service charge and rent affordability from energy prices continuing to rise at a significant rate over RPI.	Reduced demand for goods/services	Up to 1 year	Indirect (Client)	More likely than not	Low	Rising energy costs: Impact on service charge and rent affordability from energy prices continuing to rise at a significant rate over RPI.	Energy reduction programme and good procurement of energy. Carbon Trust Certification and portfolio-wide EPC review.	We have invested over £1,354,000 in energy management improvements in 2013/14. The costs to achieve Carbon Trust Standard recertification were £10,000 – and are incurred biennially (last recertified 2011/12). Cost of conducting an EPC review across our portfolio was in excess of £1m. Through our EPC review exposure to E, F or G rated assets was only found in our retail portfolio and likely costs to improve these underperforming assets was estimated at £500,000 (per asset).

6 Climate Change Opportunities

6.1 Have you identified any inherent climate change opportunities that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Opportunities driven by changes in regulation
Opportunities driven by changes in physical climate parameters
Opportunities driven by changes in other climate-related developments

6.1.a Please describe your inherent opportunities that are driven by changes in regulation

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Product efficiency regulations and standards	The introduction of a landlord operational energy ratings (LER) scheme (which reports landlord energy efficiency in multi-let buildings) to inform the buying decisions of tenants when renting space. The scheme would be similar to that of NABERS in Australia, which has significantly impacted the lettings market. British Land has been working with the Better Buildings Partnership to develop a specification for a LER scheme, which it has piloted across its office portfolio. This has confirmed its achievability in the UK; the next step is to launch the LER and	Increased demand for existing products/services	1 to 3 years	Direct	More likely than not	Medium	The rating of our buildings has the potential to positively affect the future value of our portfolio and there are potential financial opportunities from an increased demand from occupiers for our space, contributing to reduced void rates and increased investment yields. With a commercial property portfolio worth £17.8billion (of which our share is £12billion) and a gross rental income of £331m in 2013/14, this is a large opportunity for British Land.	We continue to take a leading role with Better Buildings Partnership to introduce a landlord operational energy scheme for multi-let offices (November 2011 to present). This initiative engaged Camco and The Usable Buildings Trust to draft a technical specification for this rating tool, which was finalised in Sep 2012. We initiated a pilot in January 2013. The next phase is to determine an approach to launch to market.	The Better Building Partnership to date has funded some £45,000 in developing this specification and running the pilot. Many of the other procedures involved do not represent additional costs as actions are integrated within our business activities.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	work to increase its use in the marketplace. The LER may provide opportunities for increased rents and quicker take up of lettings at British Land properties. Over the last five years, we've reduced landlord-influenced energy (common parts and shared services) by 36% across our like-for-like portfolio, compared to our 2009 baseline. We feel that this stands us in good stead compared to our peers.								
Product efficiency regulations and standards	Opportunities potentially exist around British Land performing well in terms of out-performing Building Regulation requirements.	Increased demand for existing products/services	Up to 1 year	Direct	More likely than not	Medium	The rating of our buildings has the potential to positively affect the future value of our portfolio and there are potential financial opportunities from an increased demand from occupiers for our space, contributing to reduced void rates and increased investment yields. With a commercial property portfolio worth £17.8billion (of which our share is £12billion) and a gross rental income of £331m in	We have a set of top down targets to get design teams to meet green building standards. We have an ongoing target to achieve: a minimum BREEAM Excellent rating on all major office developments and refurbishments; BREEAM Very Good or Excellent rating on all major retail developments and refurbishments; and, Code for Sustainable Homes Level 4 on all residential developments. We ensure that these targets are met through our sustainability	We estimate that generally, the cost of achieving a green building certificate on developments is less than 1% of the project cost. Many of the management procedures mentioned (e.g. Sustainability Brief for Acquisitions) do not represent additional costs as actions are integrated within our business activities.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							2013/14, this is a large opportunity for British Land.	guidance document, The Sustainability Brief for Developments.	
	Opportunities lie in the acquisition, development and management of strongly rated properties such as BREEAM, Code for Sustainable Homes, EcoHomes, LEED and EPCs. We are increasingly seeing demand for energy labelling and hearing our customers asking for BREEAM certification as part of quality commercial development. We continue to require BREEAM Excellent on all major office developments and Very Good or Excellent on major retail developments. We believe this helps our buildings let quicker, and we increasingly hear our customers asking for BREEAM certification as part of quality commercial development.	Increased demand for existing products/services	Up to 1 year	Direct	More likely than not	Medium	The rating of our buildings has the potential to positively affect the future value of our portfolio and there are potential financial opportunities from an increased demand from occupiers for our space, contributing to reduced void rates and increased investment yields. With a commercial property portfolio worth £17.8billion (of which our share is £12billion) and a gross rental income of £331m in 2013/14, this is a large opportunity for British Land.	See above.	See above.

6.1.b Please describe the inherent opportunities that are driven by changes in physical climate parameters

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in mean (average) precipitation	Increased demand for properties better able to cope with physical variations from climate change. Also relevant to Continental Europe. This may provide opportunities for increased rents and quicker take up of lettings at British Land properties.	Increased demand for existing products/services	>6 years	Direct	About as likely as not	Unknown	Climate change adaptation and mitigation provides opportunities to offer to the market buildings that are future-proofed and adaptable. Financial opportunities are difficult to quantify; however, industry studies suggest that buildings which have a green certification (and are therefore designed to cope with climate change) command higher rents and transactions. With a commercial portfolio worth £17.8b (of which our share £12b) and gross rental £331m in 2013/14, this is a large opportunity.	See 5.1b	See 5.1b
Change in mean (average) temperature	Increased demand for properties better able to cope with physical variations from climate change. Also relevant to Continental Europe. This may provide opportunities for increased rents and quicker take up of lettings at British Land properties.	Increased demand for existing products/services	>6 years	Indirect (Supply chain)	More likely than not	Unknown	Climate change adaptation and mitigation provides opportunities to offer to the market buildings that are future-proofed and adaptable. Financial opportunities are difficult to quantify; however, industry studies suggest that buildings which have a green certification (and are therefore designed to cope with climate change) command higher rents and transactions. With a commercial portfolio worth	Amongst other initiatives, we have a set of top down targets to get design teams to meet green building standards (and therefore design to cope better with climate change). We have an ongoing target to achieve: a minimum BREEAM Excellent rating on all major office developments and refurbishments; BREEAM Very Good or Excellent rating on all major retail developments and refurbishments; and, Code for	Many of the management procedures mentioned (e.g. Sustainability Brief for Acquisitions) do not represent additional costs as actions are integrated within our business activities.

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							£17.8b (of which our share £12b) and gross rental £331m in 2013/14, this is a large opportunity.	Sustainable Homes Level 4 on all residential developments.	

6.1.c Please describe the inherent opportunities that are driven by changes in other climate-related developments

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Reputation	Some of our occupiers have their own corporate responsibility programmes addressing climate change matters. British Land can work with them in partnership to address their and our own objectives in this area.	Other: Strong occupier relations	Up to 1 year	Direct	Virtually certain	Low-medium	It is challenging to quantify the financial implication of reputational opportunities. We undertake occupier surveys and include questions around delivery of occupiers' own environmental commitments as well as our own performance; in 2012/13 year our office occupiers rated us 8.2 out of 10 for interaction on environmental issues - our next survey is due 2014/15. Another indicator is occupancy rates, which have been very strong this past reporting year - retail: 98.5% and offices: 92.1%.	Corporate responsibility programme: Our latest research shows that stakeholders continue to want us to lead on corporate responsibility. This year 750 stakeholders gave online feedback on key social and environmental issues. We aim to exceed regulatory requirements, striving to improve consistently by setting medium-term and annual targets. We publish comprehensive performance data and progress statements against our targets each year, with regular updates throughout the year. We hold environmental working groups with occupiers to discuss sustainability issues. We also conduct customer surveys every 2 years to understand how our customers believe we are performing so that we can identify where we can improve.	Costs for the majority of the above management methods are reported in our 2014 CR Full Data Report (Figure 3). Our CR investment costs for 2013/14 were £1,645,000, which does not include staff time; we have nine staff forming our CR Committee with other staff integrating CR within their business activities. The customer surveys which we conduct cost approximately £50,000 bi-annually.

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								We completed one such survey in 2012/13; in this we were rated 8.2 out of 10 for interaction on environmental issues by our office occupiers, up from 7.8 in 2011 - our next survey is due 2014/15. Reporting: We report to our stakeholders on our corporate responsibility programme quarterly in our CR Updates and annually via our Annual Report and Accounts and CR Report. In addition we respond to investor questionnaires (e.g. DJSI, FTSE4Good, GRESB). Reporting helps inform our stakeholders of our commitments, performance, successes, challenges and future plans. Benchmarking: We also take part in industry benchmarking initiatives and submit our work to award initiatives to demonstrate our leading, innovative CR initiatives.	

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

7 Emissions Methodology

7.1 Please provide your base year and base year emissions (Scopes 1 and 2)

Scope	Base year	Base year emissions (metric tonnes CO_2e)
Scope 1	Sun 01 Apr 2012 - Sun 31 Mar 2013	6,756
Scope 2	Sun 01 Apr 2012 - Sun 31 Mar 2013	37,289

7.2 Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
EPRA (European Public Real Estate Association) guidelines, 2011
Defra Voluntary Reporting Guidelines
Other

7.2.a If you have selected "Other" in CC7.2 please provide details of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please note re. the EPRA guidelines listed above, we have used the latest guidelines: 2014
The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard
Global Reporting Initiative [GRI] G4 and Construction and Real Estate Sector Supplement

7.3 Please give the source for the global warming potentials you have used

Gas	Reference
CH_4	IPCC Second Assessment Report (SAR - 100 year)

Gas	Reference
N_2O	IPCC Second Assessment Report (SAR - 100 year)

7.4 Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data at the bottom of this page

Excel spreadsheet provided.

7.5 Further Information

We have attached two Excel files: 1. the template provided by CDP 2. An extract from our Sustainability Full Data Report 2015 - Reporting Criteria. This is the full list of factors, including energy/materials etc. not included in CDP spreadsheet.

8 Emissions Data - (1 Apr 2014 - 31 Mar 2015)

8.1 Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Operational control

8.2 Please provide your gross global Scope 1 emissions figures in metric tonnes CO_2e

7,519

8.3 Please provide your gross global Scope 2 emissions figures in metric tonnes CO_2e

42,503

8.4 Are there are any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

8.4.a Not applicable

8.5 Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

Scope	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
Scope 1	More than 2% but less than or equal to 5%	Metering/ Measurement Constraints	95% of our managed portfolio energy use is recorded via AMR (Automated Meter Readings). The remaining 5% is recorded via our online reporting platform via manual meter reads. This data has various checks completed on it and is third party assured however, there is still a small chance of inaccuracy.
Scope 2	More than 2% but less than or equal to 5%	Metering/ Measurement Constraints	95% of our managed portfolio energy use is recorded via AMR (Automated Meter Readings). The remaining 5% is recorded via our online reporting platform via manual meter reads. This data has various checks completed on it and is third party assured however, there is still a small chance of inaccuracy.

8.6 Please indicate the verification/assurance status that applies to your reported Scope 1 emissions

Third party verification or assurance complete

8.6.a Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Limited assurance	https://www.cdp.net/sites/2015/97/2297/Climate Change 2015/Shared Documents/Attachments/CC8.6a/Assurance-Statement-from bl-sustainability-full-data-report-2015.pdf	All	ISAE3000	100

8.6.b Not applicable

8.7 Please indicate the verification/assurance status that applies to your reported Scope 2 emissions

Third party verification or assurance complete

8.7.a Please provide further details of the verification/assurance undertaken for your Scope 2 emissions, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 2 emissions verified (%)
Limited assurance	https://www.cdp.net/sites/2015/97/2297/Climate Change 2015/Shared Documents/Attachments/CC8.7a/Assurance-Statement-from bl-sustainability-full-data-report-2015.pdf	All	ISAE3000	100

8.8 Please identify if any data points have been verified as part of the third party verification work undertaken, other than the verification of emissions figures reported in CC8.6, CC8.7 and CC14.2

Additional data points verified	Comment
Other:	Total electricity consumption Total district heating and cooling consumption Annual like-for-like total district heating and cooling consumption Total fuel consumption Annual like-for-like fuel consumption Building energy intensity - floor area. For further information please see the following sections of our Sustainability Full Data Report 2015 www.britishland.com/data: Performance Data - tables which include an 'A' symbol against assured data and the Independent Assurance section.

Additional data points verified	Comment
Year on year emissions intensity figure	Greenhouse gas intensity from building energy consumption (tonnes/CO_2e/m^2). For further information please see the following sections of our Sustainability Full Data Report 2015 www.britishland.com/data: Performance Data - tables which include an 'A' symbol against assured data and the Independent Assurance section.
Year on year change in emissions (Scope 1 and 2)	Annual like-for-like total direct and indirect (Scopes 1 and 2) emissions. For further information please see the following sections of our Sustainability Full Data Report 2015 www.britishland.com/data: Performance Data - tables which include an 'A' symbol against assured data and the Independent Assurance section.

8.9 Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

8.9.a Not applicable

9 Scope 1 Emissions Breakdown - (1 Apr 2014 - 31 Mar 2015)

9.1 Do you have Scope 1 emissions sources in more than one country?

No

9.1.a Not applicable

9.2 Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By business division

9.2.a Please break down your total gross global Scope 1 emissions by business division

Business division	Scope 1 emissions (metric tonnes CO_2e)
Offices: landlord influenced area: common parts and shared services	6,793
British Land: subsidiaries	0
Shopping centres: common parts	525
Retail parks: common parts	59
Residential: common parts	30.1
Fuel use: British Land owned vehicles	112

10 Scope 2 Emissions Breakdown - (1 Apr 2014 - 31 Mar 2015)

10.1 Do you have Scope 2 emissions sources in more than one country?

No

10.2 Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

By business division

10.2.a Please break down your total gross global Scope 2 emissions by business division

Business division	Scope 2 emissions (metric tonnes CO_2e)
Offices: common parts and shared services	30,336
British Land: Head Office occupied space	313
British Land: subsidiaries	316
Shopping centres: common parts	9,269
Retail parks: common parts	2,163
Residential: common parts	106

11 Energy

11.1 What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

11.2 Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

Energy type	MWh
Fuel	3,3270
Electricity	86,624
Heat	0
Steam	0
Cooling	0

11.3 Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Diesel/Gas oil	301
Natural gas	32,969

11.4 Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the Scope 2 figure reported in CC8.3

Basis for applying a low carbon emission factor	MWh associated with low carbon electricity, heat, steam or cooling	Comment
No purchases or generation of low carbon electricity, heat, steam or cooling accounted with a low carbon emissions factor	0	na

12 Emissions Performance

12.1 How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Increased

12.1.a Please identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year

Reason	Emissions value (percentage)	Direction of change	Comment
Emissions reduction activities	4	Decrease	Last year 1,740 tonnes of emissions were reduced by our emission reduction projects (AMR/BMS/lighting and other initiatives) in our two year like for like portfolio and our total Scope 1 and Scope 2 emissions in the previous year was 35,313 tonnes, therefore we arrived at 4% through (33,573/35,313)*100=4%
Divestment	7	Decrease	Last year 299 tonnes of emissions were reduced by divestment from our portfolio during the last two years and our total Scope 1 and 2 emissions in the previous year was 3,701, therefore we arrived at 7% through (3,402/3701)*100=7%.
Acquisitions	13	Increase	Last year 6,050 tonnes of emissions were added due to acquisitions - offices portfolio expansion and acquisition of new retail sites – and our total Scope 1 and 2 emissions in the previous year was 6,951 tonnes, therefore we arrived at 13% through (13,001/6,951)*100=13%.
Mergers			
Change in output			
Change in methodology	7	Increase	Changes in DEFRA emissions factors resulted in an overall increase of 3,160 tonnes.
Change in boundary			
Change in physical operating conditions			
Unidentified			
Other			

12.2 Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO_2e per unit currency total revenue

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
76.94	metric tonnes CO_2e	unit total revenue	24	Increase	The increase in carbon intensity per revenue is mainly due to portfolio composition change. The proportion of offices in the portfolio has increased significantly during the period 2013 to 2015; this portfolio has a higher carbon intensity than retail. 2014/15 was the baseline year for office buildings Paddington Central, 10 Brock St, 10 Portman Street and Marble Arch House and resulted in a 21% increase of the office portfolio scope in energy intensity calculations. Retail intensity scope decreased by 2% in 2014/15 based on total floor area.

12.3 Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO_2e per full time equivalent (FTE) employee

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
99.15	metric tonnes CO_2e	FTE employee	18	Increase	The increase in carbon intensity per FTE is mainly due to portfolio composition change. The proportion of offices in the portfolio has increased significantly during the period 2013 to 2015; this portfolio has a higher carbon intensity than retail. 2014/15 was the baseline year for office buildings Paddington Central, 10 Brock St, 10 Portman Street and Marble Arch House and resulted in a 21% increase of the office portfolio scope in energy intensity calculations. Retail intensity scope decreased by 2% in 2014/15 based on total floor area.

12.4 Please provide an additional intensity (normalized) metric that is appropriate to your business operations

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
0.029	metric tonnes CO_2e	square meter	12	Increase	The increase in carbon intensity per m^2 is mainly due to portfolio composition change. The proportion of offices in the portfolio has increased significantly during the period 2013 to 2015; this portfolio has a higher carbon intensity than retail. 2014/15 was the baseline year for office buildings Paddington Central, 10 Brock St, 10 Portman Street and Marble Arch House and resulted in a 21% increase of the office portfolio scope in energy intensity calculations. Retail intensity scope decreased by 2% in 2014/15 based on total floor area.

13 Emissions Trading

13.1 Do you participate in any emissions trading schemes?

No, and we do not currently anticipate doing so in the next 2 years

13.2 Has your organization originated any project-based carbon credits or purchased any within the reporting period?

Yes

13.2.a Please provide details on the project-based carbon credits originated or purchased by your organization in the reporting period

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO_2e)	Number of credits (metric tonnes CO_2e): Risk adjusted volume	Credits cancelled	Purpose, e.g. compliance
Credit Purchase	Biomass energy	Carbon Clear: Wuhe Kaidi Biomass Project in China	VCS (Verified Carbon Standard)	502	502	Yes	Voluntary Offsetting

14 Scope 3 Emissions

14.1 Please account for your organization's Scope 3 emissions, disclosing and explaining any exclusions

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO_2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Purchased goods and services	Relevant, calculated	54,237	Procurement emissions calculated by mapping spend to input-output carbon intensities to produce out-turn consumption based emissions. Mapped to 123 Standard Industrial Classification sectors which are then input to Arup's Beacon tool. The carbon intensity data in Beacon is supplied under exclusive license by the Centre for Sustainability Accounting LTD.	0.00%	Figures remain as per previous year. 2011/12 references emissions associated with the embodied goods and services purchased by British Land. Examples include design and legal services, service charge expenditure, Head Office property outgoings such as hard and soft FM. Reported in CR Full Data Report Figures 7 and 8. For further information refer to the CR Reporting Criteria on pages 195 – 204 of our CR Full Data Report 2014.
Capital goods	Relevant, calculated	127,371	Embodied carbon study by Atkins of carbon associated with materials and systems for construction and potential wastage, on-site energy usage and transportation factors. The scope is limited to major developments which completed in the reporting year. The methodology used to create the embodied carbon quantities is based on the CEN TC350 / BS EN 15978: 2011 scopes A1, A2 and A3. Historic data from previous years was calculated differently. Additional supply chain emissions calculated as procurement emissions calculated by mapping spend to input-output carbon intensities to produce out-turn consumption based emissions. Mapped to 123 Standard Industrial Classification sectors which are then input to Arup's Beacon tool. The carbon intensity data in Beacon is supplied under exclusive license by the Centre for Sustainability Accounting LTD.	73.00%	Emissions associated with capital assets, namely construction of new developments in 2014/15 and embodied carbon in existing buildings purchased by British Land in 2011/12. Calculated and reported in Sustainability Full Data Report 2015 Figures 11 and 12. For further information refer to the CR Reporting Criteria on pages 88 to 92 of our Sustainability Full Data Report 2015.
Fuel-and-energy-related activities	Relevant, calculated	5,818	GHG emissions for energy and fuel are based on energy data presented earlier. This is primary data reported by Managing Agents into our central database Credit 360.	100.00%	Upstream (scope 3) emissions of scope 1 & 2 energy and fuel related emissions reported by British Land in Sustainability Full Data Report Figures 11 and 12. For further information refer to

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO_2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
(not included in Scope 1 or 2)			Energy is converted to CO_2e. Emission factors sourced from Defra/DECC's Guidelines.		the Reporting Criteria on pages 195 – 204 of our Sustainability Full Data Report 2015.
Upstream transportation and distribution	Relevant, calculated	0	Supply chain emissions calculated as procurement emissions calculated by mapping spend to input-output carbon intensities to produce out-turn consumption based emissions. Mapped to 123 Standard Industrial Classification sectors which are then input to Arup's Beacon tool. The carbon intensity data in Beacon is supplied under exclusive license by the Centre for Sustainability Accounting LTD.	0.00%	Currently included in 'Purchased goods and services' and 'Capital goods'.
Waste generated in operations	Relevant, calculated	0	Supply chain emissions calculated as procurement emissions calculated by mapping spend to input-output carbon intensities to produce out-turn consumption based emissions. Mapped to 123 Standard Industrial Classification sectors which are then input to Arup's Beacon tool. The carbon intensity data in Beacon is supplied under exclusive license by the Centre for Sustainability Accounting LTD.	0.00%	Currently included in 'Purchased goods and services' and 'Capital goods'.
Business travel	Relevant, calculated	168	Fuel use data for owned or leased vehicles is submitted by Agents into the data management system Credit 360. Staff business travel emissions are calculated by converting expenditure to number of kilometres travelled and DEFRA/DECC carbon emission factors are applied. Expenditure from Barclaycard staff credit cards.	100.00%	2014/15 staff business travel of British Land staff. Reported by British Land in Sustainability Full Data Report Figures 5 and 12.For further information refer to the Reporting Criteria on pages 88 to 92 of our Sustainability Full Data Report 2015.
Employee commuting	Relevant, calculated	76	Calculated from Full Time Equivalent data and Head Office travel survey data. Staff based at Meadowhall Shopping Centre calculated from FTE data and National Travel Survey (commuting) data.	0.00%	Figures remain as per previous year. 2011/12 staff commuting emissions of British Land staff. Reported by British Land in CR Full Data Report Figures 7 and 8 and reported in CR Full Data Report 2012 and 2013 and Sustainability Full Data Report 2014. For further information refer to the CR Reporting Criteria on pages 195 – 204 of our CR Full Data Report 2014.
Upstream leased assets	Not relevant, explanation provided	0		0.00%	British Land does not lease buildings and so this category is not applicable.

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO_2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Downstream transportation and distribution	Not relevant, explanation provided	0		0.00%	British Land does not manufacture products which are transported to an end consumer and so this category is not applicable.
Processing of sold products	Not relevant, explanation provided	0		0.00%	British Land does not manufacture intermediate products and so this category is not applicable.
Use of sold products	Not relevant, explanation provided	0		0.00%	This category is aimed at product manufacturers where products are used by the consumer which produce further emissions.
End of life treatment of sold products	Not relevant, explanation provided	0		0.00%	This category is typically focussed at product manufacturers, where emissions are associated with the disposal, recycling of sold products which are typically within 5-10 years of manufacture. For British Land this relates to demolition of buildings, For existing assets this is not currently calculated as the demolition phase is 40+ years after the construction.
Downstream leased assets	Relevant, calculated	7,481,150	Calculated based on energy use purchased directly by occupiers that was estimated using floor area and space use data, where available, annual energy usage data kWh/m^2 from 2012 CIBSE Guide F, and annual energy usage data kWh/m^2 from retail occupiers' websites.		Figures remain as per previous year. 2011/12 downstream (scope 3) emissions of occupier/third party controlled energy/refrigerant emissions. Reported by British Land in CR Full Data Report Figures 7 and 8 and reported in CR Full Data Report 2012 and 2013. For further information refer to the CR Reporting Criteria on pages 195 – 204 of our CR Full Data Report 2014.
Franchises	Not relevant, explanation provided	0		0.00%	British Land does not operate any franchises and so this category is not applicable.
Investments	Relevant, calculated	10,859	Procurement emissions calculated by mapping spend to input-output carbon intensities to produce out-turn consumption based emissions. Mapped to 123 Standard Industrial Classification sectors which are then input to Arup's Beacon tool. The carbon intensity data in Beacon is supplied under exclusive license by the Centre for Sustainability Accounting LTD.	0.00%	Figures remain as per previous year. 2011/12 emissions associated with the interest charges paid to finance companies, and so the emissions associated with this category are the corporate emissions of companies in this sector, i.e. energy use, travel, materials, equipment, rent, marketing. Reported by British Land in CR Full Data Report Figures 7 and 8 and reported in CR Full Data Report 2012 and 2013. For further

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO_2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
					information refer to the CR Reporting Criteria on pages 195 – 204 of our CR Full Data Report 2014.
Other (upstream)	Not evaluated	0		0.00%	
Other (downstream)	Relevant, calculated	4,970,786	Visitor travel emissions calculated based on visitor numbers, average distance and carbon intensity of journey that were estimated using site data where available. TRICS (national standard database for trip generation) data on visitor trips/day/m^2 and Modal National Travel Survey (NTS) travel data 2011 and distance data for commuting and shopping.	0.00%	Figures remain as per previous year. It is analogous to Category 13 [downstream leased assets] for British Land. We have chosen to include emissions estimated for 2012/13 'Visitor travel to our properties' here as it is the emission source most relevant to this category. Please see our Reporting Criteria on pages 179 – 181 of our CR Full Data Report 2013 for further information. First year reported in CDP; calculated and reported in CR Full Data Report 2013. Please see our Reporting Criteria on pages 179 – 181 of our CR Full Data Report 2013 for further information.

14.2 Please indicate the verification/assurance status that applies to your reported Scope 3 emissions

Third party verification or assurance complete

14.2.a Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of Scope 3 emissions verified (%)
Limited assurance	https://www.cdp.net/sites/2015/97/2297/Climate Change 2015/Shared Documents/Attachments/CC14.2a/Assurance-Statement-from bl-sustainability-full-data-report-2015.pdf	All	ISAE3000	17

14.3 Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?

Yes

14.3.a Please identify the reasons for any change in your Scope 3 emissions and for each of them specify how your emissions compare to the previous year

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Capital goods	Change in methodology	51	Decrease	
Business travel	Change in output	36	Decrease	
Fuel- and energy-related activities (not included in Scopes 1 or 2)	Emissions reduction activities	1	Decrease	This is the result of emissions reduction initiatives, including: - Working closely with our managing agents to manage energy use at our properties, implementing environmental action plans at all major assets. - We have installed automatic meter reading (AMR) systems across 95%of our managed portfolio to enable our local teams to identify reduction opportunities on an ongoing basis, at the same time as improving billing accuracy. Examples of energy reduction measures include: - Matching heating and cooling plant run times with operational hours agreed with occupiers; - Increasing intake of external ambient air to reduce need for heating and cooling, and eliminating heating and cooling conflicts; - Installing motion sensors - Replacing lighting with energy efficient alternatives; - Adjusting temperature set points to reduce heating and cooling demands. - Working with our occupiers to reduce energy use and cut carbon emissions, notably through Green Building Management Groups in our multi-let offices. -We have also completed Energy Performance Certificate assessments across our portfolio.

14.4 Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)

Yes, our suppliers

14.4.a Please give details of methods of engagement, your strategy for prioritizing engagements and measures of success

i) Methods of engagement:
On developments (suppliers):
We have been exploring embodied carbon on our developments since 2009, commissioning studies across our development programme and detailed studies, for example at 5 Broadgate, The Leadenhall Building, Regent's Place, Ropemaker Place and Whiteley Shopping. These studies highlighted the significance of energy and material use on our developments, particularly the fabrication of steel and concrete, in relation to our other managed emissions. Building on this knowledge, we have been working with our supply chain partners to reduce embodied carbon since 2011, designing out material usage and specifying lower carbon sources of concrete, steel, rebar, aluminium and glass.

Managed portfolio (customers and suppliers):
We meet senior office building engineers each month, office management teams each quarter and retail centre managers biannually to discuss building environmental performance. We support office occupiers own energy reduction initiatives through Green Building Management Groups in each office building. We report occupier and building management performance and share best practice. We fund energy monitoring services for c20 office occupiers, providing half-hourly data, to give visibility on out-of-hours lighting use and small power demand in occupiers' demises. We have installed automatic meter reading at 95% of our managed portfolio to cut energy costs and carbon emissions. We've applied a lighting standard to our retail portfolio, when appropriate; this year four retail parks are committed to refresh the lighting system including LEDs, zonal controlling, daylight hours saving, dimming at night etc. These initiatives also future proof our portfolio, particularly given increasingly stringent regulatory requirements, such as legislation emerging from the Energy Act.

Other partners in the value chain:
In April 2014, we co-sponsored the UK Green Building Council's first Embodied Carbon Week. Our Sustainable Developments Executive, Sarah Cary, chaired the UK GBC's Zero Carbon Buildings Task Force and is on Sustainability Committees with both the British Council of Offices and British Property Federation. Our Head of Sustainability, Justin Snoxall, participated in the UK GBC group on healthy buildings and the Better Buildings Partnership group to establish a landlord energy rating scheme in the UK. Our Energy Executive, Matthew Webster, participated with the BBP in a working group to respond to early consultation regarding the heat metering directive.

ii) Prioritisation:
- On developments: We prioritise suppliers (contractors) at all developments above a construction value of £300,000.
- Managed portfolio: We prioritise customers and tier 1 suppliers, our managing agents responsible for operational management of our portfolio.
- Other partners in the value chain: We prioritise working with customers (occupiers) in our office portfolio interested in joining our Green Building Working Groups.

iii) Measures of success:
- On developments: We achieved 25.3% better efficiency than regulations require in our new office, retail and residential developments, with our new buildings using up to 50% less energy than older buildings. At Aldgate Place our project team has exceeded our 10% embodied carbon reduction target, achieving a 26% reduction compared to the project baseline. Through detailed analysis at design stage, we identified opportunities to reduce embodied carbon by 26%, to 250 kg of carbon per square metre. Carbon reduction examples include optimising the volume of reinforcement steel in the concrete used for the 10-storey hotel by 25% to deliver an 11% saving on total embodied carbon for the structure versus comparable projects, whilst maintaining structural standards. Furthermore, emissions related to operational energy use avoided on our current office and retail developments through design that exceeds Building Regulations are estimated [2014] at 4,135t CO_2/year (or 69,400t CO_2 across a 20 year operational life and 208,300t across a 60 year development life).

- Managed portfolio: In the past five years we have reduced landlord influenced emissions (common parts and shared services) across our like for like portfolio by 39% against a 2009 baseline, which has resulted in the avoidance of 52,600 tCO_2e of GHG emissions. We have achieved a 40%* reduction in energy use across our like-for-like portfolio since 2009, saving occupiers £10million. *Heating and cooling degree day adjusted to normalise for weather.
Over the last two years, we have installed more than 600 LED light fittings at our office estate Broadgate, a 30 acre fully managed estate. We have installed a new air source heat pump at 350 Euston Road, set to cut the building's carbon emission by 35%. Across Regent's Place we have achieved 45% reductions in landlord-influenced energy use over the last five years in existing buildings, cutting carbon emissions by 9.800 tonnes.

14.4.b To give a sense of scale of this engagement, please give the number of suppliers with whom you are engaging and the proportion of your total spend that they represent

Number of suppliers	% of total spend	Comment
20	100%	This represents our tier one suppliers: managing agents who look after our managed portfolio and project management contractors for our development projects.

14.4.c If you have data on your suppliers' GHG emissions and climate change strategies, please explain how you make use of that data

How you make use of the data	Please give details
Identifying GHG sources to prioritize for reduction actions	We request our contractors provide environmental data, including carbon emissions for their activities at our development projects. This information is aggregated and reported in our annual Sustainability Full Data Report. This information informs our sustainability strategy, including targets.

Module: Sign Off

15 Sign Off

15.1 Please provide the following information for the person that has signed off (approved) your CDP climate change response

Name	Job title	Corresponding job category
Lucinda Bell	Chief Financial Officer	Chief Financial Officer (CFO)