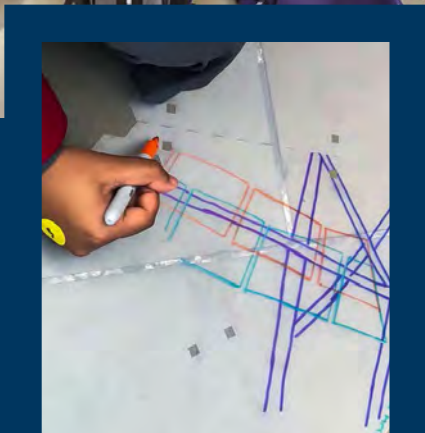
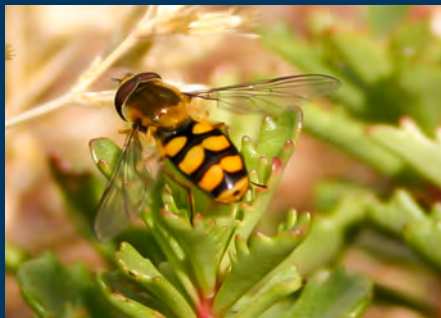


Our 2030 Sustainability Vision

PLACES PEOPLE PREFER



A NEW APPROACH TO SUSTAINABILITY



Building on the solid track record we have established over the last decade, we intend to accelerate progress and have set stretching new targets for the decade ahead.

Through our new strategy, we are intensifying focus on two time-critical areas where British Land can create the most benefit:

- 1 making our whole portfolio net zero carbon, and
- 2 partnering to grow social value and wellbeing in the communities where we operate.

While concentrating on these areas, we will maintain strong performance on social and environmental priorities, in line with our purpose and values.

The way we think about sustainability has changed. For us, it must be 'business as usual'. This means ensuring that every decision taken by each of us at British Land every day is environmentally and socially intelligent, as well as making sound financial sense. For us, this is central to creating Places People Prefer.

Simon Carter
Chief Financial Officer and
Chair of our Sustainability Committee

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Our 2030 goals support multiple UN Sustainable Development Goals, with a particular focus on:



Our 2030 sustainability strategy



Transforming our portfolio to **net zero carbon by 2030**

50% less

embodied carbon emissions at our developments, to below 500kg CO₂e per m² by 2030

Transition Vehicle

financing retrofitting of standing portfolio from carbon pricing of £60 per tonne self-levied on our developments

75% reduction

in operational carbon intensity across our portfolio by 2030

100% of developments

delivered after April 2020 to be net zero embodied carbon

**PLACES
PEOPLE
PREFER**



Making our places **inclusive local anchors**

Place-based approach to social contribution

Using our **Local Charter** to focus on key local issues

Partnering with local stakeholders

Impactful **education and employment** partnerships at each place





Environmental leadership

through international benchmarks

targeting a 5 star rating in GRESB in 2022



Advocating **responsible business**

-  Champion of responsible employment
-  Promoting diversity and inclusion, everywhere
-  Mandating prompt payment
-  Integrating wellbeing, everywhere
-  Active against modern slavery



In the decade ahead, we will accelerate the reduction of embodied carbon in our developments, which is forecast to be around half our annual carbon footprint. To this end, we have already committed to prioritise retrofit above new build, trial new materials and employ circular economy principles.

Underpinning our commitment, from April 2020 any remaining embodied carbon emissions will be offset, meaning every

development we deliver from now on will be net zero.

To drive improvement across our operational portfolio, we are creating a bespoke Transition Vehicle. This will finance our journey to operational net zero carbon, imposing an actual financial cost of carbon on every development, to create the ring-fenced capital we require to become net zero carbon nationwide by 2030.

Transforming our portfolio to net zero carbon

In the decade to 2020, we reduced carbon intensity by 73%, landlord energy intensity by 55% and embodied carbon in development by 16%.



Embodied carbon

50% less

embodied carbon emissions at our developments, to below 500kg CO₂e per m² by 2030

100% of developments

delivered after April 2020 to be net zero embodied carbon



Developments

Circular economy

Smart technologies

Net biodiversity gain



Transition Vehicle

Transforming our portfolio to

NET ZERO CARBON

by 2030



Transition Vehicle

financing retrofitting of standing portfolio from carbon pricing of £60 per tonne self-levied on our developments



Operational carbon

75% reduction

in operational carbon intensity across our portfolio by 2030

25% improvement

in whole building energy efficiency of existing assets by 2030



Renewables and offsets

Increase use of renewables

Offset unavoidable carbon through certified schemes

Transition Vehicle accelerating net zero carbon

Our journey to a net zero carbon portfolio will take ten years to achieve and involve work across the standing portfolio.

As we are prioritising reductions in embodied carbon, we have devised a powerful incentive for our teams to adopt low carbon materials and methods of development, which will in turn support the transition of the wider portfolio. Every tonne of embodied carbon we produce from this year until 2030 will trigger an additional £60 payment. A proportion of this will be used to purchase accredited offsets, with the balance being ring-fenced in our new Transition Vehicle to provide capital to retrofit our standing assets.

In FY21, a transition plan will be created for each of our assets, detailing the measures required to reduce operational emissions and strengthen their resilience to climate change. These will aggregate into a portfolio-wide transition plan, detailing our journey to net zero in 2030.

In the same way that the Community Investment Fund has supported our social contribution over the last ten years, the Transition Vehicle will create a ring-fenced source of funding to help transition our portfolio to a more resilient, low carbon state.



Achieving net zero carbon at 100 Liverpool Street

Reducing embodied carbon

- Half the existing structure retained
- Low carbon materials sourced

Reducing operational carbon

- Targeting BREEAM Excellent for office space
- EPC A (offices)

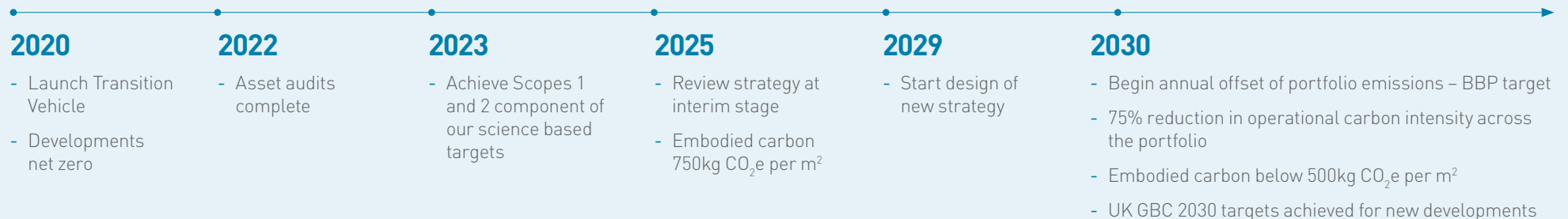
Trialling innovations

- Using recycled materials and alternatives to cement
- Piloting WELL Certification
- Smart enabled to optimise operational efficiency

¹ Commitment to mitigate embodied carbon at £60 per tonne is for British Land share of developments.



Our pathway to net zero



Making our places inclusive local anchors

In the decade to 2020, thousands of individuals benefited from our community programme every year, including local schoolchildren, jobseekers and local residents of all ages.

The immense opportunity we can leverage as a long-term investor in our places has become clear. At several of our places, we have been uniquely positioned to bring people and organisations together around common local goals, pooling resources, ideas, talent and time to achieve a shared objective.

A great example is at Fort Kinnaird where the award-winning Recruitment & Skills Centre, supported by British Land and a range of local organisations, helped local people into employment. Another is the enthusiasm of our customers who continually collaborate with us to support the local community through the Regent's Place Community Fund.

From this year, we will adopt this place-based perspective as our corporate approach, and progressively bring together customers, suppliers, community groups and representatives with our own people at our places to maximise the local value produced from our shared resources. This will not only build a stronger community for all our stakeholders at each place, but align us more closely with the local narrative, which will improve our business decisions.





Place-based approach

to social contribution
building on our long term
community partnerships



Using our
**Local Charter to focus
on key local issues**



Making our places
**INCLUSIVE
LOCAL
ANCHORS**



Impactful education and employment partnerships at each place by 2030

helping local people fulfil their potential,
focusing where it's needed most



Partnering with local stakeholders

bringing people together around
common goals and collaborating to
make the greatest positive impact

"We are privileged to have built some strong local relationships at our places within incredible communities across the country. We see recurring themes, such as education and employment, along with the need for place-specific, local solutions through the power of local partnerships. By leveraging our position as a connector, we can create greater social value for our communities and customers."

Anna Devlet, Head of Community at British Land



Community Investment Fund

The British Land Community Investment Fund has been running for over ten years, providing funding for charities and community partnerships in and around our places.

Our Community Investment Fund focuses on long-term partnerships that benefit the communities around our key managed properties in the UK, guided by the commitments set out in our Local Charter.

To find out more about how our Fund operates, see our Community Funding Guidelines: www.britishland.com/policies



Together we can create greater value for more people

“Our relationship with British Land is a genuine partnership. There’s nothing we can’t suggest, and they’re always open to us challenging them. Over eight years, they have partnered with us and their suppliers and customers to connect over 400 local jobseekers with employment opportunities in and around Broadgate.”

Julie Hutchinson, Skills & Employment Director at the East London Business Alliance (ELBA)

“All the businesses that contribute to the Regent’s Place Community Fund are actively involved in choosing the causes that we invest in. So, we all influence decision making and feel connected to the organisations we’re supporting. Every year, there are lots of funding applications and the process for reviewing them is fair, open and transparent. British Land should feel proud of what they’ve achieved, helping bring everybody together.”

Luke Gregory of Facebook, Regent’s Place customer

“British Land has been helping us provide creative opportunities to empower and upskill young carers for over a decade, working with local carer services. These are young people who care for disabled or unwell family members – in some cases, for more than 50 hours a week. They really need a break – British Land makes that possible, with projects including dance, drama, film, music and sculpture, and lends their places to show these off, giving young carers a voice, enhancing their self-esteem and supporting their wellbeing.”

Nicky Goulder, Chief Executive of arts charity Create






“Research shows that children who enjoy reading, read more and go on to have better opportunities in life. British Land takes us to the heart of many communities that we want to reach. Our collaboration is the largest and longest partnership between a business and charity to improve literacy in the UK. The results show how businesses can transform educational outcomes.”

Jonathan Douglas, Chief Executive of the National Literacy Trust



Advocating responsible business



-  Champion of responsible employment
-  Promoting diversity and inclusion, everywhere
-  Mandating prompt payment
-  Integrating wellbeing, everywhere
-  Active against modern slavery

In addition to advocating responsible business for all British Land colleagues and decisions, 96% of our strategic suppliers have now formally adopted our Code of Conduct. This mandates responsible business practices throughout all operations associated with British Land, including treating and paying people fairly, developing positive relationships with local communities and promoting carbon efficiency. We work closely with our supplier partners to achieve our high social, environmental and ethical standards.



Our external commitments include:

- UN Global Compact signatory since 2009, underpinning our contributions towards the UN Sustainable Development Goals.
- BBP Climate Change Commitment founding signatory in 2019.
- Task Force on Climate-Related Financial Disclosures supporter.
- Prompt Payment Code signatory since 2010.
- RICS Inclusive Employer Quality Mark signatory since 2015.
- RE100 partner since 2016, working towards 100% renewable.

We pay the real living wage or above to everyone directly employed by British Land. Our three London campuses are all accredited Living Wage Employers. We are named as one of the top 50 employers in the Social Mobility Employer Index 2019, which recognises companies that have taken the most action to improve social mobility in the workplace.



Demonstrating environmental leadership

We have performed well in global environmental indices for a decade, including a Green Star in the GRESB for ten consecutive years, a consistent AAA ESG rating from MSCI and Gold Awards for sustainability reporting from the European Public Real Estate Association (EPRA) eight years running.

We will build on this and ensure leading practice across energy, water, waste and biodiversity by targeting a five star leaders' rating in GRESB by the end of 2022.

To bring focus to operational performance, we are expanding BREEAM In Use across our portfolio. Underpinning this goal, we have a £450m ESG linked Revolving Credit Facility that requires a continual increase in green building certifications.



Journey to today

Our distinct track record on environmental, social and governance (ESG) matters positions us well for the journey ahead. The lessons we've learnt over the last decade and recognition of the need to accelerate progress underpin our new 2030 sustainability strategy.

2002

- Established committee for ESG matters
- Published our first Environment and Social Report

2004

- Launched our Sustainability Brief for Developments, most recently updated in 2020 to cover property management

2003

- Introduced Environment and Society Policy, most recently updated in 2020
- Jointly with Sheffield City Council, set up an award-winning training and development centre to support local people and businesses



2007

- Independent assurance of core ESG data annually
- Launched award-winning youth arts initiatives with local partners



2008

- ISO14001 accreditation for Environmental Management System for developments
- Completed two-year green roof trial with Arup, informing green roof design at our places and beyond
- Set BREEAM Excellent target for all new office developments
- Reported to LBG to benchmark our corporate community investment
- Launched our Community Investment Fund for charities and community partnerships in and around our places



2009

- Became signatory to the UN Global Compact
- Piloted smart energy management system and then rolled it out for efficiency and wellbeing improvements
- Published first embodied carbon studies to improve industry understanding

Journey to today

2010

- Achieved our first GRESB green star rating

2012

- Started Young Readers Programme partnership with the National Literacy Trust, inspiring children to develop a love of reading with the help of our customers and site teams
- Launched Broadgate Connect with the East London Business Alliance, customers and suppliers, to support local people into jobs
- Introduced annual company Community Day to support local partners and encourage more employees to volunteer
- Published socio-economic report, leading our sector in communicating value



- Founding partner of Pathways to Property with Reading Real Estate Foundation to nurture the diverse talent of the future
- Achieved Gold in the inaugural EPRA Awards for sustainability reporting

2014

- Named GRESB European Sector Leader for the first time
- Expanded Sustainability Brief to increase focus on social as well as environmental best practice
- Introduced Supply Chain Charter, reinforcing our leadership credentials for ESG

2011

- Launched our Community Charter, leading our industry and influencing our Local Charter today
- Became Considerate Constructors Scheme Client Partner for care towards the local community, environment and workforce
- Recognised in CDP FTSE350 Leadership Index



2013

- Recruitment & Skills Centre opened at Fort Kinnaird, with local partners and British Land coming together to support local people into employment



2015

- Embarked on five-year programme to create a step change in our environmental impact and social contribution
- Launched BL Pride Alliance, the first of our employee networks
- Developed wellbeing principles for all our places to help the millions of people who use them lead more active, social and creative lives
- British Land ranked in the Global 100 Most Sustainable Corporations for sixth time

Journey to today

2016

- Won the Queen's Award for Enterprise, the UK's highest accolade for business, recognising our lasting economic, social and environmental achievements
- Launched Starting Out local pre-employment programme for suppliers and customers at our places
- Became a RE100 partner, committed to purchasing 100% renewable power
- Regent's Place Community Fund launched, with customers, suppliers and British Land coming together to support local grassroots charities



2019

- Switched on the UK's largest shopping centre solar installation at Meadowhall, Sheffield
- Awarded GRESB green star rating for tenth year running
- Ranked in the GivX top five for community investment for third year running
- Awarded Gold in the EPRA Awards for sustainability reporting for eighth year running



2017

- Introduced enhanced shared parental leave and pay for all employees
- Won Test of Time Award for lasting energy reductions across our portfolio from the Chartered Institution of Building Services Engineers (CIBSE)
- Launched Bright Lights, our skills and employment programme with customers, suppliers and partners to support local people into jobs

2018

- Published Design for Life research quantifying the economic benefits and individual boost of putting wellbeing at the heart of urban design
- Launched Supplier Code of Conduct, building on good practice already established



2020

We have a long track record of working with customers, suppliers and local groups to create positive economic, social and environmental outcomes. Put simply, we achieve more together.

More than a decade of award-winning environmental stewardship

73%
lower operational carbon intensity

73% reduction in landlord carbon intensity (Scopes 1 and 2) across our portfolio versus 2009 baseline, exceeding our 55% target (index scored).

96%
renewable power

96% of the electricity we buy for customer and common areas across our portfolio comes from renewable sources, working towards 100% as a RE100 partner.

55%
better energy efficiency

55% reduction in landlord energy intensity across our portfolio versus 2009 baseline, achieving our 55% target (index scored).

99%
diverted from landfill

99% of waste across our developments and managed properties diverted from landfill over the last three years, with 89% recycled or reused – more than 255,000 tonnes.

16%
lower embodied carbon intensity

16% average reduction in embodied carbon versus concept design on our two major developments nearing completion, exceeding our 15% target.

Excellent since 2009

Over 4.9 million sq ft of BREEAM Excellent new offices, shops and homes created since 2009, reflecting our strong performance on energy efficiency, ecology, wellbeing and other sustainability areas.



2020

Bringing people together to create a lasting positive legacy

40,000+
local people

Over 40,000 people benefited from our community programme last year, working with local schools, employment partners, arts organisations, customers and other organisations to make a positive local difference.

42,700
young readers

42,700 local schoolchildren have benefited from our Young Readers Programme partnership with the National Literacy Trust and our customers since 2012, inspiring children to develop a love of reading and improving literacy skills, a key factor in people accessing opportunities throughout their lives.

1,745
people into jobs

1,745 people supported into jobs through Bright Lights, our skills and employment programme, since 2016, working with suppliers, customers and local partners – exceeding our target of 1,700.

1,360+
budding artists

Over 1,360 local young people have explored their creativity and created films and temporary artworks for people to enjoy on our London campuses through our award-winning youth arts partnerships since 2007.

60+
customers connecting

Over 60 customers connected with other businesses and local partners through campus networks and collaborations last year, including the Broadgate Mental Health Network, Paddington Central Diversity & Inclusion Network and Regent's Place Community Fund.

1,000+
young carers

Over 1,000 young carers living locally to our places have enjoyed a break from their caring responsibilities and worked with professional artists through our award-winning *art:space* partnership with arts charity Create, empowering the lives of vulnerable young people.

94%
Local Charter

94% progress on our Local Charter at our places (target 100%), with over £17m community investment by British Land since 2010, through cash, time and in-kind donations. This is in addition to our planning contributions.

7
wellbeing principles

We design all our places around seven wellbeing principles, helping the millions of people who use them lead more active, social and creative lives, accessing opportunities and green spaces that support social cohesion and collaboration.



Glossary

Embodied carbon: the total greenhouse gas emissions generated to produce a building. This includes emissions from extracting, manufacturing, transporting and assembling every element of a building. Some of the biggest sources of embodied carbon in buildings are concrete, steel, glass and aluminium. With regards to the embodied carbon we will offset, this applies to developments which fall within RICS stages A1-A5.

Net zero portfolio: for us, this means embodied carbon reduced to below 500kg CO₂e per m²; operational carbon intensity reduced by 75% compared to 2019; and any remaining, unavoidable emissions offset through certified schemes. We aim to transform our portfolio to net zero by 2030.

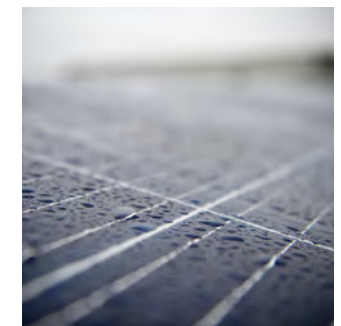
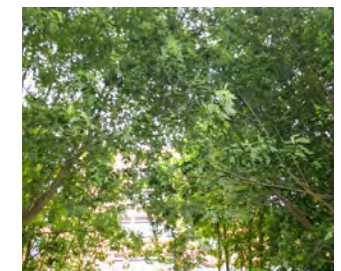
Offsets: carbon offsetting funds solutions that cut global carbon emissions. Our offsets will always be verified through certified schemes. We will offset embodied carbon on our developments from April 2020 and operational carbon across our portfolio from April 2030.

Operational carbon: the total greenhouse gas emissions generated in running a building. This includes emissions from electricity and gas used to heat, cool and light the building, both in common areas and customer spaces.

Place-based approach to social contribution: sharing influence and bringing people together around common local goals at our places, including customers, suppliers and community groups. By pooling our resources, ideas, talent and time to achieve a shared local objective, we will together create greater value for more people and deepen social cohesion.

Revolving Credit Facility: We have a £450m Revolving Credit Facility linked to our performance on agreed sustainability targets. If we outperform these targets, we pay less interest; if we miss the targets, then the cost increases. This creates a direct financial incentive for us to operate sustainably.

Transition Vehicle: our innovative vehicle to help transition our portfolio to net zero carbon. Every tonne of embodied carbon on our developments now triggers an additional £60 mitigation payment. We will use some of this to purchase accredited offsets and put the balance into our Transition Vehicle to finance retrofitting of our standing portfolio, low carbon research and development and help customers fit out their space with minimal environmental impact.



Further information

For detailed sustainability performance review, see our Sustainability Accounts

www.britishland.com/sustainabilityreport

For more on our sustainability strategy, partnerships and performance:

www.britishland.com/sustainability

We also integrate economic, social and environmental information in our Annual Report and Accounts:

www.britishland.com/annualreport



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About British Land

We are a leading UK property company. We create and manage outstanding places to deliver positive outcomes for our stakeholders, on a long term, sustainable basis.

