

OFFICE

CASE STUDY HIGHLIGHTS 2011

EXCEEDING OCCUPIERS' EXPECTATIONS

"Today, occupiers increasingly want flexible, high-quality, open plan offices with larger floor plates, which are technology and environmentally friendly. Our office investments over the years have focused on high-quality buildings in the City and West End of London, combined with active property management."

Tim Roberts. Head of Offices



INVESTING IN OUR ESTATES

At Broadgate and Regent's Place, we are investing in new signage, as well as websites and branding.

At Regent's Place, we are also improving landscaping and creating a 'giant's causeway' seating area in the Plaza. This follows our £8 million investment in landscaping and public art on the estate over the last two years. The award-winning Regent's Place Pavilion (pictured) by Carmody Groarke marks the new western entrance to the estate.

PREVENTATIVE PLANNING

Our long-term approach to planned preventative maintenance eases out peaks and troughs in cost cycles and ensures that each building continues to meet occupiers' needs as the business environment changes.

In the last year alone, we have refurbished or replaced passenger lifts, chiller units, building management systems, fire alarm systems and electrical controls. Following occupier feedback, we will now be providing more detailed information on long-term costings.



At 155 Bishopsgate at Broadgate (pictured), British Land and Blackstone forward-funded two new generators, creating over 20% more standby generation capacity to protect occupiers from the impacts of power cuts.

SERVICE CHARGE CODE

We support the RICS Service Charge Code, and work with RICS, the British Property Federation and others on service charge initiatives and benchmarking, to raise standards across the sector.

We recently launched our new, more readerfriendly and comprehensive service charge budget packs. Following positive feedback from occupiers, we are now updating our mid-year reviews and year-end statements to match. We will also provide more detailed information on landlord's insurance cover. We actively manage service charge costs, at the same time as maintaining best in class property management services. We also use the scale of our portfolio to negotiate competitive insurance coverage, with 2010 property insurance rates 10% lower than two years ago on average, public liability rates 3% lower and terrorism rates 5% lower.

"The service charge stacks up globally as good value for money."

Reed Smith

CUSTOMER SERVICE EXCELLENCE

In 2011, we carried out our fourth independent customer survey. This showed that we continue to outperform industry averages, with 83% of our office occupiers rating us good or excellent.

Customer feedback confirmed the effectiveness of many of our efforts to address the priorities they identified in our 2009 survey. Notably, satisfaction with value for money increased to 65% from 17% (industry average: 14%), and 73% of occupiers rated our managing agent Broadgate Estates as good or excellent, up from 53% in 2009.

Broadgate Estates also commissioned a customer service review at Exchange House. This led to the development of a new Customer Charter to drive service excellence. They are discussing the Charter with occupiers with a view to piloting it, before launching tailored charters at all our multi-let office buildings.

Find out more about our customer survey results and what we are doing to address our occupiers' priorities:

(w) britishland.com/officesurvey

EVENTS FOR ALL

We have expanded our events programmes at Broadgate and Regent's Place, providing more entertainment and services to the 38,000 people who work on our office estates and people who live nearby.

We particularly welcome opportunities to run joint events with our occupiers, for instance at Broadgate we hosted a three-day basketball tournament in partnership with occupier ICAP, raising £10,000 for local youth charity XLP. ICAP also won Broadgate's second beach volleyball tournament in aid of Action for Kids, beating last year's winners, Mitsubishi UFJ Securities International in the final seconds of the game. 14 teams from organisations across London competed in the event, which raised £50,000 for young people with physical and learning disabilities.



MANAGING BUILDINGS EFFICIENTLY

CUTTING ENERGY COSTS

Across our office portfolio, we used 12% less like-for-like energy this year than our baseline two years ago, saving office occupiers £460,000.

As part of our efforts to reduce costs, at the same time as cutting carbon emissions, we have rolled out our new energy metering system and optimisation process at nine of our multi-let office buildings – with occupier agreement. This will reduce base-build energy use (common parts and shared services) by at least 10% in each building. We expect to recoup capital costs in each building within three years through energy savings.

FOCUS ON GOOD MANAGEMENT

At our Head Office, York House, we cut British Land influenced energy use by 38% compared to 2008/09 and occupiers cut energy use in their areas by 11%. This has saved £141,000 over the last two years and



reduced carbon emissions by over 1,000 tonnes - largely thanks to the support of occupiers, the efforts of Building Engineer, Netza Jack (pictured), and the introduction of our new optimisation process. It has been recognised by prestigious awards from Property Week and the Chartered Institution of Building Services Engineers.

FOCUS ON REFURBISHMENT

At 338 Euston Road at Regent's Place, we achieved £100,000 of energy savings this year, with 19% lower base-build energy use than last year and 5% less energy use by occupiers in their areas. This follows our recent refurbishment of the building and upgrades to equipment, including:

- New water heaters, so that the main boiler system can be switched off during the summer.
- More energy efficient air handling units.
- Upgrades to the building management system to enable more sophisticated programming for heating and cooling.
- Improvements to the lighting system, with more energy efficient bulbs and motion sensors.

We expect to achieve further energy reductions going forward, following the implementation of our optimisation process.

GREEN BUILDING GROUPS

We work with occupiers across our multilet office portfolio to drive reductions in the areas they control, sharing information, providing support and meeting with interested occupiers each quarter.

We now also provide them with six-monthly building environmental statements, which include year-on-year building management and occupier performance comparisons. Next year, where office occupiers are committed to energy reductions, we will offer to fund energy reviews in their areas, which will highlight initiatives they can implement to drive reductions

FOCUS ON 10 EXCHANGE SQUARE

Our green building group at 10 Exchange Square at Broadgate (pictured) has been particularly successful this year:

- £120,000 of energy savings: cutting carbon emissions by around 700 tonnes. Our occupiers achieved a 19% reduction in their areas and we cut base-build energy use by 14%. Initiatives included carrying out overnight lighting surveys, installing motion sensors, and deactivating override buttons on air handling units, with occupiers' facilities managers now arranging when plant needs to be run out-of-hours.



- £5,000 of water savings: thanks to a 29% reduction in water use following the installation of 'save-a-flush' devices in all shared toilets and sani-sleeves in urinals.
- 68% recycling, up from 36% last year: equivalent to £5,600 in landfill taxes. Initiatives included standardising recycling bins, improving recycling signage, training occupiers' cleaning teams, running a waste awareness day and arranging for our waste contractor to meet with occupiers to identify issues and discuss solutions.

SETTING THE STANDARD

We support efforts to improve sustainability performance across the property sector.

We recently co-sponsored a UK Green Building Council (UK-GBC) task group which produced a series of recommendations on Display Energy Certificates for occupiers and landlords, and on the CRC Energy Efficiency Scheme.

Head of the Business Group, Justin Snoxall, also chaired a Better Buildings Partnership working group which developed a Green Building Management Toolkit designed to help owners, occupiers and building management teams work together more effectively to reduce energy, water and waste.

CUTTING WATER COSTS

We have now installed reverse osmosis systems in eight buildings to treat cooling-tower water so that it can be re-used.

At 201 Bishopsgate, this helped cut water use by 35% this year, saving £16,600 and almost 12 million litres of water.

LOCAL FOCUS ON COMMUNITIES

CHANGING LIVES IN EAST LONDON

Volunteers from British Land and our managing agent Broadgate Estates got involved in a series of events organised by Fairbridge, our national charity, to help disadvantaged young people in Hackney to change their lives.

We are providing £135,000 of funding to this charity over three years. Broadgate raised a further £18,000 for the local Fairbridge centre in Hackney, for instance through a big sale of unwanted furniture.

We also continued to support Project Shoreditch, an award-winning partnership between British Land, the East London Business Alliance (ELBA), Hammerson, Linklaters and UBS, which promotes local regeneration. Together with our supply partners, we provided the equivalent of one month's support to Project Shoreditch, for instance taking part in a mentoring scheme for young people and the StarLit literacy festival.

ENCOURAGING CREATIVITY

A group of local children painted London's night skyline from the 17th floor of The Broadgate Tower, and then exhibited their work. This is part of our support for Arts For All, a creative centre in Shoreditch, which we are providing with £30,000 of funding over three years. Members of the Broadgate team also volunteer with the charity and help with fundraising.



Another arts project for young people who live near to our London office properties saw 60 young carers work with professional artists. They had the chance to create their own jewellery, perform short plays, compose and record music, and go on exciting educational trips. This partnership project involves arts charity Create, Crossroads Young Carers and Westminster Young Carers Service. We have been supporting young carers since 2007, with further projects agreed.



Young carers wearing the masks they created after a trip to the British Museum.

GOING WILD FOR CAMDEN

45 children from Netley Primary School near to Regent's Place enjoyed a trip to the Tropical Forest in west London – thanks to funding and support from the Regent's Place team and service partners.



We have a long-standing relationship with the school, in particular running a successful reading support programme. For one of our community team challenges, our volunteers brightened up a play area at the school, creating a mural replicating artwork by the children.

We also support nearby South Camden Community School, for instance getting involved in its Young Enterprise 'Learn to Earn' event for the third year and accompanying students on 'Green Week' trips for the second year. At Broadgate, we funded a project delivered by local charity Rich Mix and the BBC, which saw young people mentored on how to write, perform and record plays for radio. 200 east London students visited the Rich Mix arts centre in Tower Hamlets, with 35 receiving mentoring support.

At Regent's Place, through the Primary Voices programme, delivered by Quicksilver and part-funded by British Land, over 150 schoolchildren had the chance to create their own plays and then perform them in the New Diorama Theatre.



REGENERATION

We won the Royal Town Planning Institute's Sustainable Communities Award 2010 for regeneration at Regent's Place.

Over the last two years, we have created a new community theatre, more public space, new social housing units, additional pedestrian routes and more public artworks. We continued to actively engage with local community groups, such as the West Euston Partnership, the Third Age Project and the local Age Concern centre.

"For nearly 20 years British Land has been working in partnership with local people, taking their needs and expectations into consideration. This is an excellent partnership that will continue to grow and make a difference to the lives of local people."

Nasim Ali, Leader of Camden Council and local councillor for Regent's Park Ward

As part of the final phase of our masterplan for the estate, we are doubling the size of the Regent's Place Plaza and creating 15,000 sq ft of new community space, including accommodation for local arts charity Diorama, the West Euston Partnership and the One Stop Shop for employment and training.

DEVELOPING SUSTAINABLE BUILDINGS



EXCELLENT DESIGN

We are on track to achieve BREEAM Excellent sustainability ratings for all our major office developments, with 36% better carbon efficiency on average than current standards.

The new buildings we are constructing at Regent's Place (pictured) are designed to be up to 54% more carbon efficient than current standards – thanks to features such as a heat recovery system, enhanced air tightness, high-performance glazing, motion and

daylight sensors, energy metering and photovoltaic panels.

Our £35 million refurbishment of 199 Bishopsgate at Broadgate will deliver 142,000 sq ft of high-quality office accommodation, which is rated BREEAM Excellent and designed to be 35% more carbon efficient than current standards – without major façade changes.

RESPONSIBLE CONSTRUCTION

Our contractors and sub-contractors are applying our high standards for procurement and site management on all our major developments.

As part of the tender process for The Leadenhall Building (pictured right), we are evaluating how potential contractors propose to manage environmental and social issues, making sure that this 47-storey tower meets our stringent sustainability standards.

At Regent's Place (pictured far right), 99.7% of waste was diverted from landfill this year, almost 25% of construction materials by value came from recycled sources, and two apprenticeships were created for local people.



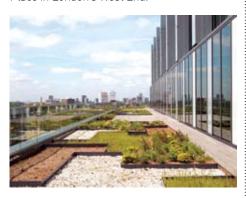


ENHANCING BIODIVERSITY

GREEN SPACES IN THE CITY

Since 2004, we have created more than 60,000 sq ft of new green roof space in central London, at seven buildings. These include the new roofs at Regent's Place (pictured below), which have already attracted the rare black redstart and the attention of a nearby pair of peregrine falcons.

A 2010 study by ecologists of six of our developments showed that we have positively contributed to local biodiversity over the last few years, notably through our green roofs at Broadgate in the City of London and Regent's Place in London's West End.





At 155 Bishopsgate, we helped occupier Baring Asset Management to retrofit a green roof (pictured above), with a focus on mature species, such as a Cork Oak, which has pride of place in the new European garden, and a Japanese Red Pine in the Asian garden.

At 20 Triton Street in Regent's Place, we are working with occupier Lend Lease to retrofit a further 2,700 sq ft of green roof. At Exchange House at Broadgate, we are retrofitting almost 2,000 sq ft of green roof.

BEYOND THE HIVE

In the summer of 2010, together with the City of London Corporation, we delivered 'Beyond the Hive', a competition which saw five-star insect hotels created in parks across the City.

We continue to monitor each hotel, with a view to introducing similar structures on some of our biodiverse green roofs.

The Beevarian Antsel and Gretel Chalet (pictured below) won the public vote. It was made by the German Women in Property team, using materials collected within the City.



This booklet features a collection of property management and corporate responsibility case studies from across our managed office portfolio. All initiatives took place from 1 April 2010 to 31 March 2011, unless otherwise stated.

For our Corporate Responsibility Report: britishland.com/crReport2011

For our office survey 2011: britishland.com/officesurvey

Want to know more?

If you would like to know more or let us know your views, please contact us:

Catherine Thomas
Property Management Executive
City of London
T: 020 7467 2833

E: catherine.thomas@britishland.com

Georgia Hogg Property Management Executive West End of London T: 020 7467 2979 E: georgia.hogg@britishland.com

British Land, York House, 45 Seymour Street, London W1H 7LX

T: +44 (0) 20 7486 4466 F: +44 (0) 20 7935 5552 www.britishland.com