



Making a positive difference

Summary Sustainability
Progress Report 2009-2015
Places People Prefer





Supporting communities, enhancing environments and growing economies – helping to drive preference

We create and operate outstanding places which make a positive difference to people's everyday lives. We develop, manage and finance a portfolio of high quality commercial property, focused on retail locations around the UK and London offices and residential. Our purpose is to deliver long-term and sustainable total returns to our shareholders and we do this by focusing on **Places People Prefer**.

Our rankings in public benchmarks

 <small>MEMBER OF</small> Dow Jones Sustainability Indices <small>In Collaboration with RobecoSAM</small> 2014: 83% score	 FTSE4Good 2014: 96th percentile	 CDP CLIMATE DISCLOSURE LEADER 2014 2014: 99% score for disclosure. A- for performance	 GRESB <small>Sector Leader 2014</small> 2014: 78% score (Green Star)
Global 100 Most Sustainable Corporations 2014 – ranked by Corporate Knights	 Ethisphere SUSTAINABILITY INDEX <small>EXCELLENCE Global</small>	 WORKWELL 2014 TOP FIVE PLACES TO WORK	 SUSTAINABLE 100 – ranked by Storebrand



“ I am delighted by our strong performance on almost all our long-term social and environmental targets from 2009 to 2015.

Much of what we have achieved has been made possible by our partnerships with suppliers, occupiers, local authorities and others. A big thank you to all involved.

We have challenged ourselves to innovate across our activities, from cutting portfolio landlord energy use by 40% and being the first major UK developer to set a BREEAM Excellent standard for all our office developments, to launching our Community and Supply Chain Charters.

To help businesses to further integrate environmental and social factors into decision making, we have joined the Prince's Accounting for Sustainability Project CFO Leadership Network.

In the past year, we have developed our new sustainability strategy and targets to 2020, with active engagement from our staff, external experts and key stakeholders. This strategy is designed to help us to increase appeal – building on our strong social and environmental record to deliver lasting value for our business, our stakeholders and the wider society.

Through our new strategy, we will be increasing focus on promoting wellbeing and productivity, supporting local communities, future proofing assets, and developing skills and opportunities. I look forward to continued progress in these important areas.”

Lucinda Bell, Chief Financial Officer and Chair of our Sustainability Committee

 For more on our new sustainability strategy: www.britishland.com/sustainability





CONTRIBUTIONS AND IMPACTS

Social

“*Not only is Old Market Shopping a fantastic offering in its own right, it is actually awakening everybody else in Herefordshire as to the possibilities of investment and opening up new stores. It has also created and safeguarded over 1,000 jobs, providing more opportunities for local residents and young people.*”

Councillor Philip Price, Herefordshire Council



£94m

contributed to our local communities through the planning process since 2009, funding affordable homes, community facilities, pedestrian links, public spaces and more.



18,800

people benefited from our community programme this year, including apprentices, jobseekers and schoolchildren. We have invested £7.8 million through our community programme since 2009, in cash, time and gifts-in-kind.



55%

local procurement at our properties this year, with £24 million spent with local firms within 25 miles.



32,300

jobs supported by our construction activity over five years and £1.2 billion gross value added (GVA) contributed to the UK economy. Through our focus on local procurement, employment, education and training, our development programme creates opportunities for local communities.



99,000

people working in our properties each year, employed by our occupiers and suppliers. Over 1,000 organisations are based in our properties, contributing £11.7 billion to the UK economy each year. We partner with our occupiers and suppliers on initiatives to enhance positive impacts for our local communities.





CONTRIBUTIONS AND IMPACTS

Environmental

“

Having a focus on sustainability can both protect your assets from obsolescence and enhance value at the same time.”

Hans Op 't Veld, PGGM Investments



£6.1m

invested in environmental initiatives at our properties since 2011.

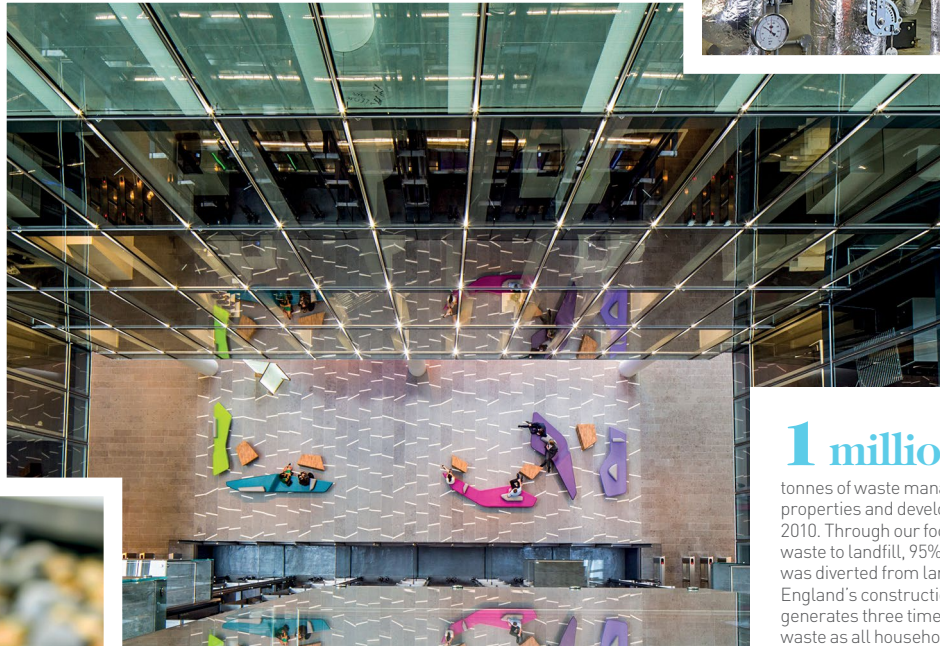


3.5m sq ft

of new offices, shops, homes and cinemas rated BREEAM Excellent since 2009, reflecting our focus on efficiency, wellbeing, transport, materials, ecology and more.

862,000

tonnes of carbon from operational energy and waste use at our properties this year. The main emissions where we have influence come from energy use in our properties and embodied carbon on our developments. We have been working to reduce our carbon footprint since 2004 through our efficiency programme and Sustainability Brief for Developments. 60% of UK emissions come from the built environment.



1 million

tonnes of waste managed at our properties and developments since 2010. Through our focus on zero waste to landfill, 95% of waste was diverted from landfill this year. England's construction sector generates three times as much waste as all households combined.



25%

better efficiency than regulations require in our new office, retail and residential developments, with our new buildings using up to 50% less energy than older buildings.





RESULTS ON 2015 TARGETS

Social

Sustainability targets



88%

Community Charter

88% of our major properties and developments achieved best practice or strong performance on all applicable Community Charter commitments. **2015 target: 100%.**



7.8/10

customer satisfaction

with British Land, with our definition of customer satisfaction expanded to include consumers as well as occupiers, to reflect our focus on creating Places People Prefer. **2015 target: 8/10.**



One Star in the Best Companies to Work For 2015

for the fourth year running, based on The Sunday Times Best Companies to Work For annual staff surveys. **2015 target: One Star.**

Corporate strategic pillars

Right places

Customer orientation

Expert people

Increasing appeal

- Supporting local community needs.
- Stimulating local economies.

- Meeting the needs of occupiers, workers, shoppers and residents in our buildings.

- Attracting and retaining staff.

“

Any good development requires good community engagement. For over 20 years, British Land has been working in partnership with local people, taking their needs and expectations into consideration. Local people feel like British Land is one of us.”

Councillor Nasim Ali OBE, Regent’s Park Ward, London

How we’ve achieved results

- + Since launching our Community Charter in 2011, we have made strong progress on community engagement, local relationships and partnership initiatives, particularly around local employment, education and training.
- + Building on the success of our Community Charter, we launched our Supply Chain Charter in 2014, particularly supporting the delivery of our employment, procurement and training priorities through our suppliers to maximise our impacts.
- + Engaging with occupiers, employees and local communities, as well as increasing focus on the people who shop, work or live in our properties, surveying thousands of shoppers to gain insights to create Places People Prefer.



For more detail on our performance: www.britishland.com/data

What we’ve found challenging

- Achieving substantial progress in addressing skills shortages in our sector. We will focus on this as we implement our Supply Chain Charter commitments around local employment, procurement, education and training.
- Developing ways to further understand local needs in each community. This is a priority for the coming year.
- Scaling up our local community activities at assets where we have smaller on-site teams. We have increased our local teams, which will help us to strengthen local partnerships and support.



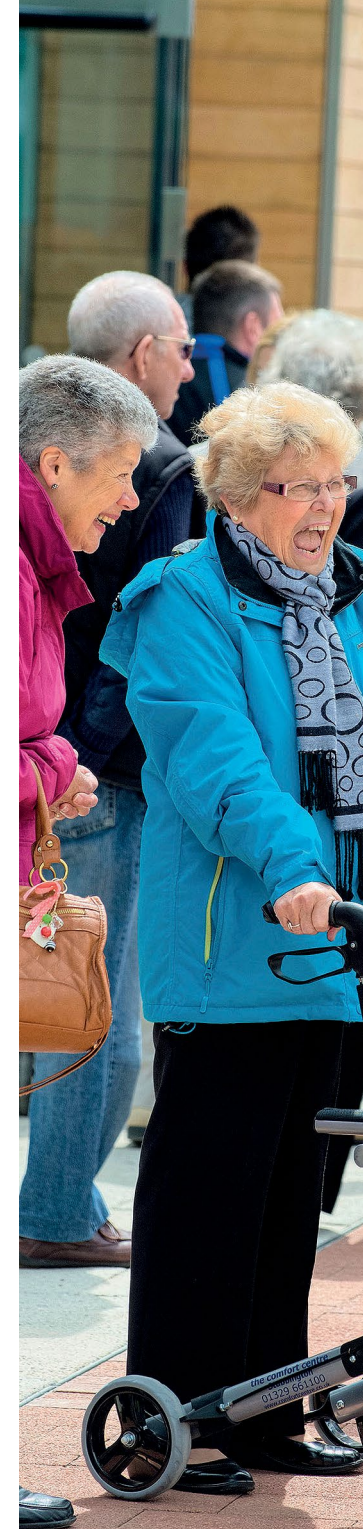
For our new 2020 sustainability strategy: www.britishland.com/sustainability



83%

of our staff took part in community activities this year, an impressive rise from 24% in 2009. One in five of our staff volunteers on a regular basis and we have increased focus on skills-based opportunities.

Awards include





RESULTS ON 2015 TARGETS

Environmental

Sustainability targets



39% reduction in carbon*

(Scope 1 and 2) across our like-for-like portfolio since 2009, saving as much carbon as annual emissions from 8,000 homes. **2015 target: 40%.**



40% reduction in energy use*

across our like-for-like portfolio since 2009, saving occupiers £10 million. **2015 target: 40%.**



14% reduction in water use

across our like-for-like portfolio since 2009, saving 187 million litres of water – as much liquid as 3,200 people drink in a lifetime. **2015 target: 20%.**



95% of waste diverted from landfill

at our properties and developments in 2015, with 941,751 tonnes diverted since 2010, as much as the weight of 64,600 double decker buses. **2015 target: 100%.**



Showcase sustainable building

We have moved away from our target to get planning permission for a showcase sustainable building, as UK Government policy shifted away from radical changes to new building standards. We continue to target high sustainability standards on all our major developments.

Corporate strategic pillars



Capital Efficiency

Right Places

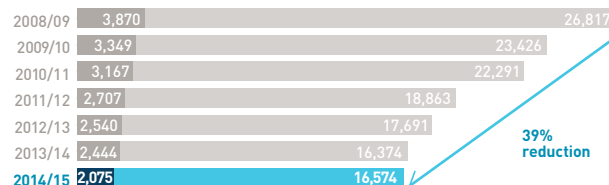
Increasing appeal

- Protecting and enhancing value for investors.
- Reducing occupancy costs for occupiers.

Carbon emissions across our like-for-like portfolio

■ Scope 1

■ Scope 2



How we've achieved results

- + Investing in automatic metering and energy monitoring across our portfolio in partnership with occupiers, so our property teams can identify ongoing reduction opportunities.
- + Achieving culture change so all our building engineers now see efficiency as a core part of their jobs.
- + Influencing over 1,000 suppliers since 2011 through our Sustainability Brief for Developments – improving construction site management, delivering efficient designs for energy and water use, and enhancing biodiversity.



For more detail on our performance: www.britishland.com/data

What we've found challenging

- Achieving our zero waste to landfill and water saving targets across our portfolio, although we have made great progress, notably on waste management. We have less influence in these areas but will continue to push.
- Reaching sector consensus for landlord energy ratings similar to NABERS in Australia, to provide real market incentives for landlords to deliver operational energy efficiency.



For our new 2020 sustainability strategy: www.britishland.com/sustainability

Awards include



WORLD GREEN BUILDING COUNCIL
Leadership Awards
Europe Region

IN PARTNERSHIP WITH: RICS, ICE, AIA



2014 NAREIT
Leader In The Light
Recognising Leadership In Sustainability and Energy Efficiency

Also 2013 & 2012

CBRE BUILDING PERFORMANCE AWARDS 2014

Winner

Also 2013, 2012 & 2011

2013
Property Awards

Winner

Also 2011

GREEN BUSINESS AWARDS 2012
WINNER

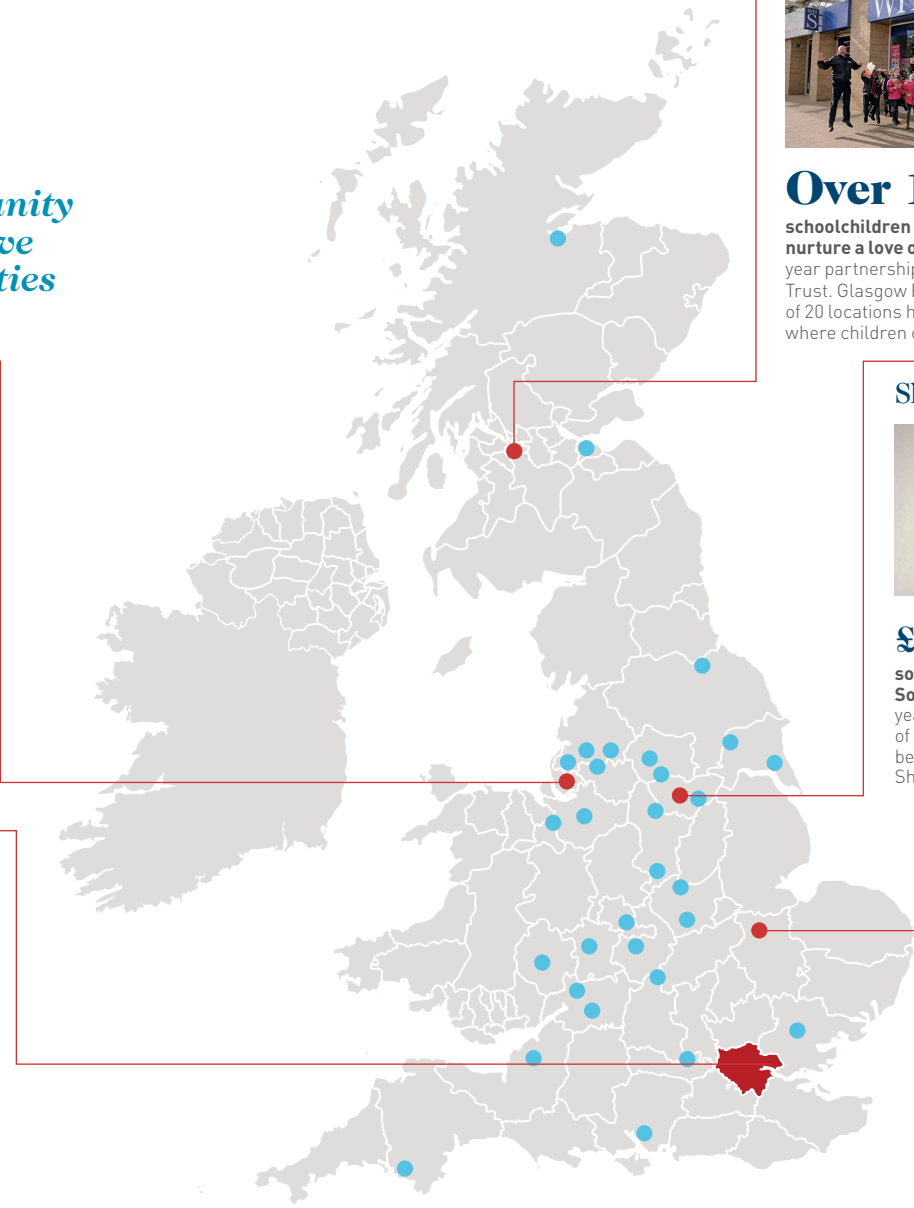
* Heating and cooling degree day adjusted to normalise for weather.



LOCAL INITIATIVES

Social

We thank our local teams and community partners for helping us make a positive difference to local lives at our properties and developments around the UK.



Speke



Over 500

apprenticeships supported by us and our suppliers and local partners since 2013, including apprentice Gary Morrison at New Mersey Shopping Park in Speke (pictured). Elsewhere, our developments such as The Leadenhall Building have supported apprenticeships in bricklaying, electrical engineering, painting and other trades, helping to upskill local people and address emerging skills shortages.

Broadgate



Over 120

East London jobseekers have found sustainable employment with our suppliers in the City through Broadgate Connect, our local employment and training project with community partner the East London Business Alliance.

Regent's Place



Top 1%

We have been working with Camden Council and the local community at Regent's Place for over 20 years. Together, we have helped the surrounding area go from being one of the most deprived in London to the top 1% for improvements.

Glasgow



Over 17,000

schoolchildren are getting the chance to nurture a love of reading through our five-year partnership with the National Literacy Trust. Glasgow Fort Shopping Park is one of 20 locations hosting fun literacy events where children choose free books to keep.

Sheffield



£53.4m

social return on investment at The Source Skills Academy in its first ten years, directly benefiting thousands of local people and businesses after being set up by British Land and Sheffield City Council in 2003.

Peterborough



340

unemployed young people have benefited from retail and hospitality training at our properties since 2007, including the group of young people from Peterborough pictured here. Almost two-thirds have moved on to positive outcomes such as work, education or further training soon afterwards.

●● Main British Land properties and developments

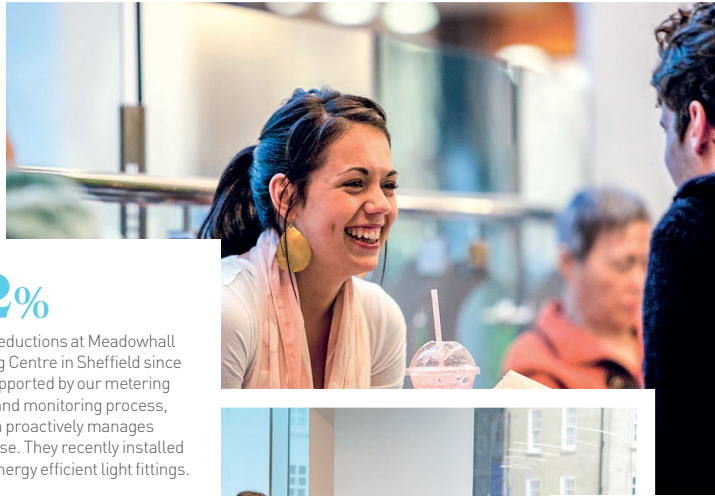




LOCAL INITIATIVES

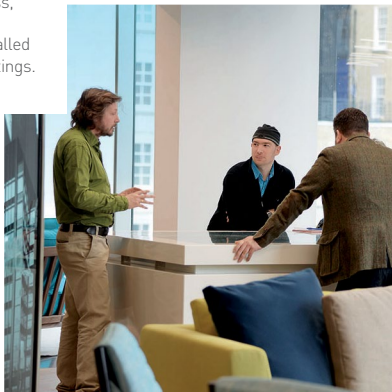
Environmental

Behind our reduction headlines are thousands of actions at our properties and developments around the UK. The efforts and achievements of our local teams add up to a big difference.



42%

energy reductions at Meadowhall Shopping Centre in Sheffield since 2009. Supported by our metering system and monitoring process, our team proactively manages energy use. They recently installed 15,000 energy efficient light fittings.



43%

energy reductions at our own Head Office, York House in London. We piloted many of our environmental initiatives at our own Head Office first and then built on this success across our portfolio.



19,466m³

of certified sustainable timber on our developments since 2010, through our focus on responsible sourcing. All timber at Old Market Shopping in Hereford came from sustainable sources.



50,000 sq ft

of green roof space and gardens at Regent's Place in London, encouraging urban biodiversity, improving building insulation, reducing local flood risks, enhancing air quality and often creating pleasant spaces for people to enjoy.



56%

better efficiency than regulations require at 5 Broadgate in the City, with 12,900 sq ft of roof panels generating clean power and high performance insulation, as well as 520 cycle parking spaces, 512 lockers and 50 showers. Like all our new office buildings, 5 Broadgate is rated BREEAM Excellent. The building achieved a BREEAM sustainability score in the top 10 of all London office developments to date.



Further information

For our new 2020 sustainability strategy, how we identify what matters most and how we manage social and environmental issues:



www.britishland.com/sustainability

For our detailed social and environmental performance data, progress on targets, GRI Index, UN Global Compact Communication on Progress and Independent Assurance Statement:



www.britishland.com/data

Social and environmental information is also integrated throughout our Annual Report:



www.britishland.com/annualreport

Contact us

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Reporting standards and assurance



We report in accordance with the Global Reporting Initiative (GRI) G4 core option guidelines, GRI Construction and Real Estate Sector Disclosures document, and the latest European Public Real Estate Association (EPRA) Best Practice Recommendations on Sustainability Reporting.



Selected key social and environmental data for 2015 has been independently assured by PwC under the ISAE 3000 and ISAE 3410 standards. In prior years, selected data was assured by PwC and other providers.

This report covers 99% of our managed portfolio by value, 100% of development projects and 74% of our investment portfolio. '2015' refers to 1 April 2014 to 31 March 2015. The same approach applies for other years. Where accuracy improvements have been made, some earlier data has been restated.

All photography in this booklet is British Land imagery.

Design by Addison Group

