

ANTI-BRIBERY AND CORRUPTION POLICY AT BRITISH LAND



APPROVED BY:	AUDIT COMMITTEE
UPDATED:	20 MARCH 2023
OWNER:	GENERAL COUNSEL AND COMPANY SECRETARY
TARGET AUDIENCE:	ALL EMPLOYEES

We strive to make our content accessible for all however if you require information in an alternative format please contact enablenetwork@britishland.com

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1. Objective/Risk

Bribery and corruption are major issues in world trade because they hinder economic and social development and damage businesses.

In the UK, our legal obligations are governed by the Bribery Act 2010 (the “**Act**”). This is enforced by the Police and the Serious Fraud Office (“**SFO**”) who will investigate any allegations of bribery and corruption.

An offence under the anti-bribery laws will result in serious consequences including reputational damage and severe penalties for British Land, as well as for the individuals involved.

This Policy is designed to provide clear rules to prevent bribery and corruption occurring within our business and show our zero-tolerance approach to it.

1.1. Scope and Compliance

This Anti-Bribery and Corruption Policy (the “**Policy**”) applies to everyone who works for The British Land Company PLC and all its subsidiaries and majority owned or controlled companies and joint ventures (“**British Land**” or the “**Group**”). This includes all colleagues and any third parties (e.g. representatives or business partners) who perform services or duties for or on behalf of British Land. This Policy will be communicated to all businesses and employees overseen by the Board of British Land.

The purpose of this policy is to:

- Set out our responsibilities in observing and upholding British Land’s position on bribery and corruption.
- Provide information and guidance to those working for us on how to recognise and report bribery and corruption issues.

We are fully committed to upholding the highest standards of ethical conduct and operating our business professionally, fairly and with integrity. We expect the same of our colleagues and any third party representatives/partners who work with us. This Policy is a crucial element of that effort to ensure that we remain untainted by bribery or corruption. If you have any questions on this Policy, please contact the Policy Owner (General Counsel and Company Secretary).

British land takes bribery and corruption very seriously, and any employee or other person acting on behalf of British Land that is found to be violating this policy will be subject to disciplinary action, which may include termination of their contractual relationship with British Land.

We expect third parties who have a relationship with British Land to implement anti-bribery and corruption policies and to train their employees appropriately in relation to these policies.

Supporting information

Policies associated with this Anti-Bribery and Corruption Policy include:

- Hospitality, Gifts and Entertainment Policy
- Whistleblowing Policy
- Expenses Policy
- Anti-Fraud Policy
- Information Security Policies

Each of these policies are available on BL&U.

British Land is committed to ensuring adherence to the highest legal and ethical standards. This must be reflected in every aspect of the way in which we operate. We must bring integrity to all our dealings. Bribery and corruption harm the societies in which these acts are committed and prevent economic growth and development. This is not just a cultural commitment on the part of the organisation; it is a moral issue and a legal requirement. Bribery is a criminal offence in most countries in which British Land operates, and corrupt acts expose the Group and its employees to the risk of prosecution, fines and imprisonment, as well as endangering our reputation.

This Policy explains the procedures through which British Land can maintain its high ethical standards and protect its reputation against any allegations of bribery and corruption. Its successful implementation requires pro-active adoption at the following levels:

- **You** - As an employee of British Land, you are required to read, understand and abide by all aspects of this policy.
- **Local Management** - The overall compliance with the requirements of this policy by business units outside York House is the responsibility of the local Managing Director.
- **Department Heads** - Department heads are responsible for enforcing compliance by individuals within their department.
- **General Counsel and Company Secretary** - The General Counsel and Company Secretary will assist all staff by reviewing, refreshing and reinforcing this policy, procedures and guidance on a regular basis to ensure that elements are kept up to date.
- **Audit Committee** - The Audit Committee is responsible for reviewing this policy on a regular basis.

This policy may be amended at any time.

1.2. Outline of the Group's Anti-Bribery and Corruption Policy

- Bribery and corruption will not be tolerated.
- Every attempt will be made to deter and prevent bribery and corruption and British Land will have in place the necessary policies and procedures in order to do so.
- Opportunities for bribery and corruption will be reduced to the lowest possible level of risk.
- Staff will be trained on the risks associated with bribery and corruption and those who work in areas within our business identified as being higher risk

will receive additional training and support in identifying and preventing corrupt activities.

- Bribes or suspected bribes should be rejected.
- Mechanisms will be in place for staff to report bribery or corruption.
- Any suspicion of bribery or corruption will be thoroughly investigated and dealt with appropriately.
- Any evidence of criminal activity will be reported to the police.
- You should always know the third parties you are dealing with.
- The Group should only deal with reputable third parties.
- Anyone who acts on the Group's behalf must be advised of the existence of, and always operate in accordance with, our anti-bribery and corruption policy.

2. The Anti-Bribery and Corruption Policy

2.1. What is bribery and corruption?

General

Bribery is a form of corruption. Corruption is the misuse of office or power for private gain. In general, a bribe contains three ingredients:

1. A financial or other advantage
2. That is offered, given, requested or received
3. In order to induce or reward a person to perform their duties improperly.

The key point to bear in mind is that, for there to be a bribe, there will need to be an element of improper behaviour intended by the giving or receipt of the payment or benefit.

The bribery offences

The Act sets out four criminal offences relating to bribery. In simple terms, these are:

- **Giving a bribe:** It is an offence for a person to offer, promise or give a financial or other advantage to another person with the intention to induce that other person to act improperly, or reward that person for improper performance.

Example: Giving/offering a bribe

You offer a landowner tickets to the Cheltenham Gold Cup horse racing event, including lunch, travel and accommodation, during a tender process on the basis that British Land will get a preferential scoring when the landowner reviews all the bids.

You are at risk of committing the offence of giving a bribe. This is because you have offered a financial advantage (tickets to a sporting event with lunch, travel and accommodation) which is intended to induce the landowner to perform his/her duties improperly (award business to British Land irrespective of whether they are the best bidder under the tender process). The mere offer is enough for it to amount to a bribe. There is no need for any land or business to be actually awarded to British Land for this offer to constitute a bribe.

- **Receiving a bribe:** It is an offence for a person to request or accept a financial or other advantage if it is intended that, as a result of receiving that advantage, he or she will perform their functions or activities improperly.

Example: Receiving a bribe

A supplier of British Land gives a job to your son/daughter on the basis that in return, they expect you to use your influence to ensure the supplier continues to get business from British Land.

The job given to your family member is an “other” advantage (albeit not a financial one). The fact it was done with the intention of improperly influencing you to award business to the supplier, rather than choosing the best supplier for the work, is enough to make it a bribe.

All work experience or internships should be notified to Human Resources and any requests you receive for internships or work experience should be notified to Human Resources.

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- **Bribing a foreign public official:** It is an offence for a person to offer or provide a financial or other advantage to a foreign public official with the intention of obtaining or retaining business or an advantage in the conduct of business.

Example: Bribing a foreign public official

You instruct an agent in China to pay an unofficial cash payment to an official in order to speed up an application for an export licence for construction materials.

This is prohibited and you would be committing an offence as soon as the offer is made. This is because you are offering a financial advantage (via an agent) to a foreign public official with the intention of obtaining or retaining business or an advantage in the conduct of business.

On the other hand:

The American embassy offers two options for visa applications: normal and fast track. The fast track option is an additional £100. You elect the fast track option.

This is unlikely to constitute an offence of bribing a foreign public official. This is because the more expedient option is officially offered, and no secrecy of payment is required.

- The "Corporate Offence": An offence will be committed by a commercial organisation if a person "associated" with it (i.e. anyone performing services on behalf of the organisation) bribes another person with the intention of obtaining or retaining business or an advantage in the conduct of business for the organisation. However, it is a defence for the organisation to show that it had in place "adequate procedures" designed to prevent persons associated with it from committing acts of bribery.

Example: The corporate offence

You use an agent in a tender process for a new development. The agent pays bribes to the landowner in order to secure the tender. British Land is not aware that the agent has done this.

British Land would potentially be deemed to have committed a corporate offence. British Land is a commercial organisation. The agent is an associated person of the company and is carrying out bribes with the intention of obtaining or retaining business or an advantage in the conduct of business for the company. It does not matter that British Land is not aware of the agent's actions.

On the other hand, if British Land had put the agent through its due diligence process and included provisions in its contract with the agent prohibiting it from committing any acts which could constitute offences under the Act, British Land would be more likely to be able to show that it had put in place adequate procedures to prevent the bribery.

Key points

- Bribes can take many forms and can include cash or cash equivalent, gifts, meals, entertainment or hospitality, services, loans, preferential treatment, discount, favours, political or charitable contributions, or anything of value whether a direct or indirect benefit.
- **However, it is important to point out that proportionate and reasonable gifts and hospitality provided by or to you will not by themselves constitute bribes. For there to be a bribe, the advantage must be intended to induce or reward the recipient for performing their duties improperly.**
- There is no need for the bribe to succeed in achieving its intended aim for it to be a criminal act, i.e. it is not necessary for the individual or organisation to receive any actual benefit as a result of the bribe. The promise, offer or giving of a bribe by itself is a criminal offence, as is the mere request or agreement to receive a bribe. Any payments made before or after the event will be caught, as will bribes that are given or received unknowingly i.e. in ignorance of the offences under the Act.
- The offences of bribing, receiving bribes, and bribing a foreign public official can be committed by individuals as well as companies. They can be committed directly or through third party intermediaries. They can be committed in the UK or even overseas if they are committed by a person with a "close connection" to the UK (e.g. a UK resident, a British citizen, a UK company etc.).
- It is an offence to offer any kind of "facilitation payments" (or sometimes called "grease payments") to officials to induce them to expedite processes in an unofficial manner. Facilitation payments are unofficial payments, usually made to secure or expedite the performance of a necessary or routine action by a government official. Facilitation payments in these circumstances are bribes under the Act.

- Improper performance is judged in accordance with the standards of a reasonable person. Those standards are UK standards i.e. overseas local customs and practices are deemed irrelevant for these purposes.
- Other types of behaviour may constitute corruption, such as conflicts of interest, cronyism, nepotism and anti-competitive behaviour.

If you are unsure about whether a particular act potentially constitutes bribery or corruption, raise it with the General Counsel and Company Secretary.

In the event that a third party attempts to extort British Land or demands payment under duress, raise it with the General Counsel and Company Secretary immediately.

No person must threaten or retaliate against another person who has refused to offer or accept a bribe, or who has raised concerns about possible bribery or corruption.

2.2. Who can be involved in bribery and in what circumstances?

Bribery offences may be committed by our:

- Colleagues (employees, directors, senior managers, contractors, temporary staff, volunteers, consultants etc) or anyone they authorise to act on British Land's behalf
- "Associated persons", being any representatives or other third parties who perform services or duties for us, or on our behalf
- Business partners
- Suppliers
- Clients (because they might try to induce one of our people to give them more favourable terms).

Bribery can occur in both the public and private sectors. The person receiving the bribe is usually (but not always) in a position to influence the award or the progress of business, sometimes a government or other public official. Bribery can be committed between companies, partnerships, sole traders and individuals.

2.3. Public Officials and facilitation payments

Special restrictions apply to public officials, which include officials of any government department or agency (such as any council officials and planning officers), political parties and party leaders, executives and employees of government owned, or government run companies (such as the BBC), anyone acting on behalf of any of these officials and anyone holding a legislative, administrative or judicial position. Such officials are usually subject to specific public office codes of practice regarding gifts and hospitality. Often these codes are very restrictive on what such officials can accept.

Additional care should be taken before offering any financial or other advantage (e.g. hospitality) to a public official. It is important to:

- Comply with the requirements relating to public officials contained in the Gifts and Hospitality Policy;
- Ask the official to confirm that the receipt (e.g. a lunch) would not result in them breaching their codes of practice relating to gifts and hospitality; and

- You must not pay or accept facilitation payments of any kind to or from a government official. The exception is where it is legitimate to pay for an application to be 'fast tracked' and this service is an official service offered to the general public at the official fee.

If you are asked to make a facilitation payment you should always ask for a receipt which details the reason for the payment. If you have any suspicions, concerns or queries regarding a payment, you should raise these with your line manager or the General Counsel and Company Secretary.

2.4. Political and Charitable donations

Political donations are not permissible. Charitable donations are permitted provided the donation is made properly, transparently and is not made for the personal or financial benefit of a public official or any customer/supplier/third party (or their families). Donations must not be made to improperly influence the recipient or in exchange for any business advantage.

Any charitable donations made on behalf of British Land must be approved by the Community Investment Committee. When considering the approval of a charitable donation, the following will be considered by the Committee Investment Committee:

- Is the donation made at the request of a third party with whom British Land has a business relationship;
- Whether the charity concerned is connected to an officer or employee of a business partner of British Land, or the family member of any of those individuals;
- Whether the charity concerned is connected to a government or elected official with whom British Land interacts;
- Whether there are any other factors which might be said to suggest a link between the charitable donation and the obtaining or retaining of business by British Land; or
- Whether the amount of the charitable donation is or appears excessive in comparison to other charitable donations of a similar nature.

Before proposing a charitable donation to the Community Investment Committee, the following questions should be considered:

- Purpose: why is the donation being made?
- Timing: does the donation coincide with a key transaction or decision?
- Transparency: how would the donation be perceived by a member of the public?

If there is any doubt as to whether a charitable donation is appropriate, advice should be sought from the General Counsel and Company Secretary.

2.5. Third party payments, use of agents and due diligence

You must not make a payment to a third party if you know or suspect that the person may use or offer all or a portion of the payment directly or indirectly as a bribe. Third parties may include agents, intermediaries, facilitators, brokers, partners, consultants, contractors, joint venture partners, distributors, advisors and other representatives performing services or duties for or on behalf of British Land.

It is your responsibility to ensure that third parties engaged on behalf of British Land are legitimate service providers. Before engaging any such party, the third party must be subjected to an appropriate due diligence process.

Examples of “red flags” when dealing with third parties are set out at Section 3 of this Policy.

2.6. Failure to Prevent Facilitation of Tax Evasion

Another aspect of ‘corrupt’ behaviour relates to illegal tax evasion. An offence may be committed by a party that is not part of any tax evasion but that allows a third party to do so as a result of inadequate controls or procedures. The only defence available to British Land would be for the Group to demonstrate that adequate procedures were in place to prevent the criminal facilitation of UK and foreign tax evasion.

As part of our commitment to prevent corrupt practices, British Land does not tolerate tax evasion in any of its forms. If you suspect a third party that you are dealing with may be illegally evading tax (for example, by not charging VAT on an invoice) this should be reported to your line manager, the General Counsel and Company Secretary, or via the whistleblowing hotline.

2.7. Record Keeping

We must keep financial records to evidence the business reason for making any payments to third parties including any political and charitable donations. We must have appropriate internal controls in place to ensure that no improper payments are made. All financial transactions must be authorised by appropriate management in accordance with internal control procedures, prepared and maintained with strict accuracy and completeness. No accounts are to be kept “off-book” or paid in cash to facilitate or conceal improper payments.

You must disclose and register all gifts and hospitality that you have accepted or offered in our Hospitality Register in accordance with the Hospitality, Gifts and Entertainment Policy. You must ensure all expenses claims relating to gifts and hospitality are submitted in accordance with our Expenses Policy and the reason for the expenditure is specifically recorded. A copy of our Expenses Policy and the Hospitality, Gifts and Entertainment Policy can be found on BL&U.

2.8. Breaches of the Policy and enforcement

Breaches of anti-bribery laws and consequences:

- Consequences for individuals: consequences may include imprisonment (up to ten years under the Act), disqualification from acting as a director and significant monetary fines against you as an individual. You may also be subject to disciplinary action, up to and including dismissal.
- Consequences for British Land: consequences may include the Company facing unlimited fines, damage to the corporate brand and reputation of British Land, damage to share price, debarment from bidding for government contracts, loss of business, litigation and substantial investigation expenses.

British Land will apply a “zero tolerance” approach to any acts of bribery and corruption by any of our employees or business partners working on our behalf. We will investigate all allegations of bribery and corruption and take legal and/or disciplinary action if necessary. Any employee who breaches the Policy may face disciplinary action, including dismissal. Where a case is referred to the police,

Serious Fraud Office, other law enforcement agency or regulatory body, British Land will co-operate fully with the criminal investigation which could lead to you being prosecuted.

We reserve our right to terminate our contractual relationship with any third parties if they breach the Policy.

2.9. Training and communication

Training on this Policy forms part of the induction process for all new starters. All colleagues will receive training on the types of bribery, the risks of engaging in bribery, how they may report suspected bribery in accordance with this Policy. If you would like further training or if you have any questions relating to this Policy, then please speak with the General Counsel and Company Secretary.

Our zero-tolerance approach to bribery and corruption must be communicated to all third parties, suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter.

This Policy must be followed throughout British Land. Where British Land owns 50% or less of a company or joint venture, or does not control it, we will make good faith efforts to persuade the company or joint venture to adopt this Policy or substantially similar policies.

2.10. Reporting breaches: your responsibilities and protections

You must ensure that you read, understand and comply with this Policy.

The prevention, detection and reporting of bribery and other forms of corruption is your responsibility and responsibility of those working under our control. You are required to avoid any activity that might lead to or suggest a breach of the Policy and to promptly report concerns.

You have a duty to report concerns about any issue or suspicion of misconduct at the earliest possible stage. Concerns should be reported in accordance with this Policy and by following the procedure set out in British Land's Whistleblowing Policy, a copy of which can be found on BL&U.

All matters will be dealt with in confidence and, where applicable, in strict accordance with the terms of the Public Interest Disclosure Act 1998, which protects colleagues who raise matters in the public interest.

If you are unsure about whether a matter constitutes bribery or corruption or is worthy of being reported, you should initially speak with your line manager. If you feel unable to raise the matter with your line manager for whatever reason, you should contact the General Counsel and Company Secretary, or alternatively, you may use our independent reporting facility called "SeeHearSpeakUp", which allows you to report concerns by the telephone or online in confidence and anonymously if required.

- SeeHearSpeakUp is an independent, anonymous and confidential telephone service with impartial staff who are trained to handle any employee reporting concerns about bribery, corruption, theft, fraud and other malpractice that may be taking place in the workplace. British Land is committed to ensuring that all of us have a safe and reliable way of reporting any suspicious activity in confidence and without fear of retaliation.

To help you identify behaviours that are indicative of bribery and corruption and/or whether to report any concerns, you may wish to consider the following simple questions:

- Intention: what is the underlying intention of what is being offered? Is it to improve a business relationship, or is it designed to induce impropriety?
- Value: what is the value of what is being offered? Is it modest, or extravagant?
- Timing: is this a sensitive time in respect of the relationship? Is there a tender? Is there a dispute?
- The law test: is it legal and in line with our policies and corporate values?
- The conscience test: does it fit with my personal values?
- The newspaper test: would I feel comfortable if the story appeared in the paper?
- The 'feel' test: what is my intuition or 'gut' feeling? If it feels wrong, then it probably is wrong.

2.11. Monitoring and review

The General Counsel & Company Secretary has overall responsibility for this Policy and ensuring that it complies with all legal and ethical obligations, as well as monitoring its use and effectiveness.

Management at all levels are responsible for ensuring those reporting to them are made aware of and understand the Policy and are given adequate and regular training on it.

Internal systems and controls will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.

2.12. Who to contact?

You must ensure that you read, understand and comply with this Anti-Bribery and Corruption Policy.

If have a question about the requirements of the Policy or wish to report a concern, or to suggest ways in which it might be improved, you should contact:

Brona McKeown, General Counsel and Company Secretary

T: 020 4167 3514

Email: brona.mckeown@britishland.com

3. Red Flags

The following is a non-exhaustive list of possible red flags that may arise while conducting due diligence on any third parties that we may wish to engage or work with.

If you encounter any of these red flags you must report them promptly to the General Counsel and Company Secretary:

- You become aware that a third party engages in, or has been accused of engaging in, improper or questionable business practices.

- You learn that a third party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a "special relationship" with local council officials.
- A third party insists on receiving a commission or fee payment before committing to sign up to a contract with us or carrying out a government function or process for us.
- A third party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made.
- A third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business.
- A third party requests an unexpected additional fee or commission to "facilitate" a service.
- A third party demands lavish entertainment or gifts either for himself or others before commencing or continuing contractual negotiations or provision of services.
- A third party requests that a payment is made to "overlook" potential legal violations.
- A third party requests that you provide employment or some other advantage to his or another person's friend or relative.
- You receive an invoice from a third party that appears to be non-standard or customised.
- A third party insists on the use of side letters or refuses to put terms agreed in writing.
- You notice that we have been invoiced for a commission or fee payment that appears large given the service stated to have been provided.
- A third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us.
- You are offered an unusually generous gift or offered lavish hospitality by a third party.
- If a counterparty is providing insufficient or contradictory information this may indicate that something is wrong.
- If you are dealing with a company that initiates transactions that are outside the scope of their routine or established activity or are of an unusual structure for that type of activity (even if within the company's routine or established activities).
- Where a counterparty is reluctant to provide identification, or you learn that they have not complied with certain recordkeeping requirements (such as failing to make certain companies house filings).
- Where a counterparty issues unusual requests or acts in an unusual way during the course of a transaction. For example:
 - the counterparty wishes to engage in a transaction that appears to lack business sense;
 - the counterparty seeks early termination of an agreement without providing a satisfactory explanation;
 - the counterparty seeks an acceleration of the agreed payment schedule by payment of lump sums without providing a satisfactory explanation;
 - large payments are made in cash or bearer bonds;
 - payments are made in non-invoice currencies;
 - payments are made from multiple sources to satisfy a single invoice;
 - payments are made to or from an account that is not the normal business relationship account;
 - payments are made by or through unrelated third parties; or
 - there are requests for overpayments or for refunds following an overpayment.

- Not all countries have anti-money laundering standards equivalent to those in the UK. Extra precautions should be taken when dealing with funds or counterparties based in countries that are identified as not having effective systems to counter money laundering or that finance terrorist activities. Similarly, some countries are subject to UK sanctions. Whilst persons/entities subject to UK sanctions can be located around the world (including in the UK), the involvement of persons/entities located in, or beneficially owned or controlled by persons/entities located in, sanctioned countries, may give rise to enhanced risk.
- Where a counterparty has an unusual group structure which includes group companies that are trusts and/or shell companies. Trusts can be used to disguise ultimate beneficial ownership and shell companies to conceal illegal activity.
- A politically exposed person ("PEP") is an individual who is or has been entrusted with a prominent public function. For example: government ministers, ambassadors or directors of state-owned enterprises. Their sphere of influence may allow them to abuse their position for financial gain.
- If you are dealing with a counterparty who has had previous allegations made against it or internet searches indicate improper dealings or misconduct.