Welcome to your CDP Climate Change Questionnaire 2019

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

British Land is a leading UK property company. We create and manage places that reflect the changing needs of the people who work, visit or live in and around them. Our portfolio is increasingly focused on mixed use places. Our portfolio of Office campuses is located in central London and our Retail assets are located across the UK.
We own or manage a portfolio valued at £16 billion (£12.3 billion owned) as at 31 March 2019 making us one of Europe's largest listed real estate investment companies. We currently have a recently completed and committed development pipeline of 1.6m sq ft.

Our strategy is to provide places which meet the needs of our customers and respond to changing lifestyles - Places People Prefer. We do this by creating great environments both inside and outside our buildings and use our scale and placemaking skills to enhance and enliven them. This expands their appeal to a broader range of occupiers, creating enduring demand and driving sustainable, long term performance.

Our strategy focuses on three core, complementary elements as part of an increasingly mixed use business:

- Campus-focused London offices
- A smaller, more focused Retail portfolio
- Residential, principally Build to Rent

Since 2010 we have shifted the balance of our portfolio towards our campus-focused London offices business, which now accounts for 51% of our assets. We have invested significantly in this business through acquisition and development. Over recent years, this has included the redevelopments of 199 Bishopsgate and 1 Finsbury Avenue at Broadgate and 10-30 Brock Street at Regent's Place; as well as the acquisition of Paddington Central, our third London campus in 2013, where we recently redeveloped 4 Kingdom Street.
Through a series of acquisitions, we have also assembled a unique development opportunity at Canada Water covering 53 acres. Here our masterplan envisages a development of our fourth mixed use campus. At the same time, we have also been proactively reshaping our Retail portfolio so that it reflects retailers' focus on the highest quality and the best located space. Over the last five years we have sold £2.9bn of retail assets, improving the overall quality of our portfolio which is now focused on multi-let space.

We have four strategic priorities:

- Customer Orientation
- Right Places
- Capital Efficiency
- Expert People

These are supported by our four sustainability focus areas, which address major social, economic and environmental trends to create value for our stakeholders and the business:

- Wellbeing
- Community
- Futureproofing
- Skills and opportunity

Climate change issues are managed through the 'Futureproofing' component, which is aligned to the 'Capital Efficiency' pillar. Through this we allocate our resources, manage our finances and partner with like-minded organisations to deliver sustainable long-term value.

Sustainability is embedded throughout our business. Our places, which are designed to meet high sustainability standards, become part of local communities, provide opportunities for skills development and employment and promote wellbeing. Our industry-leading sustainability performance is reflected in our AAA rating from MSCI, our 98th percentile sector rating from Sustainalytics, and our ninth consecutive Green Star rating in the 2018 Global Real Estate Sustainability Benchmark.

This was our third year holding the Queen's Award for Enterprise, the UK's highest business accolade recognising our economic, social and environmental achievements.

Climate change is an important part of our sustainability strategy to generate cost-efficiency and income from future-proofed assets. This is achieved by:

- Protecting value by reducing flood risk
- Improving operational efficiency and reducing occupier costs
- Increasing on-site energy generation and associated revenue
- Reducing our use of resources through materials and process innovation
- Working towards 100% electricity use from renewable sources, as a partner of RE100

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years
Row 1	April 1, 2018	March 31, 2019	No

C0.3

(C0.3) Select the countries/regions for which you will be supplying data.

United Kingdom of Great Britain and Northern Ireland

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

GBP

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.

Operational control

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Chief Financial Officer (CFO)	Our CFO reports to the CEO, is a Board Director, and is also Chair of our Sustainability Committee. The CFO is responsible for climate-related issues because this position is ultimately responsible for managing corporate risk (including climate-related risk) and for delivering our strategic priority "Capital Efficiency". Capital Efficiency includes our initiatives to protect and enhance asset value through environmental stewardship, including renewable energy generation, energy efficiency, materials innovation, and flood risk reduction. From May 2019, British Land's Sustainability Committee will report to the new Board level CSR Committee comprised of Non-Executive Directors.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-	Governance mechanisms into	Please explain

related issues are a scheduled agenda item	which climate-related issues are integrated	
Scheduled – some meetings	Reviewing and guiding major plans of action Reviewing and guiding risk management policies Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues	(i) Reviewing and guiding major plans of action; (v) Overseeing major capital expenditures and acquisitions – Our "Sustainability Brief for Acquisitions" and "Sustainability Brief for Developments" are mechanisms that integrate climate considerations into major capital expenditure decisions of whether to (a) acquire new assets, and (b) whether to develop new/existing assets. The Brief for Acquisitions integrates reviews of energy efficiency and flood risk into both internal and third-party due diligence reviews. The Brief for Developments integrates energy efficiency, material choice (embodied carbon), and flood risk considerations across multiple stages of the development process. (ii) Reviewing and guiding risk management policies - The Board has overall responsibility for risk management with a particular focus on determining the nature and extent of exposure to principal risks it is willing to take in achieving its strategic objectives. Climate-related issues are included in the principal risk category "Catastrophic business event". The Executive Directors are responsible for delivering the Company's strategy, as set by the Board, and managing risk. The Risk Committee is responsible for managing the principal risks in each category (including climate-related risks) in order to achieve our performance goals. The Sustainability Committee monitors climate change risks and periodically provides updates to the Risk Committee.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues

Chief Financial Officer (CFO)	Both assessing and managing climate-related risks and opportunities	Half-yearly
Sustainability committee	Both assessing and managing climate-related risks and opportunities	Annually
Risk committee	Both assessing and managing climate-related risks and opportunities	Annually

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

(i)The Chief Financial Officer (CFO) reports to the CEO, is a Board Director, and is also Chair of our Sustainability Committee. The CFO is responsible for climate-related issues because this position is ultimately responsible for managing corporate risk (including climate-related risk) and for delivering our strategic priority "Capital Efficiency". Capital Efficiency includes our initiatives to protect and enhance asset value through environmental stewardship, including renewable energy generation, energy efficiency, materials innovation, and flood risk reduction. Reviewing performance against our 2020 Strategy and informing annual business objectives; senior executives at the Cambridge Institute of Sustainability Leadership. In 2019/20, one of our CFO's annual performance measures is the achievement of the company's 2020 energy intensity target. He is also the sponsor of our internal Taskforce on Climate-related Financial Disclosures (TCFD) Steering Committee, comprised of leaders from across the business and tasked with guiding the organisation toward full alignment with the Task Force's recommendations.

(ii) Our Sustainability Committee, which meets several times a year, acts as custodian for our sustainability strategy, which helps to deliver value, create positive social and environmental outcomes, and increase appeal for our stakeholders, as we work to create Places People Prefer. Our Sustainability Committee is Chaired by the CFO and comprises the sustainability team (e.g. the Head of Corporate Affairs and Sustainability) and representatives from across the operational business and meets several times a year. Its responsibilities include:

- Reviewing performance against our 2020 Strategy and informing annual business objectives;
- Assessing emerging social, environmental and ethical issues to determine how material they are to the long term value of the business;
- Considering social, environmental and ethical risks, and the mitigating actions that are in place;
- Interrogating any proposed changes in sustainability strategy prior to going to the CSR Board Committee for approval.

(iii) The Risk Committee - comprising the Executive Directors and senior management across the business - is responsible for managing the principal risks of each risk category in order to

achieve our performance goals. One of the twelve principal risks we track is the risk of a "catastrophic business event", including environmental or climate-related events. The Secretary to the Risk Committee provides a schedule of Key Risk Indicators (KRI) to each Risk Committee meeting and maintains a schedule of risk actions agreed at each Risk Committee meeting. The Secretary to the Risk Committee is also responsible for arranging for any KRI exceptions requiring escalation to be discussed at the next Board meeting. In early 2019, British Land's Head of Corporate Affairs & Sustainability presented the Risk Committee with the requirements of the TCFD. To ensure full alignment with the recommendations, a Steering Committee composed of leaders from across the business was created.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

Yes

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Who is entitled to benefit from these incentives?

Other, please specify

Head of Corporate Affairs and Sustainability

Types of incentives

Monetary reward

Activity incentivized

Emissions reduction project

Comment

The annual incentive remuneration of the Head of Corporate Affairs and Sustainability is linked to the achievement of our sustainability objectives, evidenced by inclusion on core Environmental, Social and Governance (ESG) indices: the Dow Jones Sustainability Index (DJSI), FTSE4Good and the Global Real Estate Sustainability Benchmark (GRESB). These indices contain performance criteria relating to taking action on and achieving reductions in energy consumption and GHG emissions.

Who is entitled to benefit from these incentives?

Environment/Sustainability manager

Types of incentives

Monetary reward

Activity incentivized

Emissions reduction project

Comment

The Head of Wellbeing and Futureproofing, the Sustainability Manager for Developments, and the Head of Technical Services and Sustainability all have climate change responsibilities and annual objectives which affect the company's understanding of climate change risk and/or our carbon emissions performance. These are reviewed every six months and form part of the employees' annual appraisals, affecting pay and bonuses.

Who is entitled to benefit from these incentives?

All employees

Types of incentives

Recognition (non-monetary)

Activity incentivized

Emissions reduction project

Comment

Our induction for new employees includes an introduction to our approach to sustainability and we deliver all-employee briefings on sustainability. Our peer-led recognition programme, 'Hats Off' for employees, focuses on our company values and includes the Chairman's Award for Citizenship.

Who is entitled to benefit from these incentives?

Other, please specify

Suppliers

Types of incentives

Recognition (non-monetary)

Activity incentivized

Emissions reduction project

Comment

Each year, suppliers are eligible for recognition in our annual awards scheme. Possible reasons for recognition include a notable contribution towards the delivery of our 2020 sustainability strategy, which includes several climate-related metrics, including: reducing the Scope 1 and 2 emissions intensity of our managed portfolio by 55% by 2020 (compared to a 2009 baseline).

Our contracts with our Maintenance and Engineering suppliers include requirements to ensure efficient use of energy at our managed properties.
Other requirements include:
• taking into account sustainability aspects in the purchasing of goods and services by

the suppliers (for example, energy efficiency, packaging, use of recycled/reclaimed materials, recyclability of materials, use of sustainable materials, water efficiency, FSC or equivalent timber and timber derived, products, biodegradation etc);
• using best endeavours to adopt a sound proactive environmental approach;
• reviewing energy consumption and plant performance monthly to ensure efficient use of energy;
• building an environmentally friendly work culture through training and high quality communication with staff; and
• complying with British Land's Environmental Policy Statement.

C2. Risks and opportunities

C2.1

(C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.

	From (years)	To (years)	Comment
Short-term	0	1	Short-term is defined as within 12 months.
Medium-term	1	5	Medium-term is defined as between 1-5 years.
Long-term	5	100	Long-term is defined as over 5 years.

C2.2

(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

C2.2a

(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying and assessing climate-related risks.

	Frequency of monitoring	How far into the future are risks considered?	Comment
Row 1	Six-monthly or more frequently	>6 years	Climate change risks are listed in our company's risk register and reviewed quarterly by the Risk Committee, comprising the Executive Directors and chaired by the Chief Financial Officer. The Board is responsible and determines the nature and extent of 'principal' risks it is willing to take to achieve its strategic objectives. Climate change risks are considered as a principal risk to the

			business and are captured under ‘External Risks - Catastrophic business events’ in our Risk Register.

C2.2b

(C2.2b) Provide further details on your organization’s process(es) for identifying and assessing climate-related risks.

British Land defines risk with a "substantive financial or strategic impact on the business" as a risk with high likelihood of occurrence and medium/high potential impact on British Land's performance. We refer to these as Principal Risks, which are monitored by the Board and Risk Committee. As referenced in 2.2a, climate change risks are considered as a principal risk to the business and are captured under ‘External Risks - Catastrophic business events’ in our Risk Register.

Risk identification and assessment process
To identify and assess climate-related risks at both company level and asset level, our integrated approach to risk combines a top-down strategic view with a complementary bottom-up operational process.

For the top-down approach **at company level**, the Board reviews the external environment to determine the level of internal/external and company/asset level principal risks it is comfortable exposing the business to. Principal external risks include: the economic outlook; political and regulatory outlook; commercial property investor demand; occupier demand and tenant default; availability and cost of finance and catastrophic business events. Key risk indicators are identified for each principal risk and used for quarterly monitoring of exposure to ensure business activities remain within agreed risk appetite thresholds.

The bottom-up approach focuses on **business unit and asset level**. Each business unit identifies, manages and monitors its risks. Control of this process is provided through maintenance of risk registers in each area. At the asset level, we maintain Asset Plans which include provisions for the identification of climate change-related risks/opportunities (e.g. flood risk assessments, audits to identify energy-saving opportunities). Our Sustainability Brief for Acquisitions sets out our criteria with regards to environmental, community and health and safety issues when acquiring new property.

Our process for assessing the size, scope, and relative significance of potential risks
To assess the potential size and scope of an identified risk, we evaluate a risk’s potential likelihood of occurrence and its potential impact on British Land's performance through the development of a risk heat map. This heat mapping process allows British Land to determine the relative significance of climate-related risks in relation to other risks. The impact and likelihood ratings are attributed by Business Unit Risk Representatives and subsequently moderated for across the group by the Secretary to the Risk Committee. Likewise, the Risk Register enables risks to be flagged as either Principal Risks or Emerging Risks to facilitate reporting of these specific areas. The risk register tracks:

- Description of the risk (identification)
- Impact-likelihood rating (evaluation enabling prioritisation)

- Mitigants (mitigation)
- Risk owner (monitoring)

Internal/external and company/asset level risks relating to climate change are identified and reviewed by the Sustainability Committee and input into our risk assessment/management process by contributing to the company-wide Business Unit Risk Register Report, updated quarterly.

The Sustainability Committee and Team assess internal/external and company/asset level risks and opportunities for us and our stakeholders by considering:

- experience over previous year;
- internal/managing agent feedback;
- stakeholder engagement;
- sustainability performance;
- future focus areas/issues and results of asset-level risk
- opportunity assessment procedures (e.g. flood risk assessment (FRA), energy audits such as those through ESOS)

C2.2c

(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Our latest company-wide climate risk assessment conducted in 2017 revealed six themes of climate-related Principal Risks. One of these themes is climate-risk related to energy regulation and prices. As an example, the assessment considered the risk of (i) non-compliance with energy regulations, and (ii) regulation increasing energy-related costs of British Land's managed portfolio (e.g. compliance costs), such as the UK CRC Energy Efficiency Scheme, Climate Change Levy and the Minimum Energy Efficiency Standard (MEES) of England and Wales. The 2017 review assessed risks from current regulation in the Transitionary Risks - Policy and Legal section.
Emerging regulation	Relevant, always included	Our latest company-wide climate risk assessment conducted in 2017 revealed six themes of climate-related Principal Risks. One of these themes is climate risk related to energy regulation and prices. As an example, the assessment considered the risk of the UK government's commitment to a zero-carbon economy by 2050. This will require a transition to low-carbon heat and electricity generation, which may be forced by policy. The 2017 review assessed risks from emerging regulation in the Transitionary Risks - Policy and Legal section.

Technology	Relevant, always included	Our latest company-wide climate risk assessment conducted in 2017 revealed six themes of climate-related Principal Risks. One of these themes is climate risk related to building performance (technology-inclusive). As an example, the assessment considered the financial risk of transitioning our managed assets from natural gas boilers to low-carbon heating technologies. The 2017 review assessed risks from technology in the Transitionary Risks - Technology section.
Legal	Relevant, always included	Our latest company-wide climate risk assessment conducted in 2017 revealed six themes of climate-related Principal Risks. One of these themes is climate risk related to energy regulation and price. As an example, the assessment considered the financial risk of non-compliance with energy regulations that apply to British Land's managed portfolio, such as the UK CRC Energy Efficiency Scheme, Climate Change Levy and the Minimum Energy Efficiency Standard (MEES) of England and Wales. The 2017 review assessed legal risks in the Transitionary Risks - Policy and Legal section.
Market	Relevant, always included	Our latest company-wide climate risk assessment conducted in 2017 revealed six themes of climate-related Principal Risks. One of these themes is climate risk related to energy regulation and price. As an example, the assessment considered the risk of energy cost volatility and its potential impact on our service charge and rent affordability for our occupiers. The 2017 review assessed market risks in the Transitionary Risks - Market section.
Reputation	Relevant, always included	Our latest company-wide climate risk assessment conducted in 2017 revealed six themes of climate-related Principal Risks. One of these themes is climate risk related to building performance (and its impact on our reputation). As an example, the assessment considered the reputational risk posed by poor building performance, as this would noticeably affect our performance in sustainability indices. This could damage our reputation with key investors and external stakeholders. The 2017 review assessed reputational risks in the Transitionary Risks - Reputation section.
Acute physical	Relevant, always included	Our latest company-wide climate risk assessment conducted in 2017 revealed six themes of climate-related Principal Risks. One of these themes is climate risk related to extreme weather events. As an example, the assessment considered the impact of acute physical risks like the (i) increased frequency of flooding at properties in our managed portfolio, and (ii) increased frequency of extreme wind events that affect our properties and new developments. The 2017 review assessed reputational risks in the Physical Risks - Acute section.
Chronic physical	Relevant, always included	Our latest company-wide climate risk assessment conducted in 2017 revealed six themes of climate-related Principal Risks. One of these themes is climate risk related to extreme weather events. As an example, the assessment considered the impact of chronic physical

		risks like (i) the increased frequency of extreme weather events resulting in increased insurance rates for our property portfolio, (ii) the increased risk of flooding negatively impacts the valuation of our property assets at high-risk. The 2017 review assessed reputational risks in the Physical Risks - Chronic section.
Upstream	Relevant, always included	Our latest company-wide climate risk assessment conducted in 2017 revealed six themes of climate-related Principal Risks. One of these themes is climate risk related to business model changes due to suppliers. As an example, the assessment considered the upstream impact of increased costs of construction and manufacturing activities (costs passed-through from suppliers' higher energy costs, insurance rates, and compliance costs from energy and climate regulation), including the consideration of a 5-10% cost increase for new property developments. The 2017 review assessed reputational risks in the Transitionary Risks - Market section.
Downstream	Relevant, always included	Our latest company-wide climate risk assessment conducted in 2017 revealed six themes of climate-related Principal Risks. One of these themes is the downstream impact of climate risk on viability of some tenants' (i) business model and (ii) on-site activities. The 2017 review assessed reputational risks in the Transitionary Risks - Market section.

C2.2d

(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.

Managing climate-related risks

Our integrated approach to risk combines a top-down strategic view with a bottom-up operational process.

Top-down approach: the Board reviews the external environment to determine the level of internal/external and company/asset level principal risks it is comfortable exposing the business to (our 'Risk Appetite'). Key risk indicators are used for quarterly monitoring of exposure to ensure business activities remain within agreed risk appetite thresholds.

In the bottom-up approach, each business unit manages and monitors its risks and opportunities. Control of this process is provided through maintenance of risk registers. At the asset level, we maintain Asset Plans which include provisions for the identification and management of climate change-related risks/opportunities.

Each risk has an owner who takes responsibility for monitoring the exposure to the risk and ensuring that any mitigants are operating effectively to ensure the risk is controlled.

British Land's process to mitigate, accept or control climate-related risks

- Accept: The Board has overall responsibility for risk management and determines the nature and extent of exposure to principal risks it is willing to take in achieving its strategic objectives. The level of risk we accept is assessed in the context of our business's core strengths and the external environment in which we operate. This Risk

Appetite is defined by the tolerances applied to Key Risk Indicators ('KRIs') identified for each internal Principal Risk. These tolerances guide and are consistent with the strategic objectives for the coming year. The Board approves the Key Risk Appetite metrics (KRIs) and thresholds for the coming year annually.

- Control: The KRIs are reported to the Risk Committee quarterly. For each KRI, an optimal range and tolerable range is set. If the KRI falls outside the tolerable range, a minuted discussion would evaluate this position at the next Risk Committee. The three possible outcomes are (i) no action, exception is noted as being short term, immaterial or mitigated, (ii) an action plan is agreed to return the KRI to within the tolerable range, (iii) the exception is noted as representing a change in strategy or risk appetite and escalated to the Board for further consideration.
- Mitigation: For risks categorised as Principal Risks with Board-level oversight, where the level of risk exceeds our risk appetite, the Board is responsible for ensuring these risks are adequately mitigated to the extent possible. As part of our management of non-principal risks, our risk registers allow risk owners to log mitigants as part of the management and monitoring process.

We prioritise climate-related risks (in context of all potential risks) through managing and updating the corporate risk register and risk heat map. The impact-likelihood rating - evaluated during risk identification - is our primary metric for prioritising risks.
The risk register tracks:

- Description of the risk (identification)
- Impact-likelihood rating (evaluation enabling prioritisation)
- Mitigants (mitigation)
- Risk owner (monitoring)

Physical risk example: As part of the Principal Risk theme "Catastrophic Business Event", the risk register includes "Flooding of Assets". The Risk Committee and ultimately the Board are responsible for this risk. In addition to monitoring its risk thresholds (including a public KPI - percentage of portfolio at high risk of flood), our sustainability programme is taking action to mitigate this risk. As of 31 March 2019, 100% of our high flood risk assets have flood management plans.

Transitional risk example: As part of the Principal Risk theme "Political and Regulatory Outlook", the risk register includes "Energy Regulation and Price". The Risk Committee and ultimately Board are responsible for this risk. In addition to monitoring risk thresholds, our sustainability programme is taking steps to mitigate this energy price and supply risk:

- Our 2020 targets of a 55% reduction in carbon and energy intensity (2009 baseline) seek to ease the risk exposure to price fluctuations (64% GHG intensity reduction and 44% energy intensity reduction as of 31 March 2019)
- British Land conducted energy and water efficiency assessments on 65% of our managed portfolio (by floor space) in 2018/19

We manage climate-related opportunities at corporate and asset level through the Sustainability Committee and Team based on their alignment with our 2020 sustainability strategy. Certain asset level opportunities are prioritised by the outcomes of detailed assessments – for example, our building energy audits provide recommendations for improvements prioritised according to return on investment analyses (ROI).

Transitional opportunity example: In complying with climate regulations, like the UK's ESOS, our site surveys identified 89 savings opportunities that represent a potential investment of £3.4m with expected annual savings of approximately £256,000.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Policy and legal: Increased pricing of GHG emissions

Type of financial impact

Increased operating costs (e.g., higher compliance costs, increased insurance premiums)

Company- specific description

British Land is affected by the UK's (i) CRC Energy Efficiency Scheme and (ii) Climate Change Levy. The CRC requires the purchase of carbon allowances for emissions arising from energy use within our buildings. There is a cost risk associated with this scheme; for example, British Land's estimated financial exposure to the CRC in 2018/19 is £990,000. Likewise, for the Climate Change Levy (an energy tax for non-domestic users), our financial exposure in 2018/19 was £964,000.

While the CRC scheme will close following the 2018/19 compliance year, the Government has increased the Climate Change Levy's rates from 01 April 2019 by 45% compared to the prior year to "recoup revenue lost from the abolition of CRC" and as an incentive for energy saving activities. Our CCL payments are estimated to be over £1.5m in 2019/20.

Time horizon

Current

Likelihood
Virtually certain

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
2,200,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure
The non-compliance cost through the CRC is a penalty of £40/tonne. In British Land's case this could result in a fine in excess of £2.2 million.

Management method
We work closely with our managing agents to manage energy use at our properties, implementing Assets Plans at all major assets. We have installed full/partial automatic meter reading (AMR) systems to help our local teams identify reduction opportunities on an ongoing basis, at the same time as improving billing accuracy. Examples of energy reduction measures include: matching heating and cooling plant run times with operational hours agreed with occupiers; increasing intake of external ambient air to reduce need for heating and cooling, and eliminating heating and cooling conflicts; installing motion sensors and replacing lighting with energy efficient alternatives; and, adjusting temperature set points to reduce heating and cooling demands. Through these recent and other more historic initiatives, we have been able to achieve 64% reduction in our Scope 1 and 2 emissions intensity since 2009.

This is one of a series of risks that will be considered by our new TCFD Steering Committee, composed of leaders from across the business to address TCFD requirements.

Cost of management
24,000

Comment
British Land's recent compliance costs were: (a) The cost of CRC compliance support is approximately £18k, (b) Formal administration fees for CRC which are circa £1,290 per annum, (c) registration fee of £950, (d) Internal cost of management approximately £4k (4 days at £1k/day)

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Policy and legal: Mandates on and regulation of existing products and services

Type of financial impact

Increased operating costs (e.g., higher compliance costs, increased insurance premiums)

Company- specific description

The 2015 Energy Efficiency Regulations (passed in March 2015) set out Minimum Energy Efficiency Standards for rented buildings in England and Wales. These regulations prohibit the letting of space where there is an EPC rating of F or G from 1st April 2018. These regulations could either result in an increased refurbishment cost for British Land or devaluation of assets which do not meet the minimum standards. Currently, 5% of our assets by floor area have an EPC rating of F or G.

Time horizon

Current

Likelihood

Virtually certain

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

11,600,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Financial implications of improving underperforming EPCs from an F or G to a C or D rating is estimated at £110 per square metre. This figure may vary significantly by asset and is based on an initial study. Importantly, E, F and G ratings may also have an impact on valuations.

Management method

A portfolio-wide EPC review was completed to understand exposure to E/F/G rated properties. We also funded an analysis into the likely costs of improving underperforming assets to above an E rating. The results of these analyses feed directly into our asset specific management plans – enabling us to work closely with managing agents to improve energy use and rating performance at our properties. At an operational level, asset managers monitor units with poor energy performance and opportunities to improve their energy rating as part of lease renewal.

Our Sustainability Brief for Acquisitions identifies the EPC rating of a potential new acquisition as investment critical information. During the due diligence phase consultants are required to investigate energy supply and EPC recommendations further. Our Sustainability Brief for Developments also provides requirements and guidance for improving the energy and carbon performance of our developments.

Cost of management

10,000

Comment

As of 2018/19, MEES compliance is integrated into our broader set of asset management processes. The cost of management relates the partial cost of staff members at British Land responsible for managing this risk.

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Technology: Costs to transition to lower emissions technology

Type of financial impact

Capital investments in technology development

Company- specific description

In order to meet its 2050 carbon neutrality target, the UK Government must encourage a transition from the current carbon-intensive heat generation technologies to low-carbon alternatives. Almost all of the heat generated in British Land buildings is produced using gas-fired boilers. There will therefore be a major capital expenditure when it becomes necessary to transition to low-carbon heat technologies. The UK Committee on Climate Change's Net Zero report (May 2019) indicates that 100% of non-residential buildings will require a low carbon heat source by 2050.

Based on the UK Government's 2018 Call for Evidence "A future framework for heat in buildings" and its ambition to phase out high-carbon fossil fuel heating sources, we classify this as a 'medium-term' risk.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

75,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Due to the building specific applicability of low carbon solutions it is not possible to provide a portfolio capital expenditure based on generic costings. Each building needs to be assessed on a case by case basis. The issue has been assessed for a small number of buildings. For example, the central London office building Regents Place recently installed an air source heat pump system, which meets the majority of the building's heat requirement. This system was ~£75,000 more expensive than the conventional fossil fuel based alternative.

Management method

This type of sector-level, policy-driven risk is monitored by both British Land's in-house sustainability team and the trade associations to which we belong. If this risk's likelihood increases with a short-term time horizon, this risk will be escalated to the Risk Committee for review, as part of our integrated risk management process.

This is one of a series of risks that will be considered by our new TCFD Steering Committee, composed of leaders from across the business to address TCFD requirements.

Cost of management

10,000

Comment

This cost of management reflects the British Land's trade association fees for organisations which monitor related issues.

During a building's lifecycle there will be opportunities to make major plant replacement. At this point, the investment case for a low-carbon alternative for the provision of heat will be investigated. It should be noted that the requirements of such systems are linked to future building designs and tenant operational requirements, which may mean heat demand reduces substantially.

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Supply chain

Risk type

Transition risk

Primary climate-related risk driver

Market: Other

Type of financial impact

Abrupt and unexpected shifts in energy costs

Company- specific description

Energy cost volatility: Rising energy costs impact the service charge and rent affordability of British Land's occupiers.

Time horizon

Current

Likelihood

About as likely as not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

4,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Energy cost volatility: If energy costs increase, they impact on service charge and rent affordability. Comparing 2015/16 vs 2018/19, electricity unit costs increased 10%.

Based on company cost projections to 2019/2020, we calculate a predicted 19.4% increase in electricity cost between 2016/17 and 2019/20 in real terms. This will result in an additional energy spend of £4m for British Land and its tenants.

Management method

Our energy measurement and management programme (including our recent portfolio-wide EPC review) reduce our overall energy consumption profile and ultimately our exposure to energy price fluctuations.
Since 2012, we invested £9m in energy efficiency programmes resulting in gross savings of £17m.
We trade energy generated on-site which - to a degree - hedges are position on energy costs. For example, in 2018/19 we generated £147k from on-site renewable energy income. We have also forward-purchased our energy supply to 2022.

Cost of management

10,000

Comment

The cost of management relates the partial cost of staff members at British Land responsible for managing this risk.

We invested over £9 million in asset level and corporate energy efficiency and management improvements since 2011/12. Administrative internal costs have also been incurred. Financial implications of performing a complete review of EPCs across our portfolio: £1m. Financial implications of improving underperforming EPCs from an F or G to a C or D rating is estimated at £110 per square metre. This figure may vary significantly by asset, and is based on an initial study. Importantly, E, F and G ratings may also have an impact on valuations.

Identifier

Risk 5

Where in the value chain does the risk driver occur?

Customer

Risk type

Physical risk

Primary climate-related risk driver

Chronic: Changes in precipitation patterns and extreme variability in weather patterns

Type of financial impact

Increased operating costs (e.g., higher compliance costs, increased insurance premiums)

Company- specific description

Insurers increase insurance rates significantly to reflect increased real or perceived risks of flooding at property assets managed by British Land. The impact of this is indirect to British Land as these costs are passed through to occupiers.

Time horizon

Short-term

Likelihood

About as likely as not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

25,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Where flooding does occur, then this may result in insurance claims. In 2007, two flood events within our portfolio resulted in insurance losses of some £25m. In this example, insurance premiums on those assets were increased by 5% as a result of the flood claims. In 2012, British Land encountered one flood claim incident at a public house where the repair costs are estimated to be £100k.

Management method

We have two flood-specific sustainability KPIs: (i) % of portfolio at high risk of flood (by value), and (ii) % of 'high flood risk' assets with flood management plans (by value).

We continue to explore opportunities to improve flood risk assessment and protection for our assets and developments. In addition to flood risk assessments required for insurance purposes, we carry out regular portfolio-wide assessments. For example, in 2011/12, we commissioned a flood consultant to perform an in-depth review of our entire portfolio. At that time we had several assets deemed to be at risk; many of these assets were supermarkets and flood risk management measures have since been developed. As of 31 March 2019, 3% of our managed portfolio (by value) is classified at high flood risk, and 100% of these assets (by value) have flood management plans. We commissioned an updated review of the portfolio in 2017.

Our publicly available management procedures – Sustainability Briefs for Development and Acquisition – also include prescriptions for asset-level flood risk assessment and mitigation. For example, the Sustainability Brief for Development prescribes a Flood Risk Assessment and site-wide water balance calculation at RIBA Stage 2 (Concept

Stage). Likewise, the Sustainability Brief for Acquisitions evaluates flood risk as part of the due diligence process. We do not acquire assets with deemed high flood risks without a clear asset plan to mitigate the perceived risk.

Cost of management

8,000

Comment

To manage this risk, we conduct regular flood risk reviews which cost approximately £8,000 per year.

The cost of mitigating flood risk varies for each asset; however, by way of an example before renewing the insurance at one of our assets we had to demonstrate improved flood defences at a cost of £1m. Many of the management procedures mentioned (e.g. Sustainability Brief for Acquisitions) do not represent additional costs as actions are integrated within our business activities. Our 2011/12 portfolio-wide flood review cost approximately £280k.

Identifier

Risk 6

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Physical risk

Primary climate-related risk driver

Chronic: Changes in precipitation patterns and extreme variability in weather patterns

Type of financial impact

Write-offs and early retirement of existing assets (e.g., damage to property and assets in "high-risk" locations)

Company- specific description

Inability to sell or rent property assets at book value because of real or perceived increased risks arising from flooding. This flooding could result from extreme levels of rainfall as well as from sea level rise.

Time horizon

Short-term

Likelihood

Unlikely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

1,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Tenants and investors are becoming more alive to the risk of flooding, with some no longer purchasing or renting assets at book value with high flood risk. The cost of mitigating flood risk varies for each asset. For one property, before renewing the insurance at one of our assets, British Land was required to demonstrate improved flood defences at a cost of £1m.

Management method

We have two flood-specific sustainability KPIs: (i) % of portfolio at high risk of flood (by value), and (ii) % of 'high flood risk' assets with flood management plans (by value).

We continue to explore opportunities to improve flood risk assessment and protection for our assets and developments. In addition to flood risk assessments required for insurance purposes, we carry out regular portfolio-wide assessments. For example, in 2011/12, we commissioned a flood consultant to perform an in-depth review of our entire portfolio. At that time we had several assets deemed to be at risk; many of these assets were supermarkets and flood risk management measures have since been developed. As of 31 March 2019, 3% of our managed portfolio (by value) is classified at high flood risk, and 100% of these assets (by value) have flood management plans.

Our publicly available management procedures – Sustainability Briefs for Development and Acquisition – also include prescriptions for asset-level flood risk assessment and mitigation. For example, the Sustainability Brief for Development prescribes a Flood Risk Assessment and site-wide water balance calculation at RIBA Stage 2 (Concept Stage). Likewise, the Sustainability Brief for Acquisitions evaluates flood risk as part of the due diligence process. We do not acquire assets with deemed high flood risks without a clear asset plan to mitigate the perceived risk.

Cost of management

8,000

Comment

To manage this risk, we conduct regular flood risk reviews which cost approximately £8,000 per year.

The cost of mitigating flood risk varies for each asset. For one property, before renewing the insurance at one of our assets, British Land was required to demonstrate improved

flood defences at a cost of £1m. Many of the management procedures mentioned (e.g. Sustainability Brief for Acquisitions) do not represent additional costs as actions are integrated within our business activities. Our 2011/12 portfolio-wide flood review cost approximately £280k

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Move to more efficient buildings

Type of financial impact

Reduced operating costs (e.g., through efficiency gains and cost reductions)

Company-specific description

The Energy Savings Opportunity Scheme (ESOS), launched in December 2014, requires all large companies to undertake organisation-wide audits of their energy use and identify costed energy efficiency opportunities every four years. By treating ESOS audits as a real opportunity and not just a tick box exercise, we've identified efficiency opportunities that could deliver cost savings, building performance improvements and carbon reductions. Site surveys of British Land's managed portfolio identified opportunities with a total CAPEX of £3.4m with expected annual savings of approximately £256,000.

Time horizon

Current

Likelihood

Virtually certain

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

256,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Site surveys of British Land's managed portfolio identified opportunities with a total CAPEX of £3.4m that saves £256,000 annually.

This impact is calculated by multiplying the estimated kWh savings per project by the average electricity unit rate (£/kWh).

Strategy to realize opportunity

By treating ESOS audits as a real opportunity and not just a tick box exercise, we've identified efficiency opportunities that could deliver cost savings, building performance improvements and carbon reductions. Through ESOS, we've increased focus on capital investment opportunities. We also negotiated with a single supplier to carry out audits across our entire office portfolio, Cavendish Engineers. Consequently, when they identify a solution that works well in one building, they can explore the feasibility of rolling it out elsewhere in the portfolio. Thanks to our smart metering systems, they had access to robust, detailed energy data for each building, so they could accurately forecast savings for potential innovations. We are now engaging with occupiers on opportunities in each building.

To date, we have implemented 79 ESOS-related opportunities with another 10 in progress. These 89 projects represent an investment of £3.4m with expected annual savings of £256,000. These projects include the installation of LED lighting, voltage optimisation, optimisation of BMS controls, installation of new high efficiency chillers, replacement of inefficient thermal insulation, installation of inverter drives on pumps to control on pressure as opposed to fixed speed flow rates, voltage optimisation, rebalancing of hydraulic systems to remove inefficiencies, and implementation of demand-driven controls.

Cost to realize opportunity

3,400,000

Comment

Basis for cost of realisation: Site surveys of British Land's managed portfolio identified opportunities with a total CAPEX of £3.4m that saves £256,000 annually.

Identifier
Opp2

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Energy source

Primary climate-related opportunity driver
Use of lower-emission sources of energy

Type of financial impact
Returns on investment in low-emission technology

Company-specific description
Revenue and electricity/carbon cost savings from on-site renewable energy generation. For example, in August 2017 British Land announced the installation of 1,100 solar panels at its 337,000 sq ft Serpentine Green Regional retail centre in Peterborough, one of the UK's largest retail rooftop solar projects. The solar photovoltaic system generated over 300,000 kilowatt hours of electricity during the reporting period. This is saved 85 tonnes of CO2e during the year.
This year, we have invested around £1m to install 60,400 sq ft of solar PVs at the Meadowhall Shopping Centre. Every year, for the next 25 years, the 3,418 solar panels are set to generate around 770,000 kWh of clean power every year. This will provide over 50% of the annual daytime electricity demand for the centre's common areas. Overall, we have installed solar PV at 10 assets, generating 1,131 MWh in 2018/19, saving 320 tonnes of CO2e.

Time horizon
Current

Likelihood
Virtually certain

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
4,600,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The costs of solar PV set up are considerable, thus our analysis of a project's Return on Investment is critical in the considering potential projects. Our most recent installation of solar photovoltaics at Meadowhall cost ~£821K but will result in average annual income of £180,000 over 25 years.

Strategy to realize opportunity

We are actively expanding our on-site renewable energy generation and the associated revenue. We have installed solar PV on ten sites in the managed portfolio (with 1,131 MWh generated in 2018/19) and are currently exploring the feasibility of making similar interventions on a number of other retail assets.

The costs of solar PV installation are considerable, thus our analysis of a project's Return on Investment is critical in the considering potential projects. Our internal cost of carbon (i.e. CRC allowance price) factors into this analysis.

Cost to realize opportunity

821,000

Comment

The 'potential financial impact' and 'cost to realise' figures above are examples from our most recent solar photovoltaic installation at Meadowhall.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Type of financial impact

Increased revenue through demand for lower emissions products and services

Company-specific description

We have enhanced our requirements for design teams to undertake sophisticated, dynamic modelling during the design stage of development projects. We have evolved our previous requirement of a Chartered Institution of Building Services Engineers (CIBSE) TM 54 assessment to be undertaken towards the end of the development project to an enhanced and more evolved process called: Enhanced Building Energy Model (EBEM).
Our Sustainability Brief for Developments now requires design teams to complete and report energy models at stages 2 and 4 of the Royal Institute of British Architects (RIBA) plan of work. Additional models will be required should any changes occur that impact

energy performance during RIBA Stage 5 and, where required by the brief, Stage 6 to incorporate as commissioned performance.

The aim of the Enhanced Energy Model is to:
• Provide early RIBA Stage 2 evaluation of the building's performance & selection of HVAC /controls philosophy;
• Test and evaluate different HVAC & controls options;
• Design and test capability for off-axis scenarios to be accommodated with minimal loss in system efficiency;
• Provide energy performance prediction and benchmarking data for each meter to be installed within the building.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

20,300,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The ability to market the energy performance of our assets has the potential to positively affect the future value of our portfolio. There may be financial opportunities from increased occupier demand for our space (leading to reduced void rates and increased investment yields). As a proxy, our comprehensive approach to sustainability (in particular energy efficiency) delivered demonstrable savings in energy costs for our occupiers - approx. £17m (gross) since 2011/12.

Estimating the financial impact: The Australian government, where a robust benchmarking scheme called NABERS exists, has published studies analysing the relationship between NABERS rating and building value. These have identified that high performing assets achieve a rental premium of 3.5%. If all of our assets achieved this premium it would bring in an additional £20.3m in rental income (based on gross rental income by asset type, annualised as at 31 March 2019.

Strategy to realize opportunity

We have integrated our Enhanced Building Energy Model process into our Developments process.

Example: We undertook dynamic simulation modelling at our York House site during our work with the Better Building Partnership to check that the target building energy performance is achievable and to set budgets for each meter. See p.17 of the following document:
http://www.betterbuildingspartnership.co.uk/sites/default/files/media/attachment/EcoBuild%20DfP%2016-9%2006Mar18.pdf

Example of our thinking from 2015: "Landlord Energy Ratings for Buildings – the Business Case" - http://www.britishland.com/sustainability/blogs/articles/2015/landlord-energy-ratings-for-buildings-the-business-case

Cost to realize opportunity

30,000

Comment

To capitalise on this potential rental premium, we are undertaking EBEM modelling on new development sites. EBEM modelling costs roughly £20k-£40k per development site.

C2.5

(C2.5) Describe where and how the identified risks and opportunities have impacted your business.

	Impact	Description
Products and services	Impacted for some suppliers, facilities, or product lines	Impacted: Risk 2 - the Minimum Energy Efficiency Standards for England and Wales - which prohibit the letting of space where there is an EPC rating of F or G - are in force and have impacted our managed portfolio. The results of a portfolio-wide EPC review have been fed into asset-specific management plans, which guide our work with managing agents to improve their site's energy efficiency and rating performance. Magnitude of this impact: As of 31 March 2019, 5% of assets under management (by floor area) will need to be upgraded in order to renew leases on these sites. From 01 April 2023, MEES will be extended to cover all leases including existing leases.
Supply chain and/or value chain	Impacted for some suppliers, facilities, or product lines	Impacted: Risk 5 - increased risk of flood leads insurers to raise rates for high-risk assets, requiring an increase in service charge paid by occupiers. At 31 March 2019, 3% of our managed portfolio is at high flood risk and 100% of these assets have flood management plans (%'s by valuation). Our management procedures – Sustainability Briefs for Development and Acquisition – include prescriptions for asset-level flood risk assessment and mitigation. The Brief for Development

		prescribes a Flood Risk Assessment and water balance calculation at RIBA Stage 2 (Concept Stage). The Sustainability Brief for Acquisitions evaluates flood risk as part of the due diligence process. Magnitude of the impact: Where flooding occurs, insurance claims may result. In 2007, two flood events in our portfolio yielded insurance losses of ~£25m. In this instance, insurance premiums on those assets increased by 5% as a result of the flood claims. Impacted: Risk 4 - Rising energy costs increase the service charge and negatively impacts rent affordability for occupiers. To manage this risk, our energy measurement and management programme reduce our overall energy consumption profile and ultimately our exposure to energy price fluctuations. We trade energy generated on-site which - to a degree - hedges are position on energy costs. Magnitude of the impact: Energy spend is 5-10% of our operational spend. Comparing 2015/16 vs 2018/19, electricity unit costs increased 10%. Not yet impacted: Opp3 - UK adoption of an energy performance scheme - akin to Australia's NABERS - would provide opportunities for increased rents and quicker uptake of lettings at high-efficiency British Land properties. Magnitude of the impact: Studies from the NABERS scheme found high-performing assets achieved a rental premium of 3.5%. If all our assets achieved this premium, an additional £20.3m in rental income would result (based on GRI by asset type, annualised at 31 March 2019). Timescale of the potential impact: a 'Medium' time horizon opportunity that would arise in the next 1-5 years
Adaptation and mitigation activities	Impacted	Impacted: Risk 6 - Inability to sell or rent property assets at book value due to flood risk. We have two flood-specific sustainability KPIs: (i) % of portfolio at high risk of flood (3% by value in 2018/19), and (ii) % of 'high flood risk' assets with flood management plans (100% by value in 2018/19). In addition to flood risk assessments required for insurance purposes, we carry out regular portfolio-wide assessments. Our Sustainability Brief for Developments prescribes a Flood Risk Assessment and site-wide water balance calculation at RIBA Stage 2. Our Sustainability Brief for Acquisitions evaluates flood risk as part of the due diligence process. Magnitude of impact: Cost of mitigating flood risk varies by asset. Before renewing the insurance at one of our assets, British Land was required to demonstrate improved flood defences at a cost of £1m.

		Impacted: Opp1 - The UK ESOS Scheme has positively impacted the company. Site surveys identified savings opportunities with a total CAPEX of £3.4m that would save £256,000 annually. Our ESOS audits are completed by a single supplier, allowing this supplier to provide a portfolio-level breakdown of opportunities. We subsequently engaged with our occupiers on site-specific opportunities. Magnitude of impact: We have implemented 79 ESOS-related opportunities with another 10 in progress. These 89 projects represent an investment of £3.4m with expected annual savings of £256,000. These projects include the installation of LED lighting, voltage optimisation, optimisation of BMS controls, installation of new high efficiency chillers, insulation replacement, installation of inverter drives on pumps, voltage optimisation, and rebalancing of hydraulic systems. Impacted: Opp2 - Revenue and electricity/carbon cost savings from on-site renewable energy generation. We have solar PV installed on ten sites in the managed portfolio (1,131 MWh generated in 2018/19) and are currently exploring the feasibility of similar interventions on other retail assets. The costs of solar PV installation are considerable, thus our analysis of a project's Return on Investment is critical in the assessing projects. Our internal cost of carbon (i.e. CRC allowance price) factors into this analysis. Magnitude of impact: We trade energy generated on-site – for example in 2018/19 we generated £147k from on-site renewable energy income
Investment in R&D	Not impacted	As our 'products' are the property assets we manage and the new developments we build, the Research and Development category does not apply to our particular business model. Due to the risks of energy prices and compliance costs (CRC, CCL, MEES) and the opportunities noted of costs savings from ESOS-related initiatives, revenue from on-site renewable installations, and a potential increase in rental values from a NABERS-type energy performance scheme, we are investing in energy efficiency and renewable energy opportunities at our assets. But we do not categorise these activities as Research and Development, they are primarily 'Products and services' or 'Operations'-related.
Operations	Impacted	Impacted: Risk 1 - Pricing of GHGs, the UK's (i) CRC Energy Efficiency Scheme and (ii) Climate Change Levy. We work closely with our managing agents to manage energy use at our properties,

		implementing Asset Plans at all major assets. Through our reductions in energy intensity and UK grid decarbonisation, we have achieved a 64% reduction in Scope 1 and 2 emissions intensity since 2009. Magnitude of impact: The CRC covers ~89% of our Scope 1 and 2 emissions. Energy spend accounts for 5-10% of total operational costs. The CRC non-compliance penalty is £40/tonne. In British Land's case this could result in a fine in excess of £2.2 million. British Land's exposure to CRC and CCL compliance costs for 2018/19 was ~£1.9 million. Impacted: Opp1 - The Energy Savings Opportunity Scheme is in force and has positively impacted the company. Our ESOS audits are completed by a single supplier, allowing this supplier to provide a portfolio-level breakdown of opportunities. We then engage with our occupiers on site-specific opportunities. Magnitude of impact: We have implemented 79 ESOS-related opportunities with another 10 in progress. These 89 projects represent an investment of £3.4m with expected annual savings of £256,000. These projects include the installation of LED lighting, optimisation of BMS controls, new high efficiency chillers, better insulation, inverter drives, and voltage optimisation. Not yet impacted: Risk 3 - The UK Government compels a transition from the current carbon-intensive heat generation technologies to low-carbon alternatives. Almost all of the heat generated in British Land buildings is produced using gas-fired boilers. There will therefore be a major capital expenditure when it becomes necessary to transition to low-carbon heat technologies. Magnitude of impact: Almost all of the heat generated in British Land buildings is produced using gas-fired boilers. Due to the building specific applicability of low carbon solutions it is not possible to provide a portfolio capital expenditure based on generic costings. Each building needs to be assessed on a case by case basis. For example, the central London office building Regents Place installed an air source heat pump system, which meets the majority of the building's heat requirement and was ~£75,000 more expensive than a conventional alternative. Impact timescale: Medium (1-5 yrs)
Other, please specify		

C2.6

(C2.6) Describe where and how the identified risks and opportunities have been factored into your financial planning process.

	Relevance	Description
Revenues	Impacted	Our financial planning factors in key risks including flood risk and EPC risk, and we model the associated costs to manage. The financial risks related to energy efficiency compliance costs (Risks 1, 2 - MEES, CRC, CCL) are incorporated into asset-level business planning through monitoring assets' EPC ratings. This planning includes a monitored list of EPC ratings, and the topic is part of the monthly reviews of asset-level business plans. MEES: 5% of portfolio will need to EPC upgrades to renew leases. Risk magnitude: CRC and CCL compliance costs in 2018/19: ~£1.9 million. For financial risk of lost revenue from flood risk (Risks 5, 6), we model flood risk across the entire portfolio. Risk magnitude: 3% of our managed portfolio is at high flood risk. A sample cost of demonstrating improved flood defences to an insurer was ~1m. The financial opportunities from on-site renewable energy generation (Opp2) are captured in our financial planning process. This includes revenue from our ten solar PV installations exporting power to the grid, including the 3,418 panel installation at our Meadowhall retail centre in Sheffield in 2018. Opportunity magnitude: in 2018/19, export revenue was £147k. The opportunity of the UK implementing a NABERS-style scheme (Opp3) has 'not yet impacted' British Land, and we consider it a medium-term opportunity that is 1-5 years away. Opportunity magnitude: A potential rental premium of 3.5% would mean an additional £20.3m in rental income if our entire portfolio meets the standard.
Operating costs	Impacted	The financial implications of energy prices and associated taxes (Risk 1 - CRC, CCL) are incorporated into the planning process for operating costs. Near-term risk magnitude: CRC and CCL compliance costs in 2018/19: ~£1.9 million. CRC covers 89% of our Scope 1 and 2 emissions and CCL covers ~100%. The financial risk of flood insurance costs (Risks 5,6) are modelled in our financial processes and mostly passed on to occupiers. Near-term risk magnitude: 3% of our managed portfolio is at high flood risk. In past, two flood events in 2007 increased premiums at these sites by 5%. Energy prices are incorporated into planning related to (i) the service

		charge paid by occupiers and (ii) assets where British Land pays for the energy. We model the expected occupancy of rental properties and the associated energy costs. British Land's procurement team manages the financial risk of volatile energy prices (Risk 4). For example, in some instances, our use of on-site solar power enables us to subsidise the energy costs of occupiers on-site. Near-term risk magnitude: Comparing 2015/16 vs 2018/19, electricity unit costs increased by 10%.
Capital expenditures / capital allocation	Impacted	Risks related to energy efficiency regulation (Risk 2) are factored into our capital expenditure planning (including acquisitions). This is primarily reflected by our consideration of the EPC rating (or the cost of improving the EPC rating) of a potential acquisition. We would not buy or build an asset with a poor EPC or BREEAM rating. In 2018/19, 92% of our developments were rated BREEAM Excellent (Offices) or Very Good (Retail). Our Sustainability Briefs for Acquisitions and Developments detail how climate considerations like energy efficiency and flood risk feed into the capital expenditure planning process. EPC risk magnitude: Financial implications of improving underperforming EPCs from an F or G to a C or D rating is estimated at £110 per square metre. The estimated costs based on current EPCs is ~£11.6m. The capital required to implement new energy-saving investments (Opp1, e.g. related to ESOS compliance) are incorporated into corporate budgets. Opportunity magnitude: Site surveys identified energy saving opportunities with a total CAPEX of £3.4m with annual savings of £256,000m. The risk of regulation mandating the adoption of low-carbon heat technologies (Risk 3) has 'not yet impacted' us. We estimate this to be a medium-term risk, meaning it is likely to impact within the next 5 years. Risk magnitude: Due to the building specific applicability of low carbon solutions it is not possible to provide a portfolio capital expenditure based on generic costings. However, as a recent example, the central London office building Regents Place installed an air source heat pump system, which meets the majority of the building's heat requirement and was ~£75,000 more expensive than a conventional alternative.
Acquisitions and divestments	Impacted	Risks related to energy efficiency regulation are factored into our capital expenditure planning including acquisitions (Risk 2). This is primarily reflected by our consideration of the Energy Performance

		Certificate rating (or the cost of improving the EPC rating) of a potential acquisition. We would not buy an asset with a poor EPC or BREEAM rating without a plan to upgrade the asset. Our Sustainability Brief for Acquisitions details how climate considerations like energy efficiency and flood risk feed into the capital expenditure planning process, and where necessary we allocate resources to manage risks highlighted by this assessment. EPC risk magnitude: Financial implications of improving underperforming EPCs from an F or G to a C or D rating is estimated at £110 per square metre. The estimated costs based on current EPCs is ~£11.6m. The risk of asset write-off or rental difficulty (Risk 6) is mitigated by processes in our Sustainability Brief for Acquisitions. Assessing flood risk is a component of the due diligence process. Risk magnitude: Cost of mitigating flood risk varies by asset. Before renewing the insurance at one of our assets, British Land was required to demonstrate improved flood defences at a cost of £1m.
Access to capital	Not yet impacted	Our financial planning process monitors climate-related opportunities of potentially improved access to capital. This improved access is primarily in reference to our development of new properties with high BREEAM certifications and our installation of on-site renewable energy generation (Opp2). This opportunity has a long-term time horizon that is not expected to impact us within the next 5 years. The magnitude of this opportunity is difficult to estimate. However, in the same manner that we would endeavour to align the entire managed portfolio with a NABERS-style scheme (Opp3), we will continue to move our portfolio average toward higher BREEAM ratings. We continue to assess the business case for renewables installations at additional retail sites.
Assets	Impacted	Risks posed to our assets are incorporated into our financial planning processes. Flood risk is assessed across the entire portfolio and modelled into our financial plans (Risks 5,6). Risk magnitude: Cost of mitigating flood risk varies by asset. Before renewing the insurance at one of our assets, British Land was required to demonstrate improved flood defences at a cost of £1m. To manage this risk, we conduct regular flood risk reviews which cost approximately £8,000 per year.

Liabilities	Impacted	The financial risk of non-compliance with energy-related regulation and taxes (Risks 1,2 - e.g. CRC, MEES) presents a potential liability to the business. Sample risk magnitude: Our non-compliance cost risk is the CRC with a penalty of £40/tonne. In British Land's case, complete non-compliance could result in a fine in excess of £2.2 million.
Other		

C3. Business Strategy

C3.1

(C3.1) Are climate-related issues integrated into your business strategy?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?

No, but we anticipate doing so in the next two years

C3.1c

(C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.

i) How business objectives and strategy influenced

Our objective is to deliver sustainable long term value for all our stakeholders. We do this by creating Places People Prefer. As part of our strategy, we take a disciplined approach to allocating our capital, recycling to maximize performance while managing our development exposure and leverage. Climate change is integrated into our strategy by informing our allocation of capital and driving our 2020 sustainability focus area - Futureproofing. Climate change also informs our risk analysis.

By improving carbon efficiency through refurbishments, preparing for resource constraints by driving innovation in our supplier spend, to installing photovoltaic panels and creating BREEAM Excellent offices, shops and homes – we deliver savings for occupiers, generate new revenue streams, stay ahead of legislation, and protect asset value.

Progress against our futureproofing strategy is reviewed several times a year by the Sustainability Committee. The Committee Chairman provides ad hoc reports to the CEO on progress. A presentation is given to the Executive Committee to approve changes in strategy and provide updates on external change. An annual review of strategy and performance is then presented to the Board.

(ii) Strategic climate-related targets:
Our 2020 sustainability strategy includes carbon efficiency targets approved by the Board:
- In 2018/19, our portfolio achieved a 64% carbon intensity reduction vs 2009 levels (2020 target: 55% reduction);
- In 2018/19, our portfolio achieved a 44% energy intensity reduction vs 2009 levels (2020 target: 55% reduction);
- In 2018/19, 96% of our purchased electricity came from renewable sources (2020 target: 100%)

iii) Decisions influenced
Emissions reductions: During 2016/17, we became a member of RE100, working towards all purchased electricity coming from renewable sources (currently 96%). We have also undertaken major investments in renewable energy projects, such as the UK's largest shopping centre solar PV installation at Meadowhall (Sheffield).

Risk governance and long-term targets: To establish the long-term reductions required, we have developed science-based climate targets (SBTs) for the business. In 2016/17 we undertook a review of climate related risks/opportunities, adopting the framework recommended by the Taskforce for Climate-related Financial Disclosures. The framework groups risks/opportunities into 'transitional' and 'physical'. This framework will be an important component of both our risk management and financial reporting processes going forward.

iv) Aspects that influenced strategy
Physical risks/opportunities: flood risk. Flood risk assessments and feedback from insurers have informed strategic discussions regarding our flood policies, insurance and asset plans. We monitor the proportion of high-risk assets with flood management plans (100% in 2018/19).

Regulatory risks/opportunities: increasingly stretching planning requirements (e.g. Part L), carbon taxation, 2015 Energy Efficiency Regulations (i.e. MEES) and ESOS have informed our developments, EPC and acquisition policies, and asset improvement plans. We see an opportunity, through a NABERS-style energy performance scheme, to realise rental premiums for energy efficient assets. Stakeholder demand for energy efficiency has informed our asset plans (e.g. renewables feasibility studies).

v) Short-term strategy (Short-term time horizon)
Improve asset energy efficiency: In 2014/15 we confirmed no exposure to the Energy Act minimum requirement in our offices. In our retail assets we determined the likely costs per asset at approx. £65k where required. For assets rated F/G, we have upgrade plans. We work with occupiers to support efforts to reduce resource use; implemented initiatives including a whole scale energy optimisation process, lighting upgrades and accelerated plant replacement. For a number of assets, lease agreements contain clauses which prohibit tenants from making alterations which would adversely affect the asset's energy efficiency. We have installed significant on-site low carbon energy generation capacity at several retail assets and are exploring other opportunities. These include St. Stephen's shopping centre, Hull, where solar photovoltaic panels generate a third of landlord electricity demand.

In July 2016 we became a RE100 member. We have already switched to Renewable Energy Guarantees of Origin (REGO) certified products for 96% of electricity we manage and are committed to switching 100% of electricity we manage.

We have undertaken an assessment to determine if our energy targets are compliant with science-based requirements. Our advisers undertook an appraisal of current and predicted performance and determined that we exceed science-based targets under a range of scenarios.

Continue to manage flood risk: Continue to explore opportunities to improve flood risk assessment and protection for our assets. Our latest flood risk screening was conducted in March 2017. As of 31 March 2019, 3% of assets under management (by value) are at high-risk of flood, and 100% (by value) of these high-risk assets have flood management plans.

vi) Long-term strategy (medium to long-term time horizon)
Asset efficiency: We do not purchase F/G rated assets without asset plan actions on how to improve the rating, unless the Investment Committee decides otherwise. In our offices we ensure refurbishments achieve a D rating. For new lettings we consider actions to improve an EPC rating above F and retail lease clauses include a requirement for fit-out to exceed an F rating.

In 2015, we published our 2020 Sustainability Strategy, including the following targets:
• 55% Scope 1 and 2 carbon intensity reduction, based on index score of 45 against 2009 score of 100 (64% achieved in 2018/19)
• 15% reduction in landlord embodied carbon intensity for projects over £50m against a 2015 per m² benchmark (10% achieved in 2018/19)

Developments: On-going consideration of adaptation in the design of our developments; building in flexibility and future-proofing.

vii) Strategic advantage
We are increasingly able to demonstrate the impact of energy reduction initiatives to occupiers, such as a 44% reduction in landlord-influenced energy intensity and a 64% reduction in carbon intensity across our portfolio since 2008/09, and work with them to support their own climate change objectives. As a result, we have been able to deliver an estimated £17m reduction in costs for occupiers since 2011/12. We are able to deliver assets that are more resilient to policy change, future issues of energy security/cost and other climate change impacts (e.g. flooding) for our investors and customers. Our 2018/19 independent survey of customers rated us at 8.2/10. This helps protect and grow capital value over the medium to long-term and is supported by very strong occupancy rates this year of 97.2%.

C3.1g

(C3.1g) Why does your organization not use climate-related scenario analysis to inform your business strategy?

Rationale and timing of our TCFD scenario analysis

2017/18: Following the 2017 release of the TCFD Recommendations Report, the advisory firm Verco completed a review of British Land's potential climate risks and opportunities.
2018/19: British Land reviewed its options for conducting scenario analysis (including qualitative vs quantitative methods) and spoke with potential partner organisations that could support this task.

In early 2019, British Land's Head of Corporate Affairs & Sustainability presented to the Risk Committee, highlighting our current approach to climate risk, TCFD's additional requirements, and the areas to be addressed. The Risk Committee subsequently established a TCFD Steering Committee - composed of leaders from across the business - to undertake the work required for full TCFD alignment.

With the TCFD Steering Committee in place, British Land's scenario analysis process commenced in summer 2019.

Implementing TCFD scenario analysis – next steps
In 2019/20, the TCFD Steering Committee will undertake two half-day scenario workshops - a qualitative exercise designed to (i) present the Committee with four distinct visions of 2040, (ii) identify and clarify exposure to climate related risks and opportunities within these distinct scenarios.

Following these workshops, the Committee will undertake a risk quantification exercise to determine the relative materiality of the climate risks and opportunities linked to these scenarios.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Intensity target

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Scope

Scope 1+2 (location-based)

% emissions in Scope

100

Targeted % reduction from base year

55

Metric

Other, please specify

Tons CO2e per net lettable m2 (office)

Base year

2009

Start year

2015

Normalized base year emissions covered by target (metric tons CO2e)

0.118

Target year

2020

Is this a science-based target?

Yes, we consider this a science-based target, but this target has not been approved as science-based by the Science Based Targets initiative

% of target achieved

100

Target status

Achieved

Please explain

Our target is to reduce our Scope 1 and 2 carbon intensity across our portfolio (common parts and shared services) by 55% compared to 2008/09. We have developed an index methodology to track and report the relative resource efficiency of our entire managed portfolio over time and demonstrate performance against our 2008/09 baseline. Each index score is based on the ratio of associated resource use or emissions intensity against our 2008/09 baseline. The overall portfolio index is calculated by weighting each asset class by total resource use or emissions per reporting year. The intensity metrics that sit behind the overall index include: metric tonnes CO2e per: m2 net internal area for offices; m2 common parts for retail (enclosed); and, car park spaces for retail (open-air). Our target for offices, retail-enclosed and retail-open air is combined, however, due to differences in their denominators, we have split them here into the three component parts (Int1, Int2, and Int3).

Since 2008/09, we have achieved a 63% reduction in Scope 1 and 2 emissions across our office managed portfolio (common parts and shared services).

When we set our 2020 carbon and energy reduction targets in 2015, the Science Based Targets initiative (SBTi) methodology for our sector hadn't been established. However, subsequent analysis shows that our targets go beyond the demands of the SBTi for Scope 1 and 2 emissions and we've more than halved our carbon intensity over the past

decade. While Grid decarbonisation has contributed, our successful energy efficiency programme has played a significant role.

% change anticipated in absolute Scope 1+2 emissions

35

% change anticipated in absolute Scope 3 emissions

0

Target reference number

Int 2

Scope

Scope 1+2 (location-based)

% emissions in Scope

100

Targeted % reduction from base year

55

Metric

Other, please specify

Tons CO2e per m2 retail common area

Base year

2009

Start year

2015

Normalized base year emissions covered by target (metric tons CO2e)

0.174

Target year

2020

Is this a science-based target?

Yes, we consider this a science-based target, but this target has not been approved as science-based by the Science Based Targets initiative

% of target achieved

100

Target status

Achieved

Please explain

Our target is to reduce our Scope 1 and 2 carbon intensity across our portfolio (common parts and shared services) by 55% compared to 2008/09. We have developed an index

methodology to track and report the relative resource efficiency of our entire managed portfolio over time and demonstrate performance against our 2008/09 baseline. Each index score is based on the ratio of associated resource use or emissions intensity against our 2008/09 baseline. The overall portfolio index is calculated by weighting each asset class by total resource use or emissions per reporting year. The intensity metrics that sit behind the overall index include: metric tonnes CO2e per: m2 net internal area for offices; m2 common parts for retail (enclosed); and, car park spaces for retail (open-air). Our target for offices, retail-enclosed and retail-open air is combined, however, due to differences in their denominators, we have split them here into the three component parts (Int1, Int2, and Int3).

Since 2008/09, we have achieved a 75% reduction in Scope 1 and 2 emissions across our retail-enclosed managed portfolio (common parts). This is an over-achievement of our target of a 55% reduction.

When we set our 2020 carbon and energy reduction targets in 2015, the Science Based Targets initiative (SBTi) methodology for our sector hadn't been established. However, subsequent analysis shows that our targets go beyond the demands of the SBTi for Scope 1 and 2 emissions and we've more than halved our carbon intensity over the past decade. While Grid decarbonisation has contributed, our successful energy efficiency programme has played a significant role.

% change anticipated in absolute Scope 1+2 emissions

8

% change anticipated in absolute Scope 3 emissions

0

Target reference number

Int 3

Scope

Scope 1+2 (location-based)

% emissions in Scope

100

Targeted % reduction from base year

55

Metric

Other, please specify

Tons CO2e per m2 retail common area

Base year

2009

Start year

2015

Normalized base year emissions covered by target (metric tons CO2e)

0.106

Target year

2020

Is this a science-based target?

Yes, we consider this a science-based target, but this target has not been approved as science-based by the Science Based Targets initiative

% of target achieved

95

Target status

Underway

Please explain

Our target is to reduce our Scope 1 and 2 carbon intensity across our portfolio (common parts and shared services) by 55% compared to 2008/09. We have developed an index methodology to track and report the relative resource efficiency of our entire managed portfolio over time and demonstrate performance against our 2008/09 baseline. Each index score is based on the ratio of associated resource use or emissions intensity against our 2008/09 baseline. The overall portfolio index is calculated by weighting each asset class by total resource use or emissions per reporting year. The intensity metrics that sit behind the overall index include: metric tonnes CO2e per: m2 net internal area for offices; m2 common parts for retail (enclosed); and, car park spaces for retail (open-air). Our target for offices, retail-enclosed and retail-open air is combined, however, due to differences in their denominators, we have split them here into the three component parts (Int1, Int2, and Int3).

Since 2008/09, we have achieved a 52% reduction in Scope 1 and 2 emissions across our retail-open managed portfolio (common parts).

When we set our 2020 carbon and energy reduction targets in 2015, the Science Based Targets initiative (SBTi) methodology for our sector hadn't been established. However, subsequent analysis shows that our targets go beyond the demands of the SBTi for Scope 1 and 2 emissions and we've more than halved our carbon intensity over the past decade. While Grid decarbonisation has contributed, our successful energy efficiency programme has played a significant role.

% change anticipated in absolute Scope 1+2 emissions

3

% change anticipated in absolute Scope 3 emissions

0

C4.2

(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.

Target

Renewable electricity consumption

KPI – Metric numerator

Total MWh of landlord supplied renewable electricity (landlord purchased electricity backed by a Renewable Guarantee of Origin + total solar PV MWh generated and consumed on-site)

KPI – Metric denominator (intensity targets only)

Total MWh of landlord supplied electricity (landlord purchased electricity + electricity consumed from onsite generation)

Base year

2015

Start year

2015

Target year

2020

KPI in baseline year

2

KPI in target year

100

% achieved in reporting year

96

Target Status

Underway

Please explain

Our RE100 commitment covers all purchased electricity. 100% of purchased electricity within our managed portfolio will be supplied by renewable electricity by 2019/20 (backed by Renewable Guarantees of Origin or REGOs). In 2018/19, 96% of purchased electricity was renewable.

Part of emissions target

This RE100-based target is separate from our 2020 carbon intensity target, whose 55% reduction is based upon a location-based methodology.

Is this target part of an overarching initiative?

RE100

Target

Other, please specify

Average reduction in embodied carbon emissions versus concept design on major developments

KPI – Metric numerator

Embodied carbon emissions (tCO2e) for major development projects

KPI – Metric denominator (intensity targets only)

Estimated embodied carbon emissions at concept design for major development projects

Base year

2017

Start year

2017

Target year

2020

KPI in baseline year

0

KPI in target year

15

% achieved in reporting year

67

Target Status

Underway

Please explain

Development emissions are calculated using British Land benchmarks (provided by Atkins) and measured floor areas for each project. Emissions from embodied carbon is reported for projects completed during the reporting year.

Reported embodied carbon is calculated in tonnes of CO2e using actual embodied carbon data produced by concrete, steel, rebar, aluminium and glass used in the development to 31 March 2019, plus a forecast of the remaining embodied carbon expected to practical completion.

Part of emissions target

This is a separate departmental target applied to major development projects. This target focuses on avoiding embodied emissions through low carbon design choices and use of materials.

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	94	2,277
Implementation commenced*	10	218
Implemented*	79	604
Not to be implemented	46	

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative type

Energy efficiency: Building services

Description of initiative

Lighting

Estimated annual CO2e savings (metric tonnes CO2e)

74

Scope

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

31,480

Investment required (unit currency – as specified in C0.4)
171,245

Payback period
4 - 10 years

Estimated lifetime of the initiative
6-10 years

Comment
These are the cumulative figures of seven projects implemented in 2018/19 related to lighting upgrades/replacements (including installation of LED lighting). The "investment required" and "monetary savings" figures are totals. "Payback period" is an average of the seven projects, and "initiative's lifetime" is an average of the minimum lifetime across the projects.

Initiative type
Energy efficiency: Building services

Description of initiative
HVAC

Estimated annual CO2e savings (metric tonnes CO2e)
29

Scope
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
12,368

Investment required (unit currency – as specified in C0.4)
48,621

Payback period
4 - 10 years

Estimated lifetime of the initiative
6-10 years

Comment
HVAC improvements at Group head office.

Initiative type
Energy efficiency: Building services

Description of initiative

Building controls

Estimated annual CO2e savings (metric tonnes CO2e)

32

Scope

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

13,837

Investment required (unit currency – as specified in C0.4)

100,032

Payback period

4 - 10 years

Estimated lifetime of the initiative

11-15 years

Comment

These are the cumulative figures of two projects implemented in 2018/19 related to building energy management systems. The "investment required" and "monetary savings" figures are totals. "Payback period" is an average of the two projects, and "initiative's lifetime" is an average of the minimum lifetime across the projects.

Initiative type

Low-carbon energy installation

Description of initiative

Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)

218

Scope

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

92,962

Investment required (unit currency – as specified in C0.4)

821,000

Payback period

4 - 10 years

Estimated lifetime of the initiative

21-30 years

Comment

These figures relate to the installation of Solar PV at our Meadowhall Shopping Centre property in Sheffield (UK) during the 2018/19 reporting year.

Initiative type

Energy efficiency: Building services

Description of initiative

Motors and drives

Estimated annual CO2e savings (metric tonnes CO2e)

10

Scope

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

4,352

Investment required (unit currency – as specified in C0.4)

34,985

Payback period

4 - 10 years

Estimated lifetime of the initiative

16-20 years

Comment

These are the cumulative figures of two projects implemented in 2018/19 related to electric water pumps upgrades. The "investment required" and "monetary savings" figures are totals. "Payback period" is an average of the two projects, and "initiative's lifetime" is an average of the minimum lifetime across the projects.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment

Compliance with regulatory requirements/standards	We have invested in energy monitoring and management systems and third party advisers to support compliance with the CRC Energy Efficiency Scheme, ESOS and Minimum Energy Efficiency Standards. More importantly these systems enable the identification of energy saving opportunities. Also by appointing third party advisers to manage compliance the sustainability team has more time to focus on implementation of opportunities. In new developments, we aim to exceed and have significantly exceeded regulatory standards for energy efficiency (25% better than regulations in 2018/19).
Dedicated budget for energy efficiency	Our sustainability programme budget covers a range of initiatives aimed at delivering our sustainability targets. We report on our investment annually in our Sustainability Accounts. Since 2012 we have invested £9 million in energy initiatives across our existing portfolio, of which £1m is spend from our corporate sustainability budget on fees and consultancy and £8m is asset level investment in resource efficiency. In our developments, we assign project budgets for additional metering. Developments exceed regulatory requirements for energy efficiency and we will further support operational energy efficiency.
Internal incentives/recognition programs	At our annual awards ceremony, we recognise major achievements of our staff and supply chain including those who have helped us to achieve our overall sustainability goals.
Employee engagement	At Head Office, we have numerous initiatives in place to engage with employees on reducing environmental impact (including emissions). For example, we: have a bicycle user group; have a scheme to encourage use of Santander Bike Hire Scheme; cycle to work loans through the UK Government's Ride2Work scheme; and have awareness raising campaigns on various environmental issues. Recent "Lunch and learn" events included guest speakers with expertise on sustainable construction materials and waste management.
Internal finance mechanisms	All major managed properties have Asset Plans, which include provisions for identifying climate-related risks and opportunities, such as flood risk assessments and audits to identify energy saving opportunities. For initiatives requiring CAPEX managers are required to complete an investment request providing information on the initiative including payback. That request is discussed with Asset Managers as part of a review of the service charge budgets and asset plans for the following year.
Other	We also engage actively with occupiers, notably through sustainability groups in our multi-let offices. In 2018/19 we provided approximately 30% of tenants with feedback on energy/water consumption and waste generation and had engagement meetings with 28% to discuss sustainability related issues (% of managed portfolio by floor area). We

	have found a number of occupiers who are also keen to work with us on optimisation of our central heating and cooling plant. This has enabled us to work with occupiers to identify savings they can make within their own space. With the extensive sub-metering in each of our buildings, we are able to project energy savings on each initiative before we secure the support from occupiers to proceed on a new initiative. In recent years, we have won several industry awards for our energy reduction work, including: in 2017 being the first recipient of the CIBSE (Chartered Institute of Building Service Engineers) "Test of Time" award, 2014 CIBSE Client Energy Management Award 2014 for energy reduction across our managed portfolio, for the third year running, Building Operation Award 2014 for our Exchange House energy reduction collaboration and NAREIT Global Recognition Leader in the Light Award, 2014.
Other	We also engage actively with suppliers on our developments, to try to reduce embodied carbon on our new construction projects. We have been exploring embodied carbon on our developments since 2009, commissioning studies across our development programme and detailed studies at 5 Broadgate, The Leadenhall Building, Regent's Place, Ropemaker Place and Whiteley Shopping. These studies highlighted the significance of energy and material use on our developments, particularly the fabrication of steel and concrete, in relation to our other managed emissions. Building on this knowledge, we have been working with our supply chain partners to reduce embodied carbon since 2011. We require all projects with a construction value over £25 million to reduce embodied carbon by 15% compared to a 2015 per m2 benchmark. As a result, at 100 Liverpool Street we have been able to retain around half of the original structure, reducing embodied carbon by 7,200 tonnes, with a further 4,100 tonnes set to be saved through carbon-efficient design and the use of low-carbon materials. At 1 Triton Square, our progressive whole-life carbon strategy will save 35,600 tonnes CO2e in construction and operation against a best practice new build. This is a reduction of 33%: a saving that exceeds the ambitious carbon reduction targets required to meet the UK's commitment to the Paris Climate Agreement. Both buildings are scheduled to complete in 2020.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Group of products

Description of product/Group of products

This year we have introduced whole life carbon analysis and reporting for our major developments (i.e. over £25m construction value). This process supports reduction of emissions through the a 60 year life cycle of a building which takes into account emissions from the construction, operation and demolition stages of a building.
Using major developments at Broadgate and Regent's Place as testbeds, we have worked hand-in-hand with our extended supply chain to challenge how we redevelop existing buildings.
As a result, at 100 Liverpool Street we have been able to retain around half of the original structure, reducing embodied carbon by 7,200 tonnes, with a further 4,100 tonnes set to be saved through carbon-efficient design and the use of low-carbon materials.
At 1 Triton Square, our progressive whole-life carbon strategy will save 35,600 tonnes CO2e in construction and operation against a best practice new build. This is a reduction of 33%: a saving that exceeds the ambitious carbon reduction targets required to meet the UK's commitment to the Paris Climate Agreement. Both buildings are scheduled to complete in 2020.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

Reported embodied carbon is calculated in tonnes of CO2e using actual embodied carbon data produced by materials used in the development to 31 March 2019, plus a forecast of the remaining embodied carbon expected to practical completion

% revenue from low carbon product(s) in the reporting year

0

Comment

As these assets are still under development, we are not yet receiving rental revenue from occupiers.

Details of our embodied carbon methodology can be found on page 61 of our Sustainability Accounts 2019:
https://www.britishland.com/~/media/Files/B/British-Land-V4/documents/ar-

2019/reporting-centre/Sustainability-Accounts-2019.pdf

Level of aggregation

Company-wide

Description of product/Group of products

Our Sustainability Brief for Developments drives improvements in construction site management, efficient designs for energy and water use, and enhanced biodiversity. Project teams are encouraged to identify opportunities to exceed minimum requirements, and work collaboratively with stakeholders to continuously improve design development, construction, and the operation of our places.

For all projects with a capital expenditure over £5 million, we target a BREEAM Very Good (retail) or Excellent (offices) certification. This work helps reduce energy consumption and carbon emissions in our buildings common parts and shared services and also helps our tenants reduce their energy and carbon footprint, as demonstrated by the 'Assessing carbon emissions in BREEAM' briefing paper published in 2016 which showed that the average CO2 saving for a BREEAM assessed building is 22%, whilst a BREEAM Excellent building is expected to reduce carbon emissions by 33%.
In 2018/19, 92% of developments were on track to achieve BREEAM Excellent for offices and Excellent or
Very Good for retail.

Our requirements are listed in the Sustainability Brief for Developments:
https://www.britishland.com/~/media/Files/B/British-Land-V4/downloads/investor-downloads/BL_Sustainability_Brief_for_Developments.pdf

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

BREEAM criteria

% revenue from low carbon product(s) in the reporting year

19

Comment

18% of our assets have received a BREEAM rating of Very Good (or above).
We currently have an additional 346,000 m2 of office and retail space in developments that are on track to achieve a Very Good or better BREEAM rating (more details can be found in Fig. 14 of our 2019 Sustainability Accounts:
https://www.britishland.com/~/media/Files/B/British-Land-V4/documents/ar-2019/reporting-centre/Sustainability-Accounts-2019.pdf).

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start
April 1, 2014

Base year end
March 31, 2015

Base year emissions (metric tons CO2e)
7,519

Comment

Scope 2 (location-based)

Base year start
April 1, 2014

Base year end
March 31, 2015

Base year emissions (metric tons CO2e)
42,503

Comment

Scope 2 (market-based)

Base year start
April 1, 2014

Base year end
March 31, 2015

Base year emissions (metric tons CO2e)
42,503

Comment
The Scope 2 base year chosen was calculated according to the location-based method, which we are using as a proxy for the market-based figure.

In our Annual Report and Accounts 2019, we show the change in absolute emissions over time by methodology on page 45.

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.

Defra Voluntary 2017 Reporting Guidelines
EPRA (European Public Real Estate Association) guidelines, 2011
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

8,956

Start date

April 1, 2018

End date

March 31, 2019

Comment

Our total Scope 1 emissions increased by a net 29% reflecting the inclusion of gas combustion across our residential portfolio for the first time. However, our Retail and Offices portfolios reduced combustion of fuel by 13% this year, largely due to changes in our portfolio.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

20,188

Scope 2, market-based (if applicable)

1,457

Start date

April 1, 2018

End date

March 31, 2019

Comment

Scope 2 location-based emissions decreased by 26%, largely due to National Grid decarbonisation and changes in our portfolio. Scope 2 market based emissions decreased by 22%, largely due to reduced electricity use and our commitment to renewables, including the installation of solar PV at Meadowhall shopping centre in Sheffield.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO2e

52,417

Emissions calculation methodology

Procurement emissions calculated by mapping spend to input-output carbon intensities to produce outturn consumption based emissions. Mapped to 106 Standard Industrial Classification sectors which are then input to Arup's Scope 3 GHG emissions calculator

tool ('Beacon'). The carbon intensity data in Beacon is supplied by the Centre for Sustainability Accounting LTD.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Emissions within this category first calculated in 2012 based on a 2011/12 study year and updated in 2016 based on a 2014/15 study year. Category references emissions associated with the embodied goods and services purchased by British Land. Examples include design and legal services, service charge expenditure, Head Office property outgoings such as hard and soft FM. Reported in Sustainability Accounts 2019, Figure 20. For further information, refer to the Reporting Criteria on pages 58 – 59 of our Sustainability Accounts 2019.

Capital goods

Evaluation status

Relevant, calculated

Metric tonnes CO2e

73,304

Emissions calculation methodology

Embodied carbon study by Atkins of carbon associated with materials and systems for construction and potential wastage, onsite energy usage and transportation factors. The scope is limited to major developments which completed in the reporting year. The methodology used to create the embodied carbon quantities is based on the CEN TC350 / BS EN 15978: 2011 scopes A1, A2 and A3. Historic data from previous years was calculated differently. Additional supply chain emissions are calculated in the same manner as Capital Goods emissions are calculated i.e. by mapping spend to input output carbon intensities to produce outturn consumption based emissions. These are mapped to 106 Standard Industrial Classification sectors which are then input to Arup's Scope 3 GHG emissions calculator tool ('Beacon'). The carbon intensity data in Beacon is supplied by the Centre for Sustainability Accounting LTD.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0.05

Explanation

Embodied carbon emissions from developments completed during the reporting period are calculated using actual embodied carbon data produced by concrete, steel, rebar, aluminium and glass used in the development to 31 March 2019, plus a forecast of the remaining embodied carbon expected to practical completion. This accounted for less than 1% of the Capital Goods emissions (34 tonnes CO2e) as reported in Figure 18 of our Sustainability Accounts 2019.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Metric tonnes CO2e

6,340

Emissions calculation methodology

Upstream GHG emissions is calculated from energy consumption in our managed portfolio (common parts and shared services only), at our Group offices and on-site vehicles.

The consumption data is primary data reported by Managing Agents into our central database CR360. Emission factors are sourced from Defra/BEIS Guidelines.

For further information, refer to Figure 18 and 20 and to the Reporting Criteria on pages 58 – 59 of our Sustainability Accounts 2019.

In updating our methodology, Scope 3 emissions from energy consumed in occupier space is reported under 'Downstream leased assets'.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Explanation

Emissions in this category are all calculated based on energy consumption data collected by British Land.

Upstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Explanation

Upstream transportation and distribution emissions are included in the calculations for emissions from 'Purchased Goods and Services' and 'Capital Goods' i.e. by mapping spend to input output carbon intensities to produce out-turn consumption based emissions. These are mapped to 106 Standard Industrial Classification sectors which are then input to Arup's Scope 3 GHG emissions calculator tool ('Beacon'). The carbon intensity data in Beacon is supplied by the Centre for Sustainability Accounting LTD.

Waste generated in operations

Evaluation status

Relevant, calculated

Metric tonnes CO2e

409

Emissions calculation methodology

Emissions associated with waste disposal from our managed portfolio and corporate offices: Based on primary data reported by Managing Agents into our central database CR360, the greenhouse gas emissions are calculated using the UK DEFRA GHG conversion factors 2018 (using waste factors by disposal type).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Explanation

Emissions associated with waste disposal from our managed portfolio and corporate offices.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

108

Emissions calculation methodology

Business travel emissions are calculated based on flights information provided by our travel management supplier for all air travel by British Land employees and applying the UK DEFRA GHG conversion factors 2018 (by type and class of travel).
Emissions from business travel by rail and car are not currently being reported.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Explanation

Business travel emissions are calculated based on actual flight booking data from our travel management supplier.

Employee commuting

Evaluation status

Relevant, calculated

Metric tonnes CO2e

112

Emissions calculation methodology

Calculated from Full Time Equivalent data and British Land Head Office travel survey data.
Emissions within this category were first calculated in 2012 based on a 2011/12 study year and updated in 2016 based on a 2014/15 study.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Emissions from employees commuting are based on a travel study and not on actual travel data.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Explanation

British Land does not operate leased assets.
Emissions from our Group offices are reported as scope 1 and 2 emissions.
Emissions from assets owned by British Land and leased to third-parties are reported under 'Downstream leased assets'.

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO2e

843,332

Emissions calculation methodology

Downstream transportation and distribution emissions include emissions from visitor travel to our retail sites and occupier commuting to our offices (within our managed portfolio).
Emissions from retail visitor travel is estimated based on surveys of visitors' mode and duration of travel.
Emissions from offices commuter travel is estimated based on surveys of campus workers' mode of transport and distance travelled.
Note: these emissions were previously estimated based on a 2014/15 study and reported in previous CDP questionnaires under 'Other emissions'.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Emissions are estimated based on visitors and campus workers surveys which request data on mode of travel and journey time.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Explanation

British Land does not manufacture products which are processed by the customer and so this category is not applicable.

Use of sold products

Evaluation status

Not relevant, explanation provided

Explanation

British Land is not a product manufacturer whose products are used by an end consumer (and subsequently produce further emissions).

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Explanation

For British Land, this category applies to the demolition of new buildings sold to a third party (as referenced in the UK GBC Scope 3 Guidance). In 2018/19, we did not develop and sell any new assets, so this category is not relevant.

Downstream leased assets

Evaluation status

Relevant, calculated

Metric tonnes CO2e

116,996

Emissions calculation methodology

This includes emissions from the following sources:
(i) non-landlord obtained energy at non-British Land managed assets (i.e. energy procured by occupiers and estimated by British Land based on floor space, property type and average electricity and fuel consumption developed by the Chartered Institution of Building Services Engineers)
(ii) landlord obtained energy (i.e. energy procured by British Land for use in occupier space and calculated based on actual consumption data)
(iii) landlord obtained water use (i.e. upstream emissions from water procured by British Land for use in managed assets and calculated based on actual consumption data)

Percentage of emissions calculated using data obtained from suppliers or value chain partners

26

Explanation

Emissions from landlord obtained energy and water use are based on actual consumption data and emission factors.

The consumption data is primary data reported by Managing Agents into our central database CR360. Emission factors are sourced from Defra/BEIS Guidelines.

Franchises

Evaluation status

Not relevant, explanation provided

Explanation

British Land does not operate any franchises and so this category is not applicable.

Investments

Evaluation status

Not relevant, explanation provided

Explanation

British Land is a Real Estate Investment Trust. We do not have any investments other than the ones in our own property portfolio. Emissions from our portfolio are reported as scope 1, 2 and 3 (under the categories mentioned above).

Other (upstream)

Evaluation status

Not relevant, explanation provided

Explanation

Our upstream emissions are reported under 'Purchased goods and services', 'Capital goods', 'Fuel and energy related activities', 'Business travel' and 'Employees commuting'

Other (downstream)

Evaluation status

Not relevant, explanation provided

Explanation

Our downstream emissions are reported under 'Waste generated', 'Downstream leased assets' and 'Downstream transportation and distribution'.

C6.7

(C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

32.24

Metric numerator (Gross global combined Scope 1 and 2 emissions)

29,144

Metric denominator

unit total revenue

Metric denominator: Unit total

904

Scope 2 figure used

Location-based

% change from previous year

40

Direction of change

Decreased

Reason for change

This intensity ratio expresses absolute Scope 1 and 2 emissions in relation to the Total Revenue of British Land (in millions of GBP). Our 2018/19 performance represents a decrease of 40% versus last year. This shift reflects an 15% reduction in total Scope 1 and 2 emissions (numerator) and an 41% increase in revenue (denominator) due to property sales proceeds.

We also report on emissions per gross rental income (see below and in Figure 22 of our Sustainability Accounts) which is more representative of our performance in reducing greenhouse gas emissions.

Intensity figure

50.2

Metric numerator (Gross global combined Scope 1 and 2 emissions)

29,144

Metric denominator

Other, please specify

Gross rental income

Metric denominator: Unit total

580

Scope 2 figure used

Location-based

% change from previous year

13

Direction of change

Decreased

Reason for change

This intensity ratio expresses absolute Scope 1 and 2 emissions in relation to the Gross Rental Income for properties in the British Land managed portfolio (in millions of GBP). Our 2018/19 performance represents a decrease of 13% versus last year.
Total Scope 1 emissions increased by a net 29% reflecting the inclusion of gas combustion across our residential portfolio for the first time. However, our Retail and Offices portfolios reduced combustion of fuel by 13% this year, largely due to changes in our portfolio. Scope 2 location-based emissions decreased by 26%, largely due to National Grid decarbonisation and changes in our portfolio.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	8,806	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	11	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	16	IPCC Fourth Assessment Report (AR4 - 100 year)
HFCs	123	IPCC Fourth Assessment Report (AR4 - 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
United Kingdom of Great Britain and Northern Ireland	8,956

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Offices: common parts and shared services	5,087
Offices: direct use in occupier space	0
Retail: common parts	711
Retail: direct use in occupier space	0
Residential: common parts	2,864
All property types: refrigerant loss	123
Fuel use: British Land owned vehicles	171
Residential: direct use in occupier space	0

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
United Kingdom of Great Britain and Northern Ireland	20,188	1,457	73,881	69,921

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Offices: common parts and shared services	13,982	215
Offices: direct use in occupier space	0	0
Retail: common parts	5,588	1,095
Retail: direct use in occupier space	0	0
Residential: common parts	122	147
Residential: direct use in occupier space	0	0
Group offices	496	0

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	90.3	Decreased	0.3	The installation of solar PV at the Meadowhall Shoppping Centre during the reporting period added to our generation and consumption of on-site renewables and helped reduce emissions.
Other emissions reduction activities	167	Decreased	0.6	Energy efficiency initiatives including lighting upgrades, power optimisation and boiler replacement.
Divestment	1,834	Decreased	6.3	This figure accounts for emissions reductions associated with

				managed properties which were sold or are under development. Most notably, this includes The Leadenhall Building (sold).
Acquisitions	765	Increased	2.6	This figure reflects the additional emissions from the nine properties that entered the managed portfolio, most notably Royal Victoria Place Shopping Centre, Tunbridge Wells.
Mergers				
Change in output				
Change in methodology	5,786	Decreased	19.9	Change in emission factor due to UK grid decarbonisation
Change in boundary	2,952	Increased	10.1	We have reported on scope 1 and 2 emissions from our entire residential portfolio for the first time this year.
Change in physical operating conditions				
Unidentified				
Other	964	Decreased	3.3	The impact of (i) year-to-year changes in weather (degree days), and (ii) year-to-year changes in occupancy rates on our assets' energy performance. Small variance in vehicle fuel and refrigerants use.

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 5% but less than or equal to 10%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	42,946	42,946
Consumption of purchased or acquired electricity		69,921	3,960	73,881
Consumption of self-generated non-fuel renewable energy		669		669
Total energy consumption		70,590	46,906	117,497

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	Yes

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Natural Gas

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

41,813

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

31,715

MWh fuel consumed for self-cogeneration or self-trigeneration

10,098

Comment

Fuels (excluding feedstocks)

Diesel

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

785

MWh fuel consumed for self-generation of electricity

58

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Comment

The remaining 727 MWh was used as vehicle fuel.

Fuels (excluding feedstocks)

Gas Oil

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

315

MWh fuel consumed for self-generation of electricity

315

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Comment

Fuels (excluding feedstocks)

Petrol

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

33

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Comment

The 33 MWh was used as vehicle fuel.

C8.2d

(C8.2d) List the average emission factors of the fuels reported in C8.2c.

Diesel

Emission factor

2.68779

Unit

kg CO2e per liter

Emission factor source

UK Government GHG Conversion Factors for Company Reporting 2018

Comment

Gas Oil

Emission factor

2.97049

Unit

kg CO2e per liter

Emission factor source

UK Government GHG Conversion Factors for Company Reporting 2018

Comment

Natural Gas

Emission factor

0.20437

Unit

kg CO2e per kWh

Emission factor source

UK Government GHG Conversion Factors for Company Reporting 2018

Comment

Petrol

Emission factor

2.30075

Unit

kg CO2e per liter

Emission factor source

UK Government GHG Conversion Factors for Company Reporting 2018

Comment

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	1,523	1,061	1,131	669.5
Heat	487.6	487.6	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2f

(C8.2f) Provide details on the electricity, heat, steam and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.

Basis for applying a low-carbon emission factor

Energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Other low-carbon technology, please specify

100% renewable with zero-emission factor

Region of consumption of low-carbon electricity, heat, steam or cooling

Europe

MWh consumed associated with low-carbon electricity, heat, steam or cooling

70,590

Emission factor (in units of metric tons CO2e per MWh)

0

Comment

In 2018/19, 96% of our purchased electricity was backed by Renewable Energy Guarantees of Origin (REGOs). This is based on electricity contracts and a report from our energy supplier's assurance provider. This electricity has an emissions factor of 'zero'.

The figure above refers the purchased renewable electricity within the Scope 2 emissions boundary. However, across our managed portfolio (including Scope 3), we procured 148,102 MWh of renewable power with a zero-emission factor. This 'Business Renewable: REGO Backed Electricity' product has been independently assured in relation to the GHG Protocol Scope 2 Quality Criteria by Carbon Clear. Carbon Clear assures that 1) the Fuel Mix Disclosure (FMD) and 2) the operating procedures and management of the supplier's "Business Renewable" electricity product meet the Quality Criteria of the GHG Protocol (2015), enabling the end user of this product to report zero carbon emissions under the GHG Protocol market-based method.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Waste

Metric value

99.6

Metric numerator

Waste diverted from landfill

Metric denominator (intensity metric only)

Total waste from managed sites and developments

% change from previous year

0

Direction of change

No change

Please explain

More information on our waste management activities can be found in Figures 34-37 of our 2019 Sustainability Accounts: https://www.britishland.com/~/media/Files/B/British-Land-V4/documents/ar-2019/reporting-centre/Sustainability-Accounts-2019.pdf

The reporting methodology is explained on page 65 of the same document.

Description

Energy usage

Metric value

96

Metric numerator

Electricity purchased from renewable sources

Metric denominator (intensity metric only)

Total electricity purchased (managed portfolio)

% change from previous year

1

Direction of change

Decreased

Please explain

We continue to work towards 100% of electricity from renewable sources as an RE100 partner.
Despite changes to our Retail and Offices portfolios and increased reporting coverage from our Residential portfolio, 96% of all landlord supplied power was procured from certified renewable sources (down from 97% in 2017/18).

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 and/or Scope 2 emissions and attach the relevant statements.

Scope

Scope 1

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

BL Sustainability Accounts 2019.pdf

Page/ section reference

PwC assurance statement on p.72-73. Assurance includes Scope 1 emissions in Figure 18 (p.21).

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

BL Sustainability Accounts 2019.pdf

Scope

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

BL Sustainability Accounts 2019.pdf

Page/ section reference

PwC assurance statement on p.72-73. Assurance includes Scope 2 emissions in Figure 18 (p.21).

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

Scope

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

BL Sustainability Accounts 2019.pdf

Page/ section reference

PwC assurance statement on p.72-73. Assurance includes Scope 2 emissions in Figure 18 (p.21).

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope

Scope 3- at least one applicable category

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Attach the statement

BL Sustainability Accounts 2019.pdf

Page/section reference

PwC assurance statement on p.72-73. Assurance includes Scope 3 emissions in Figure 18 (p.21).
The following scope 3 emissions sources are included within the scope of assurance: upstream energy and water use, British Land-obtained energy use in occupier space, waste disposal, and embodied emissions in projects completed during the reporting period.

Relevant standard

ISAE 3410

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C4. Targets and performance	Progress against emissions reduction target	ISAE3410	PwC provides assurance each year on our carbon intensity reduction target (C4.1b). This target applies to our managed portfolio which comprises of 73% of our assets under management (by value). For further information please see our Sustainability Accounts 2019 (Figure 22 on p.25). Assured data is indicated by 'A' symbol above Figures and is detailed in the Independent Assurance section (p. 72-73). 1

C4. Targets and performance	Renewable energy products	ISAE3000	PwC provides assurance each year on our percentage of electricity from renewable sources (C4.2). This target applies to our managed portfolio which comprises of 73% of our assets under management (by value). For further information please see our Sustainability Accounts 2019 (Figure 24 on p.27). Assured data is indicated by 'A' symbol above Figures and is detailed in the Independent Assurance section (p. 72-73). 1
C4. Targets and performance	Emissions reduction activities	ISAE3000	PwC provides assurance each year on our annual energy efficiency investment and savings (C2.3a; C4.3c). This data covers our managed portfolio which comprises of 73% of our assets under management (by value). For further information please see our Sustainability Accounts 2019 (Figure 17 on p.20). Assured data is indicated by 'A' symbol above Figures and is detailed in the Independent Assurance section (p. 72-73). 1
C8. Energy	Other, please specify Energy consumption totals	ISAE3000	PwC provides assurance each year on our annual energy consumption (C8.2a). This data covers our managed portfolio which comprises of 73% of our assets under management (by value). For further information please see our Sustainability Accounts 2019 (Figures 24, 25 and 27 on pages 27, 28 and 30). Assured data is indicated by 'A' symbol above Figures and is detailed in the Independent Assurance section (p. 72-73). 1

[1]BL Sustainability Accounts 2019.pdf

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

Other carbon tax, please specify

UK Climate Change Levy

Other carbon tax, please specify

UK CRC Energy Efficiency Scheme

C11.1c

(C11.1c) Complete the following table for each of the tax systems in which you participate.

Other carbon tax, please specify

Period start date

April 1, 2018

Period end date

March 31, 2019

% of emissions covered by tax

100

Total cost of tax paid

964,000

Comment

UK Climate Change Levy: reporting on all energy procured for managed portfolio

Other carbon tax, please specify

Period start date

April 1, 2018

Period end date

March 31, 2019

% of emissions covered by tax

89

Total cost of tax paid

990,000

Comment

UK CRC Energy Efficiency Scheme: reporting on all energy procured for managed portfolio

C11.1d

(C11.1d) What is your strategy for complying with the systems in which you participate or anticipate participating?

Strategy for compliance: British Land fully complies with these climate regulations. To limit the cost of compliance, we target the delivery energy savings across our managed portfolio. We maintain a robust system for reporting energy consumption (UL's cr360 platform). This data is used to track asset performance and to identify any potentially underperforming assets.

Example of British Land applying this strategy: Our strategy is integrated into of our process of acquiring of a new property. Our Sustainability Brief for Acquisitions mandates the review of energy-related criteria at several stages of the process:

1. Investment Critical Sustainability Checklist: prior to an offer being made, British Land reviews the EPC/DEC energy efficiency rating and the associated risk/opportunities
2. Due Diligence Sustainability Checklist: between the offer on a property and the exchange, a Due Diligence report is prepared and will include (i) whether the property has sub-metering and if yes, to what extent, (ii) whether the property contains any unique energy supply features like CHP or wind turbines, (iii) copies of EPC and DEC certificates, (iv) a summary of recommended efficiency improvements from the EPC report

Upon acquiring the property, modern metering systems are installed, allowing us to understand the new asset and manage its performance.

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Objective for implementing an internal carbon price

Navigate GHG regulations

Drive energy efficiency
Drive low-carbon investment

GHG Scope

Scope 1
Scope 2

Application

Company-wide. This price of carbon impacts CAPEX decisions (e.g. whether to invest in new renewable energy installations) and the return-on-investment of the business cases for energy efficiency projects.

Actual price(s) used (Currency /metric ton)

18.3

Variance of price(s) used

Uniform pricing, updated annually to mirror the UK CRC Compliance Sale Price (https://www.gov.uk/government/publications/crc-conversion-factors)

Type of internal carbon price

Implicit price

Impact & implication

British Land has factored this price of carbon into (i) solar PV investment cases and (ii) ESOS energy efficiency opportunity reviews.

This carbon price factored into the investment case of our solar PV installation at Meadowhall shopping centre (Sheffield, UK) that completed during the 2018/19 financial year. This 3418 panel installation is expected to save 270 tonnes of CO2 annually.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers
Yes, our customers

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Innovation & collaboration (changing markets)

Details of engagement

Other, please specify

Design efficiency, embodied emissions

% of suppliers by number

20

% total procurement spend (direct and indirect)

60

% Scope 3 emissions as reported in C6.5

2

Rationale for the coverage of your engagement

Rationale: For more than ten years, our Sustainability Brief for Developments has been driving improvements in construction site management, efficient designs for energy and water use, and enhanced biodiversity. This includes the climate-related topics of energy efficiency, embodied carbon, and flood risk. We have been analysing the embodied carbon of our developments since 2009, commissioning studies across our development programme and detailed studies, for example at 5 Broadgate, Regent's Place (both completed) and 100 Liverpool Street (development ongoing). These studies highlighted the climate significance of energy and material use on our developments, particularly the fabrication of steel and concrete.

Scope: We have been working with supply chain partners to achieve development-specific sustainability targets since 2011. This includes reducing embodied carbon by designing out material usage and specifying use of lower-carbon sources of concrete, steel, rebar, aluminium, and glass. Our Sustainability Brief sets out requirements and targets around carbon for developments: (i) Overall: All projects are to attain an EPC rating of at least 'B' and install at least 95% energy efficient lighting. (ii) For projects over £5m in value: Office design should achieve 50 kWh/m2 landlord energy using CIBSE TM54 modelling. In Residential design, white goods must have EU Energy Efficiency ratings of A+ to B. (iii) For projects over £25m in value: Office design to review against the NABERS star rating and identify the development's likely operational rating. All sites to achieve a 15% reduction in embodied carbon against the concept design.

Impact of engagement, including measures of success

Using major developments at Broadgate and Regent's Place as testbeds, we have worked hand-in-hand with our extended supply chain to challenge how we redevelop existing buildings.

As a result, at 100 Liverpool Street we have been able to retain around half of the original structure, reducing embodied carbon by 7,200 tonnes, with a further 4,100 tonnes set to be saved through carbon-efficient design and the use of low-carbon materials. At 1 Triton Square, our progressive whole-life carbon strategy will save 35,600 tonnes CO2e in construction and operation against a best practice new build. This is a reduction of 33%: a saving that exceeds the ambitious carbon reduction targets required to meet the UK's commitment to the Paris Climate Agreement. Both buildings are scheduled to complete in 2020.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Collaboration & innovation

Details of engagement

Run a campaign to encourage innovation to reduce climate change impacts

% of customers by number

30

% Scope 3 emissions as reported in C6.5

3

Please explain the rationale for selecting this group of customers and scope of engagement

Rationale: We support office occupiers' own energy reduction initiatives through our Building Management Groups in each office building. These collaboration initiatives futureproof our portfolio, including assistance in preparing for increasingly stringent regulatory requirements like the Energy Act and MEES Regulations.

During 2018/19, we conducted the following tenants engagement activities:
- Provided tenants with feedback on energy/water consumption and waste (30% of managed portfolio floor space);
- Building asset communication (22%);
- Social medial/online communications (20%);
- Tenant engagement meetings (28%);
- Tenant events focused on increasing sustainability awareness (21%);
- Tenant sustainability guide (19%);
- Tenant sustainability training (18%).

Scope of the engagement:
• We liaise with occupiers on the environmental performance of our buildings via monthly occupier meetings; access to real time metering data (where our smart metering systems are installed) and targeted communications.
• We provide occupiers with our Fit Out Guide, with guidance on how to undertake an energy efficient fit out.
• We report occupier and building management performance and share best practice. All of our offices have had in-depth energy performance reviews undertaken, highlighting opportunities for further energy reductions either through management actions or replacement of plant.
•We fund energy monitoring services for over 50 office occupiers, providing half-hourly

data, to give visibility on out-of-hours lighting use and small power demand in occupiers' demises.

Impact of engagement, including measures of success

Over the past 9 years we have reduced landlord-influenced (common parts and shared services) carbon intensity of our managed portfolio by 64% (2009 baseline). We have achieved a 44% reduction in landlord-influenced energy intensity across our managed portfolio since 2009 and saved approximately £17 million gross in energy costs since 2011/12.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Trade associations

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

Better Buildings Partnership

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Extract from website: To get close to the carbon emission reductions required to slow the impacts of climate change, we have to make sure all businesses understand how to use their space efficiently and productively to make a shift towards a sustainable economy. Then the property industry can get on with delivering better buildings. It's a big challenge but the BBP members have shown already what can be achieved, so it's clearly not impossible.

How have you influenced, or are you attempting to influence their position?

Regular participation in meetings, committees and informal discussions.

Trade association

British Property Federation

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Buildings alone generate almost half of all CO2 emissions in the UK - 27% from the 26 million residential dwellings and 17% from the 2 million non-domestic buildings. The BPF has a dedicated team for sustainability issues, reflecting the priority which its leading members place upon issues of climate change and resource efficiency.

How have you influenced, or are you attempting to influence their position?

Regular participation in meetings, committees and informal discussions.

Trade association

UK Green Building Council

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Extract from website: Our built environment is vital in the fight against climate change as about 45% of CO2 emissions in the UK come from energy used in our homes and buildings. We need to almost completely decarbonise our built environment by 2050, through a combination of very high energy efficiency of buildings, on-site renewable energy, community scale renewables and decarbonisation of the grid. UK-GBC sees embodied carbon as an increasingly important area for all sectors of the built environment to actively address and are working with their members to assist them in the process of making buildings more resource efficient. Globally, the built environment accounts for 40-50% of natural resource use, 20% of water use, 30-40% of energy use and around a third of CO2 emissions. The new homes, offices and other buildings which the industry designs and develops every year are an opportunity to make sure that the built environment has a positive contribution to the environment, economy and our quality of life.

How have you influenced, or are you attempting to influence their position?

Regular participation in meetings, committees and informal discussions.

Trade association

Confederation of Business and Industry

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Extract from website: Energy is essential for the UK's economy to function and grow. Ensuring that we maintain a secure, affordable and low-carbon supply is vital to British

business. Additionally, we must continue to use energy more efficiently across our homes and industry. The CBI is lobbying for government to provide a long-term, stable policy framework to enable continued business innovation and investment in the UK's low-carbon transition.

How have you influenced, or are you attempting to influence their position?

Regular participation in meetings, committees and informal discussions.

Trade association

European Public Real Estate Association

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Extract from EPRA website: "Voluntary sustainability reporting has become increasingly common in the European real estate sector - particularly among larger listed real estate companies. The growing policy debate over the past years has led to mandatory sustainability reporting regulation at both country and EU level. Investor's interest in non-financial data has also grown rapidly. In response to this, since 2011, EPRA is actively influencing the debate through different initiatives including the development of Sustainability BPR and guidance for European listed real estate companies."

Extract from EPRA Sustainability Best Practices Recommendations Guidelines (2017): "We are pleased to publish the third edition of the EPRA Best Practices Recommendations for Sustainability Reporting (EPRA sBPR). Since the launch of the first edition of the EPRA sBPR in 2011 and of the EPRA sBPR awards, we have seen a steady increase in the number of EPRA members and non-EPRA member constituents of the FTSE EPRA/NAREIT Developed Europe REITs Index using the sBPR to report on their environmental performance.
The third edition of the EPRA sBPR draws on the Global Reporting Initiative's Reporting Standards (2016 edition) and Construction and Real Estate Sector Disclosures (CRESD), and complements the existing and well-established EPRA Financial BPR. Furthermore, the third edition of the guidelines meets the following objectives:
• Providing further clarity, conciseness and support for companies wishing to disclose their performance in accordance with the EPRA sBPR guidelines;
• Aligning with the updated Global Reporting Initiative's (GRI) Standards 2016."

How have you influenced, or are you attempting to influence their position?

Regular participation in meetings, committees and informal discussions.

Trade association

Accounting for Sustainability

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

A4S aims to inspire action by finance leaders to drive a fundamental shift towards resilient business models and a sustainable economy. To do this, A4S has three core aims. 1). Inspire finance leaders to adopt sustainable and resilient business models 2). Transform financial decision making to enable an integrated approach, reflective of the opportunities and risks posed by environmental and social issues 3). Scale up action across the global finance and accounting community.

How have you influenced, or are you attempting to influence their position?

Our Chief Financial Officer is a Member of the Accounting for Sustainability CFO Leadership Network.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Two members of the Sustainability Committee represent environmental and social issues on our Public Affairs Committee. This ensures our direct and indirect policy-influencing activities are consistent with our climate change strategy. The Public Affairs engagement strategy is approved by our Executive Committee.

On an annual basis the Public Affairs Committee reviews all third party organisations that British Land supports – who can be said to speak on our behalf. We review our membership and support as well as the organisations' activities around climate change and other matters.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports, incorporating the TCFD recommendations

Status

Complete

Attach the document

Annual Report 2019_Final PDF.pdf

Page/Section reference

Integration of ESG targets in overall business strategy on page 19, 25, 35, 36, 42, 54, 59, 60, 73, 74; stakeholders engagement on pages 26-27; 2020 sustainability strategy

on pages 28-29; non-financial reporting disclosure on page 44; TCFD disclosure on pages 62-64; and sustainability performance on pages 195-197

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

Publication

In voluntary sustainability report

Status

Complete

Attach the document

BL Sustainability Accounts 2019.pdf

Page/Section reference

Performance data related to climate change activities is reported in the 'Futureproofing' section of the Sustainability Accounts: page 11 (Fig. 1) and pages 19 through 38 (Fig. 14-39).

Content elements

Emissions figures
Emission targets
Other metrics

Comment

In addition to emissions figures and targets, we report on energy consumption and intensity and climate risk metrics such as assets exposed to flood risks and assets with poor EPC ratings.

Publication

In voluntary communications

Status

Complete

Attach the document

C12.4- Performance overview – British Land.pdf

Page/Section reference

Website: https://www.britishland.com/sustainability

Content elements

Emissions figures
Emission targets
Other metrics

Comment

We report on our response to climate change and GHG emissions performance on our website.
In addition, we publish our CDP response on the website at:
https://www.britishland.com/sustainability/reports-and-publications/earlier-reports/2018

C14. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

Please find attached our RE100 Reporting Spreadsheet

RE100 Reporting Spreadsheet 2019- British Land.xlsx

C14.1

(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Financial Officer	Chief Financial Officer (CFO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	Public or Non-Public Submission	I am submitting to
I am submitting my response	Public	Investors

Please confirm below

I have read and accept the applicable Terms