



OFFICE OCCUPIER SURVEY 2011

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OVERVIEW

83% OF OUR OFFICE OCCUPIERS RATE US AS GOOD OR EXCELLENT, AND WE CONSISTENTLY OUTPERFORM INDUSTRY AVERAGES.

In 2011, we carried out our fourth independent UK customer survey. 92% of our office occupiers recommend doing business with British Land.

We aim to be the partner of choice for our occupiers, delivering excellent service and outstanding buildings. We have expanded our in-house team to engage more actively with occupiers on day-to-day property management.

OCCUPIER FEEDBACK

"British Land worked quickly to address any concerns raised during the survey and it is clear that support for the implementation of the resulting action plan comes from the highest level in the organisation."

General Medical Council

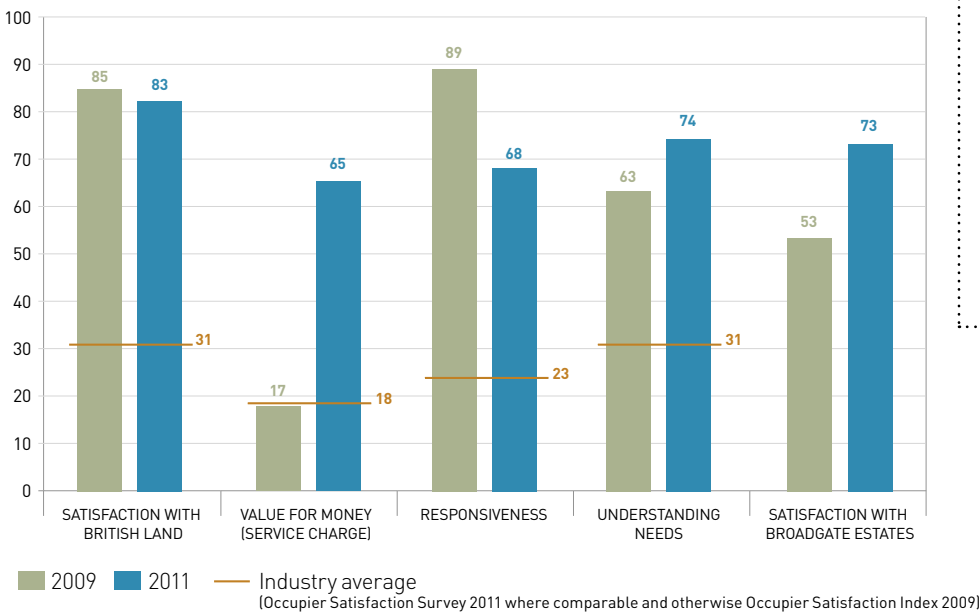
"British Land values its tenants highly and puts a lot of emphasis on maintaining a relationship. Their developments are very high quality. They are a high quality brand."

Office occupier feedback

83%

OFFICE OCCUPIER SATISFACTION WITH OUR SERVICE

Office occupiers rating as good or excellent (%)



"THEY UNDERSTAND OUR REQUIREMENTS. THEY ARE FORWARD THINKING AND ARE A LANDLORD OF CHOICE AS FAR AS WE ARE CONCERNED."

Henderson Global Investors

RealService carried out almost 30 telephone interviews with property directors and senior facilities managers.

WHAT WE'LL DO NEXT

Based on occupier feedback, we will:

- Reinvigorate our key account programme and invest in new customer relationship management tools, tailoring communication more effectively and improving responsiveness.
- Launch building-specific Customer Charters to drive service excellence.
- Work with occupiers and service partners to streamline the Licence approval process
- Continue to identify opportunities for cost savings, whilst maintaining best-in-class property management services.

+ CUSTOMER CHARTER

WE ARE LAUNCHING BUILDING-SPECIFIC CUSTOMER CHARTERS TO DRIVE SERVICE EXCELLENCE

COMMUNICATION

68% OF OUR OFFICE OCCUPIERS RATE OUR COMMUNICATION AS GOOD OR EXCELLENT (INDUSTRY AVERAGE: 35%*).

This is a slight decrease on 74% satisfaction with our communication in 2009, and so we will focus on improving how we engage with occupiers.

We will also work to speed up responsiveness; we recognise that many of our customers operate 24/7 businesses, in very fast moving environments.

WHAT WE'VE ALREADY DONE

We have already

- Expanded our in-house team to engage more actively with occupiers and improve communication between British Land and Broadgate Estates.
- Introduced post occupation surveys at The Broadgate Tower, Ropemaker Place and 20 Triton Street.
- Launched quarterly online updates on initiatives to deliver value, save natural resources and make a difference. [Sign up to our updates](#)
- Hosted public exhibitions on our development activities at 5 Broadgate and Regent's Place.

68%

OFFICE OCCUPIER SATISFACTION WITH COMMUNICATION

"THEY ARE A FIVE-STAR LANDLORD THAT VALUES HIGHLY THE RELATIONSHIP BETWEEN THEMSELVES AND THEIR CLIENT OCCUPIERS."

Mayer Brown International LLP



- ← At Regent's Place, where we are completing the final phase of our masterplan for the estate, we hold monthly development meetings with occupiers, publish regular construction newsletters and provide a dedicated point of contact for occupiers' development enquiries. Visit www.regentsplace.com/neq

WHAT WE'LL DO NEXT

Based on occupier feedback, we will:

- Reinvalidate our key account programme and invest in new customer relationship management tools – making sure we liaise with the right people at all levels, as often as they want and in the way they want.
- Work harder to understand our occupiers' changing needs through direct engagement with them and by actively monitoring media announcements.
- Liaise more closely with specialist occupiers to understand their specific requirements.
- Introduce a dedicated point of contact and regular newsletters for our new development activity.

+ KEY ACCOUNTS

WE ARE INVESTING IN NEW CRM TOOLS TO IMPROVE COMMUNICATION WITH OUR OCCUPIERS

*Occupier Satisfaction Index 2011, rating satisfaction with the level of communication with landlords as seven out of ten or above.

COMMUNICATION continued

WHAT WE'LL DO NEXT

Based on occupier feedback, Broadgate Estates will:

- Publish regular emails providing updates on estate matters such as developments, events and immediate repairs.
- Engage with occupiers and local communities throughout the development process to ensure it goes as smoothly as possible.
- Trial a new approach to monthly occupier meetings, with more interactive sessions and a focus on key performance indicators.
- Pilot an E-room for occupiers, providing a one stop shop for building information, such as service charges, meeting minutes and long-term costings.

"IF I HAVE A PROBLEM, THEY REACT QUICKLY. THEY ALSO LET US KNOW OF FORTHCOMING ISSUES."

Office occupier feedback

MORE FEEDBACK

"Communication is very effective. There is not too much communication, nor too little. They are accessible and I can always get hold of someone."

Reed Smith LLP

PROPERTY MANAGEMENT

73% OF OUR OFFICE OCCUPIERS RATE BROADGATE ESTATES AS GOOD OR EXCELLENT (2009: 53%).

Our office properties are managed by Broadgate Estates Ltd, a property management company which is a British Land subsidiary.

WHAT WE'VE ALREADY DONE

Following our 2009 occupier survey, Broadgate Estates successfully worked with occupiers to improve satisfaction. More recently, they commissioned an independent customer service review, which informed their new Customer Charter. They also expanded their property management team.

We invest in our office estates to ensure that we continue to provide occupiers with the highest quality business environments. We proactively monitor Broadgate Estates' performance on customer-focused standards, and report this on a quarterly basis. [View latest performance](#)

→ Over the last two years, British Land has invested around £8 million on landscaping and public art at Regent's Place. This has led to the installation of the award-winning Regent's Place Pavilion by Carmody Groarke, which marks the new western entrance to the estate, as well as a new fountain and 'Ruth Walking in Jeans' by Julian Opie.



73%

OFFICE OCCUPIER SATISFACTION WITH BROADGATE ESTATES

"BROADGATE ESTATES' DOOR IS ALWAYS OPEN AND THE PHONE IS ALWAYS ANSWERED. THEY ARE VERY PROFESSIONAL."

Mapeley Estates



+ UPGRADE

WE WILL BE INVESTING IN NEW WEBSITES FOR BROADGATE AND REGENT'S PLACE

← Our regular farmers' markets at Broadgate and Regent's Place have not only proved popular with people who work on the estates or live nearby, they also provide a small contribution to the service charge – so more services for occupiers with no extra costs.

PROPERTY MANAGEMENT continued

WHAT WE'LL DO NEXT

Based on occupier feedback, Broadgate Estates will:

- Launch tailored Customer Charters for individual buildings across our entire office portfolio to drive service improvements.
- Work with occupiers and service partners to streamline the Licence approval process, including the online application system and the involvement of solicitors.
- Improve reception services and project management of refurbishments, for instance through additional training and personnel resource.
- Explore a more holistic set of services that occupiers may wish to use, such as concierge services and full facilities management functions.
- Respond directly to occupiers where any building-specific issues were identified.

We are also:

- Investing over £1 million at Regent's Place, on new signage, the website, the brand and public spaces. This will include improvements to landscaping and the creation of a 'giant's causeway' seating area in the Regent's Place Plaza.
- Investing in the Broadgate brand, including the installation of new signage and creation of a new website.
- Reviewing how Broadgate Estates reports to us, to make them more measurable in terms of performance.

"BRITISH LAND IS AT THE FOREFRONT OF VARIOUS INITIATIVES SUCH AS INCREASING ENERGY EFFICIENCY AND IMPROVING OTHER THINGS IN THE BUILDING."

Government of Singapore Investment Corporation (London Office)

MORE FEEDBACK

"Broadgate Estates is a very supportive management company. They are proactive and understand our business. They communicate well and manage the estate very effectively."

Office occupier feedback

"We see British Land and Broadgate Estates as one."

Herbert Smith LLP

SERVICE CHARGES

65% OF OUR OFFICE OCCUPIERS RATE OUR VALUE FOR MONEY ON SERVICE CHARGES AS GOOD OR EXCELLENT (INDUSTRY AVERAGE: 18%*).

79% of our office occupiers rate our service charge management as good or excellent.

Similarly, in an independent audit by the RealService Best Practice Group, we scored 95% for issuing both budgets and year-end statements on time (industry average: 78% and 69% respectively).

WHAT WE'VE ALREADY DONE

Following our 2009 occupier survey, we carried out a rigorous review of all occupancy costs, in partnership with our managing agent Broadgate Estates and a number of our occupiers.

We successfully cut service charge costs by 3% on average, without compromising standards. We also used the scale of our portfolio to reduce insurance premiums by 5%. As a result, satisfaction with value for money has increased significantly to 65% (2009: 17%).

We already:

- Provide all occupiers with budget packs (containing a three-year forecast), mid-year reviews and forecasts, and annual reconciled statements.
- Monitor whether occupiers receive service charge information on a timely basis.
- Liaise with the British Property Federation (BPF), Investment Property Databank (IPD) and Royal Institution of Chartered Surveyors (RICS) on service charge initiatives and benchmarking, to raise standards across the sector.

65%

OFFICE OCCUPIER SATISFACTION WITH VALUE

“THE SERVICE CHARGE STACKS UP GLOBALLY AS GOOD VALUE FOR MONEY.”

Reed Smith LLP



+ CUTTING COSTS

WE WILL CONTINUE TO IDENTIFY AREAS FOR COST SAVINGS WHILST MAINTAINING BEST-IN-CLASS SERVICES

- ← Broadgate Estates generated significant savings for occupiers by retendering contracts for utilities and services such as cleaning, security and landscaping, as well as by reviewing working hours.

WHAT WE'LL DO NEXT

Based on occupier feedback, we will:

- Continue to identify opportunities for cost savings, whilst maintaining best-in-class property management services.
- Provide occupiers with better long-term cost projections and more detailed explanatory notes.
- Enhance the transparency of our mid-year forecasts and year-end statements, in line with our new, more reader-friendly service charge budget packs issued in 2011.

*Occupier Satisfaction Index 2011, rating satisfaction with service charge arrangements as seven out of ten or above.

SERVICE CHARGES continued

WHAT WE'LL DO NEXT

Based on occupier feedback, we will:

- Provide more detailed information on insurance cover, and issue insurance invoices in a timely manner, following a complete overhaul of our internal processes and the introduction of key performance indicators for all parties.
- Pilot a financial planning document, identifying individual occupiers' year ends and flagging key milestones in the service charge year.

"THEY ARE VERY OPEN AND WILLING TO DISCUSS THINGS. WE GET FORWARD NOTICE OF SERVICE CHARGES."

Mapeley Estates

MORE FEEDBACK

"We have been looking at ways of reducing service charge expenditure. When we approached British Land they were most willing to talk about ways in which we could make things work. They are the best of all the landlords that we deal with in this respect."

Atos Origin IT Services UK

"The service charge is good value for money. We get a lot of accountability."

Office occupier feedback

LEASE CODE

94% OF OUR OFFICE OCCUPIERS RATE OUR LEASE CODE COMPLIANCE AS GOOD OR EXCELLENT (INDUSTRY AVERAGE: 55%*).

We aim to offer fair leases that meet our occupiers' needs. We are members of the Commercial Landlords Accreditation Scheme and support the voluntary Commercial Lease Code (2007).

WHAT WE'VE ALREADY DONE

Since 2009, we have successfully leased the majority of accommodation created by our developments, with a 97% overall

occupancy rate (as at 31/03/11). We regularly ask our occupiers about their changing space requirements.

94%

OFFICE OCCUPIER SATISFACTION WITH LEASING

“BRITISH LAND COMPLIES VERY WELL WITH THE LEASE CODE. THEY ARE FLEXIBLE AND OFFER WELL PRICED OPTIONS.”

Barings

← Seven months after completing 10 and 20 Triton Street at Regent's Place, we achieved almost full occupancy in a challenging market. Occupiers committed to the buildings are: Aegis Group, Gazprom Marketing & Trading, Lend Lease, Dimensional Fund Advisors and Ricoh Europe Holdings.



→ Around a third of Ropemaker Place was pre-let, and the whole building is now fully let, testimony to its quality and our reputation. Occupiers include: Macquarie Group, Bank of Tokyo-Mitsubishi and Mitsubishi UFJ Securities.



+ 2.2M SQ FT

WE'RE PROGRESSING WITH OUR 2.2M SQ FT DEVELOPMENT PIPELINE IN THE CITY AND WEST END

WHAT WE'LL DO NEXT

We recognise that there is a relatively limited supply of modern, high quality, well located accommodation in central London.

We are progressing with our 2.2 million sq ft development pipeline in the City and West End (as at 31/03/11).

*Occupier Satisfaction Index 2011, rating satisfaction with the leasing process as seven out of ten or above.

SUSTAINABILITY

88% OF OUR OFFICE OCCUPIERS STATE OUR SUSTAINABILITY INITIATIVES ADD VALUE TO THEIR BUSINESS (2009: 90%).

Similarly, 83% of our office occupiers rate our commitment to the environmental agenda as good or excellent (industry average: 16%*).

For more information on how we are managing buildings efficiently, developing sustainable buildings and enhancing biodiversity, please visit www.britishland.com/responsibility

WHAT WE'VE ALREADY DONE

In nine of our office buildings, with occupier agreement, we have installed a new energy metering system and implemented a remote monitoring process to optimise efficiency, following a successful pilot at our Head Office. This will reduce base-build energy (common parts and shared services) by at least 10% in each building. We expect to recoup capital costs within three years through energy savings.

We work with occupiers in our multi-let office buildings to drive energy reductions in the areas they control, sharing information, providing support and meeting with interested occupiers each quarter. We also provide occupiers with six-monthly building environmental statements, which include year-on-year building management and occupier performance comparisons.

88%

OFFICE OCCUPIER SATISFACTION WITH SUSTAINABILITY

“BRITISH LAND HAS SHOWN THAT IT CARES ABOUT CREATING A BETTER ENVIRONMENT IN WHICH TO WORK, ENCOURAGING OCCUPIERS WHO ARE ENVIRONMENTALLY AWARE.”

Mapeley Estates



CIBSE Building Operation Award 2011 for energy reductions at York House, in cooperation with all other occupiers.



Property Week Sustainability Achievement Award 2011 for energy reductions at York House, in cooperation with all other occupiers.

← In 2010/11, we cut British Land influenced energy use at our Head Office by 38% compared to 2008/09, and helped occupiers to cut energy use in their areas by 11%. The total savings over the last two years are 2.4 million kWh, reducing emissions by over 1,000 tonnes and saving £141,000.

+ CUTTING ENERGY USE

WE'RE ROLLING OUT OUR ENERGY OPTIMISATION PROCESS ACROSS MORE OF OUR BUILDINGS

SUSTAINABILITY continued

WHAT WE'LL DO NEXT

In 2011/12, we will:

- Work closely with building management teams to achieve projected energy reductions where we have implemented our optimisation process.
- Roll out our energy optimisation process at more buildings.
- Undertake selective base-build energy and water reviews which will highlight opportunities for capital investment to drive further reductions in each building, factoring viable initiatives into service charge budgets or asset plans.
- Where office occupiers are committed to energy reductions, offer to fund energy reviews in their areas, which will highlight initiatives they can implement to drive reductions.

“BRITISH LAND'S SUSTAINABILITY INITIATIVES ADD VALUE TO OUR BUSINESS; THEY ARE HUGEY IMPORTANT TO US. THEIR AGENDA IS ALIGNED WITH OUR OWN.”

Office occupier feedback

MORE FEEDBACK

“British Land's sustainability initiatives have helped to reduce our energy bills.”

Barings

WHO WE SPOKE TO

REALSERVICE CARRIED OUT NEARLY 30 TELEPHONE INTERVIEWS WITH PROPERTY DIRECTORS AND SENIOR FACILITIES MANAGERS.

Interviews were conducted during January and February 2011, with each interview lasting between 30 and 40 minutes. Quantitative and qualitative feedback was gathered.

WHO WE SPOKE TO

- Ashurst LLP
- Atos Origin IT Services UK
- AXA Investment Managers
- Balfour Beatty Group Ltd
- The Bank of Tokyo-Mitsubishi UFJ Ltd
- Barings
- Bunzl Plc
- General Medical Council
- Government of Singapore Investment Corporation (London Office) PTE Ltd
- Hachette UK Ltd
- Henderson Global Investors
- Herbert Smith LLP
- ICAP
- JP Morgan
- Liquidnet Europe Ltd
- Mapeley Estates Ltd
- Mayer Brown International LLP
- Mitsubishi UFJ Securities International Plc
- RCM (UK) Ltd
- Reed Smith LLP
- Regus (UK) Ltd
- Royal Bank of Scotland Plc
- Sumitomo Trust & Banking Co Ltd
- UBS (UK) Properties Ltd
- ZS Associates International Inc

We welcome feedback from our office occupiers.



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