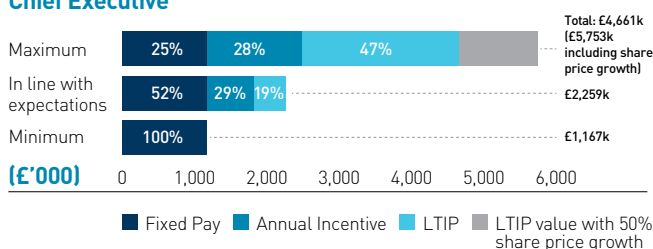


Overview of Remuneration Policy

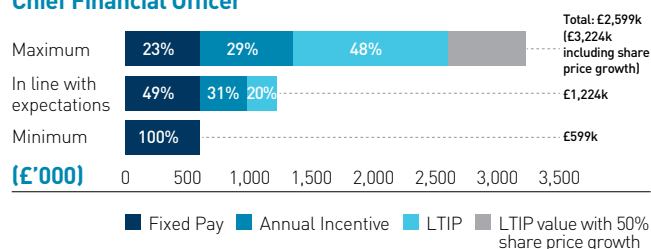
Our Remuneration Policy is aligned with the long term business strategy, the culture and the values of the Company. The Remuneration Policy outlined on pages 92 to 96 will, subject to shareholder approval, take effect from 19 July 2019. The bar charts below illustrate the levels of remuneration receivable by the Executive Directors in the first year of operation of the proposed Remuneration Policy for varying levels of performance.

Illustration of application of Remuneration Policy

Chief Executive



Chief Financial Officer



1. Calculated using (a) salaries for the year ending 31 March 2020; (b) benefit values for the year ending 31 March 2019; and (c) pension policy as applicable for the year ending 31 March 2020 i.e. 30% of salary for the CEO and 15% of salary for the CFO

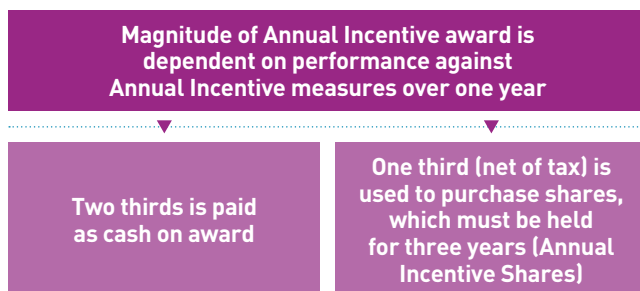
Executive Directors

Fixed remuneration

The components of fixed remuneration are intended to provide a base package at a level that will attract high-calibre individuals, with the appropriate degree of expertise and experience to carry out their roles to the high standards we require. Executive Directors' salaries are set taking into account the scope and responsibilities of the role and the level of remuneration paid at companies of broadly similar size, and, in addition to salary, the fixed remuneration package includes the provision of benefits, a pension or pension allowance and the opportunity to take part in all-employee share schemes.

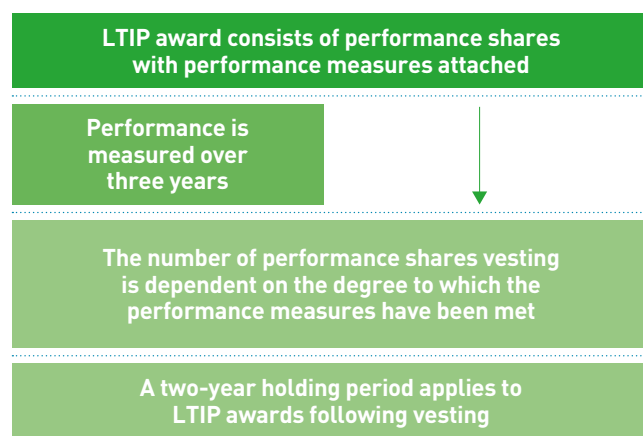
Annual Incentive

The Annual Incentive forms part of the variable proportion of an Executive Director's remuneration package. The level of Annual Incentive award received is directly linked to quantitative and strategic measures which are set annually. A proportion of each Executive Director's Annual Incentive award is used to purchase shares that must be held for three years, providing longer term alignment with shareholders.



Long-Term Incentive Plan

The LTIP is the second element of variable remuneration. The proportion of an LTIP award that is actually released to an Executive Director is dependent on British Land's performance against specified performance measures over a three-year period.



Chairman and Non-Executive Directors

Fees paid to the Company Chairman and Non-Executive Directors are set taking into account fees paid at companies of broadly similar size with the aim of attracting individuals with the appropriate degree of expertise and experience to work with and challenge the Executive Directors.

Executive Directors' Remuneration Policy

Fixed remuneration

Operation	Maximum opportunity	Performance conditions
Basic salary		
To attract, motivate and retain talented Executive Directors.		
<p>The level of basic salary is set taking into account the scope and responsibilities of the role and the level of remuneration paid at companies of broadly similar size.</p> <p>Basic salaries are reviewed annually by the Remuneration Committee, with increases usually taking effect on 1 April for the subsequent year. Employment conditions and salary increases throughout the Group are taken into account when basic salaries are reviewed.</p> <p>Changes in the scope of an Executive Director's role may result in a review of salary.</p>	<p>The maximum level of basic salary will not be greater than the current salary as increased, typically in line with the market and general salary increases throughout the Group.</p> <p>If an individual is appointed at a lower salary, for example, to reflect inexperience as a listed company Director, larger increases may be awarded over future years as they prove their capability.</p>	Not applicable.
Car allowance, benefits and all-employee share schemes		
To provide a car allowance and set of benefits which support the Executive Director and encourages participation in the all-employee share schemes.		
<p>A car allowance is paid to Executive Directors in lieu of the provision of a company car.</p> <p>Executive Directors are eligible to receive other taxable and non-taxable benefits, that may include:</p> <ul style="list-style-type: none"> - private medical insurance (covering the Director and family) - life assurance cover - permanent health insurance - access to independent actuarial, financial and legal advice when necessary - gym membership, subsidised by the Company - annual medical checks - relevant professional subscription fees - other benefits on substantially the same basis as other employees. <p>Executive Directors are eligible to participate in British Land's Share Incentive Plan (SIP), Sharesave Scheme and any other future plans on the same basis as other eligible employees.</p> <p>The Company provides Directors' and Officers' Liability Insurance and may provide an indemnity to the fullest extent permitted by the Companies Act.</p>	<p>The maximum car allowance is £20,000 per annum.</p> <p>The maximum cost of other taxable and non-taxable benefits permitted under the Policy is the amount required to continue providing benefits at a similar level year-on-year.</p> <p>The maximum opportunities under the SIP, Sharesave Scheme and any subsequent plans are set by the rules of the schemes and may be determined by statutory limits.</p>	Not applicable.
Pension or pension allowance		
To provide an appropriate level of pension in retirement for Executive Directors.		
<p>Executive Directors may receive pension benefits through a defined contribution scheme or cash allowance in lieu of pension contributions or defined benefit scheme (for Directors who joined the scheme before it was closed to new members in 2006).</p> <p>Cash allowances in lieu of pension contributions would typically be paid at the same level of salary as Company contributions under the defined contribution arrangement.</p> <p>Accrual rates for Directors receiving benefits through the defined benefit scheme are determined by the rules of the scheme and are dependent on the age at which the Director joined the Company. Benefits up to the limit permitted by the tax legislation are provided in a registered plan. Benefits over that limit are currently provided in an employer financed retirement benefit scheme (EFRBS). EFRBS participants are currently offered a choice annually as to whether they wish to accrue benefits in the EFRBS or to receive a cash payment in lieu.</p>	<p>Employer pension contributions to Executive Directors under the defined contribution arrangement and cash allowances in lieu of pension are made at a fixed percentage of salary, between 15% and 30%.</p> <p>Under the defined benefit scheme the target benefit is the pension that can be provided by the 31 March 2012 lifetime allowance (£1.8m), uplifted by RPI from 31 March 2011.</p> <p>The maximum accrual rate for a defined benefit scheme member is that which will give the target benefit at age 60, subject to the accrual rate being no greater than one thirtieth and no less than one sixtieth of salary.</p> <p>Future appointments will not receive a contribution greater than the majority of the workforce (currently 15% of salary) and, unless already within the defined benefit scheme, will not be able to participate in it.</p>	Not applicable.

Variable remuneration

Operation	Maximum opportunity	Performance conditions
Annual Incentive To reward performance against quantitative and strategic objectives that are set annually.		
<p>Annual Incentive awards may be granted to Executive Directors each year, with the level of award reflecting quantitative and strategic aims of the Company. Objectives are set by the Board and measures set by the Remuneration Committee.</p> <p>Awards are granted following the financial year end, when actual performance over that year is measured.</p> <p>A portion of the Annual Incentive Award is paid in cash and the remaining portion (net of tax) is used to purchase British Land shares on behalf of the Executive Director (Annual Incentive Shares).</p> <p>For the Annual Incentive Award for the year commencing 1 April 2019, one third of any Award will be required to be used to purchase Annual Incentive Shares.</p> <p>Annual Incentive Shares must be held for three years from the date of grant of the Annual Incentive award before they may be transferred or sold, regardless of whether or not the individual remains an employee of British Land throughout this period. Executive Directors are entitled to the dividends paid in respect of the Annual Incentive Shares during the holding period.</p> <p>The Annual Incentive award (cash and shares) may be clawed back during the three-year period following determination of the award in certain circumstances. These are set out on page 96.</p>	<p>The maximum level of Annual Incentive which may be granted is equivalent to 150% of basic salary.</p>	<p>The objectives are set by the main Board and the measures by the Remuneration Committee normally at the beginning of the financial year over which performance will be assessed and following the end of the financial year when performance can be determined. The Committee has the discretion to adjust the outturn to ensure it reflects underlying performance.</p> <p>No more than 25% of any part of the award will be earned for threshold performance. Up to half of the maximum potential award is payable for target performance that is in line with expectations. If the stretch target is met the maximum potential award will be earned.</p> <p>No further performance conditions are attached to the Annual Incentive Shares during the holding period.</p>
Long-Term Incentive Plan (LTIP) To link the level of reward to Company performance against specified long term measures, promoting and rewarding activities that support our strategy and create sustainable long term value for shareholders.		
<p>LTIP awards may be granted annually by the Remuneration Committee to Executive Directors. Awards may consist of performance shares (conditional rights to receive shares).</p> <p>LTIP awards typically vest after three years. The number of performance shares vesting is dependent on the degree to which performance conditions attached to the LTIP have been met over this three-year performance period. The Committee has the discretion to adjust the outturn to ensure it reflects underlying performance. A payment equivalent to the dividends accrued on vesting performance shares is paid at the point of vesting in shares or cash.</p> <p>On vesting, sufficient performance shares may be sold to cover any liability to income tax and National Insurance contributions and related costs of sale. The remaining performance shares must be held for two years following vesting before they are permitted to be transferred or sold, regardless of whether or not the individual remains an employee of British Land throughout this period.</p> <p>LTIP awards may be forfeited and/or clawed back from the date of grant until three years after the determination of the vesting level of an award in certain circumstances. These are set out on page 96. If it is discovered that an LTIP award was granted or vested on the basis of materially misstated accounts or other data the Committee may require some or all of the performance shares to be forfeited or clawed back during the five-year period following the grant date.</p>	<p>The maximum value (using the share price at the time of award multiplied by the number of shares) of an LTIP award which may be granted is equivalent to 300% of basic salary.</p>	<p>The LTIP performance conditions have been chosen to reward performance that is aligned with British Land's strategy:</p> <ul style="list-style-type: none"> total property return (TPR) performance is assessed relative to an MSCI benchmark, weighted in sector returns at the property level total accounting return (TAR) is assessed relative to a market capitalisation weighted index of the companies within the FTSE 350 property companies that use EPRA accounting total shareholder return (TSR) is assessed against both the FTSE 100 and a comparator group consisting of the companies within the FTSE 350 property companies that use EPRA accounting, both on market capitalisation weighted bases. <p>The relative weighting of the performance conditions may be varied by the Committee to ensure the LTIP best supports British Land's strategy and to meet investor preferences. The Committee currently intends to apply the performance conditions with the following weightings: 40% of the award will be linked to the TPR condition, 20% will be linked to the TAR condition and 40% will be linked to the TSR condition, split equally between the FTSE and real estate benchmarks.</p> <p>TPR performance is currently assessed against the MSCI IPD UK Annual Property Index. The Committee may amend the comparator groups of companies during the performance period if there is a corporate event affecting any member of the group and may amend the MSCI benchmark if a different benchmark is deemed more appropriate.</p> <p>Performance conditions are challenging, requiring significant outperformance for 100% of the LTIP award to vest. 20% of the award will vest if the minimum performance threshold is achieved; performance below the minimum threshold for a performance condition will result in the LTIP award in respect of that condition lapsing. Pre-defined levels of stretch performance in excess of the benchmark must be achieved against each performance measure for the entire award to vest. These are 1.00% pa for TPR, 2.00% pa for TAR, 3.00% pa for Real Estate TSR and 5.00% pa for FTSE 100 TSR over the three-year period.</p>

Non-Executive Directors' Remuneration Policy

Operation	Maximum opportunity	Performance conditions
Chairman's fee		
To attract and retain an individual with the appropriate degree of expertise and experience.		
The Chairman's annual fee is set by the Remuneration Committee and reviewed annually. The level of the Chairman's annual fee is set taking into account fees paid at companies of broadly similar size.	Typically increases, if required, will be in line with market.	Not applicable.
Non-Executive Directors' fees		
To attract and retain Non-Executive Directors with the appropriate degree of expertise and experience.		
Remuneration of the Non-Executive Directors is a matter for the Executive Directors and Chairman, and fees are reviewed annually. Non-Executive Directors receive an annual fee plus additional fees if they are members of a Committee, or if they hold the position of Senior Independent Director, Chairman of a Committee, perform additional roles or have a greater time commitment. The Company's Policy is to deliver a total fee at a level in line with similar positions. The Chairman and members' fees for the new CSR Committee will apply for the full year from 1 April 2019.	The maximum aggregate amount of basic fees payable to all Non-Executive Directors shall not exceed the limit set in the Company's Articles of Association, which is currently £900,000.	Not applicable.
Other arrangements for the Chairman and the Non-Executive Directors		
To support the Directors in the fulfilment of their duties.		
The Company may reimburse expenses reasonably incurred by the Chairman and the Non-Executive Directors in fulfilment of the Company's business, together with any taxes thereon. The Company provides the Chairman and the Non-Executive Directors with Directors' and Officers' Liability Insurance and may provide an indemnity to the fullest extent permitted by the Companies Act.	The maximum reimbursement is expenses reasonably incurred, together with any taxes thereon. The maximum value of the Directors' and Officers' Liability Insurance and the Company's indemnity is the cost at the relevant time.	Not applicable.

Notes to the Remuneration Policy table

Remuneration Policy for other employees

Salary reviews across the Group are carried out on the same basis as salary reviews for the Executive Directors; consideration is given to the individual's role, duties, experience and performance, along with consideration of typical salary levels of employees in similar roles in comparable companies, where the data is available. Employees are entitled to taxable and non-taxable benefits, with executives being entitled to substantially the same benefits as the Executive Directors.

Executives may be granted Long-Term Incentive Plan and/or Restricted Share awards.

Employees joining the Company after 2006 are eligible to take part in a defined contribution pension arrangement. The Company's all-employee share schemes (the Share Incentive Plan and the Sharesave Scheme) are also open to eligible employees.

Pre-existing obligations and commitments

It is a provision of this Policy that the Company can honour all pre-existing obligations and commitments that were entered into prior to this 2019 Remuneration Policy taking effect. The terms of those pre-existing obligations and commitments may differ from the terms of the Remuneration Policy and may include (without limitation) obligations and commitments under service contracts, long term incentive schemes (including previous Long-Term Incentive Plans), pension and benefit plans.

Considerations when setting Remuneration Policy

In drawing up the Remuneration Policy, the Committee took into account views expressed by shareholders during meetings and communicated to the Company. The Company engaged with its shareholders via consultation meetings with investor bodies, and by writing to its largest shareholders, offering each a meeting to discuss remuneration proposals.

Each year the Remuneration Committee takes into account the pay and employment conditions of employees in the Group, noting the general increase in salary proposed for all employees and levels of incentive payments and performance, before setting the remuneration of the Executive Directors. The Committee did not consult with the Company's employees when drawing up the Directors' Remuneration Policy.

Approach to recruitment remuneration

Executive Directors

Basic salary is set at a level appropriate to recruit a suitable candidate, taking into account external market competitiveness and internal equity. The level of basic salary may initially be positioned below the mid-market of the chosen comparator group, with the intention of increasing it to around the mid-market of the comparator group after an initial period of satisfactory service.

Individuals will be able to receive a contribution to a pension plan, or cash in lieu thereof, and the Company contribution will not be greater than the majority of the workforce (currently 15% of salary).

Where a recruit is forfeiting incentive awards granted by his or her existing employer, compensation in the form of a restricted share plan (RSP) award or otherwise may be made (in accordance with Listing Rule 9.4.2), the maximum value of which will be that which the Committee, in its reasonable opinion, considers to be equal to the value of remuneration forfeited.

Vesting of the shares granted and the value of any dividends will be subject to the Director completing a minimum period of qualifying service, so the award will not be released until this condition has been satisfied. The vesting of the award may be subject to additional performance measures being met over the same period. The Committee will determine the most relevant measures to use at the time of award, bearing in mind the responsibilities of the individual being appointed and the Company's strategic priorities at the time.

The Company's Policy is to give notice periods of no longer than 12 months.

Chairman and Non-Executive Directors

On recruitment, the Chairman will be offered an annual fee in accordance with the Policy. The level of the annual fee may initially be positioned below the mid-market level, with the intention of increasing it to around the mid-market level of the comparator group after an initial period of satisfactory service. Non-Executive Directors will be offered Non-Executive Directors' fees in accordance with the Policy.

Appointment of internal candidates

If an existing employee of the Group is appointed as an Executive Director, Chairman or Non-Executive Director, any obligation or commitment entered into with that individual prior to his or her appointment can be honoured in accordance with the terms of those obligations or commitments, even where they differ from the terms of the Policy.

Policy on loss of office

Executive Directors

The Executive Directors' service contracts can be lawfully terminated by either party giving 12 months' notice, or by the Company making a lump sum payment in lieu of notice (PILON) equal to the Executive Director's base salary for the notice period. Additionally, when the Company makes a PILON, it may either pay a lump sum equal to the value of any benefits for the notice period or continue to provide benefits until the notice period expires or the Executive Director starts new employment (whichever is the earlier). These lawful termination mechanisms do not prevent the Company, in appropriate circumstances, from terminating an Executive Director's employment in breach of his or her service contract and seeking to apply mitigation in determining the damages payable. Where this is achievable in negotiation with the outgoing Director, settlement arrangements are structured so that the termination payment is paid in instalments and the instalments are reduced by an amount equal to any earnings received from the outgoing Director's new employment, consultancy or other paid work.

For departing Executive Directors and Executive Directors that have left British Land the Committee may agree to cash commutation of pension benefits under the defined benefit scheme (including EFRBS benefits) and other pension arrangements entered into prior to the adoption of the 2019 Remuneration Policy. Any commutation would take into account valuations provided by independent actuarial advisers so as to be undertaken on a basis considered by the Committee to be cost neutral to the Company.

The circumstances of the loss of office dictate whether the individual is treated as a good leaver or otherwise, in accordance with the Company's Policy. The Remuneration Committee uses its discretion to form a view taking into account the circumstances. Good leavers typically receive pro-rata Annual Incentive and long term incentive awards, subject to performance measurement, and other leavers forfeit their entitlements. In the event of a change of control the rules of the share plans generally provide for accelerated vesting of awards, subject (where applicable) to time apportionment and achievement of performance targets. The Chief Executive's contract pre-dates 27 June 2012 but does not contain contractual provisions that could impact on the amount of any payment for loss of office and which fall outside the Policy. Details of the Executive Directors' service contracts and notice periods are given in the table below:

Director:	Length of service contract	Date of service contract	Normal notice period to be given by either party
Chris Grigg	12 months	19.12.08	12 months
Simon Carter	12 months	18.01.18	12 months
Charles Maudsley	12 months	03.11.09	12 months
Tim Roberts	12 months	14.11.06	12 months