Carbon Disclosure Project

Investor CDP 2014 Climate Change Information Request
The British Land Company PLC

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Module: Introduction

0 Introduction

0.1 Introduction

Please give a general description and introduction to your organization.

British Land is a leading European property company and one of the largest property companies in the UK. Our shares are fully listed on the London Stock Exchange (BLND) and we have ADRs which are traded in the US on the over the counter market. The Group became a real estate investment trust (REIT) in 2007. Under UK law, UK REITs have special tax status which allows investors to invest in listed UK property companies as if they owned the assets directly themselves, without being tax disadvantaged. Our objective is to be the premier UK commercial real estate company and deliver sustainable returns to our shareholders through a balance of capital growth and dividend distribution. We own properties directly, as well as through investment funds and joint ventures. We focus on London and the South East and importantly, within London, we are well positioned with more assets in the West End and 'up-and-coming' areas. As the retail environment continues to evolve, we have been investing in and future proofing our own retail portfolio to better reflect the way people shop. Finally, we completed eight developments in the last 12 months and have been active in replenishing the pipeline with a combination of new and existing assets that offer significant potential. As at 31 March 2014, British Land's total properties owned or under management were valued at £17.8 billion, of which its share was £12 billion. 57.5%% of the portfolio is invested in retail and 42.5% in offices.

Our corporate priorities for the year ahead:
- Drive like-for-like income through active asset management.
- Progress our existing development programme.
- Maintain strong occupier satisfaction, driven by our market leading service.
- Accelerating our development pipeline.
- Employ our property and deal making skills to access more complex property acquisitions as well as assets close to our existing properties
- Continue to re-shape our Retail portfolio.
- Exit Europe.
- Maintain our financial gearing within our 40% to 50% LTV range. LTV may fall below this level due to phasing of recycling.
- Invest in our capabilities for the medium-term.
- Maintain our One Star rating in the Best Companies to Work For survey.

As one of Europe's largest Real Estate Investment Trusts, our size and substance demand a responsible approach to business. Efficient, modern buildings are more cost effective to run and less at risk from emerging issues, such as new climate change legislation, rising energy costs, changing occupier demands and potential reputational damage. Sustainable buildings are also better protected and future proofed against physical risks caused by increased flooding and rising temperatures. There are growing indications to support our view that sustainability and particularly energy efficiency, help protect and grow capital value over the medium to long-

term. Occupiers and people who work, shop and live in our buildings increasingly prefer energy efficient, low-carbon buildings. Our stakeholders expect us to lead on energy efficiency to reduce costs and future proof our buildings.

Reducing our carbon footprint is an important part of our effort to manage buildings efficiently and develop sustainable buildings. We actively manage greenhouse gas emissions across our business. We aim to reduce our like-for-like emissions (Scope 1 and 2) by 40% by 2015 compared to 2009. We're delighted to report a 36% reduction in landlord-influenced energy consumption across our like-for-like portfolio compared with 2008/09. This equates to a 37,097 tonne reduction in our carbon emissions, over the last five years. We've also continued to secure consistently high sustainability ratings across our development programme.

We aim to be the best at the corporate responsibility issues that matter most to us and our key stakeholders. We identify these by working with people across the business, engaging with external stakeholders, consulting experts, reviewing best practice, benchmarking our performance, monitoring the external context and carrying out risk assessments.

Our corporate responsibility focus areas for 2014/2015 are:
1. Managing buildings efficiently
2. Developing sustainable buildings
3. Cutting carbon emissions
4. Supporting communities
5. Engaging staff
6. Exceeding customer expectations

Our corporate objective is to generate sustainable long-term total returns for our shareholders. We do this by creating places people prefer. Our commitment to social, environmental and ethical issues helps us to create places people prefer, to attract staff, occupiers, investors and other partners, and so to deliver long-term value.

0.2 Reporting Year

Please state the start and end date of the year for which you are reporting data.
The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.
We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.

Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed
Mon 01 Apr 2013 - Mon 31 Mar 2014

0.3 Country list configuration

Please select the countries for which you will be supplying data. This selection will be carried forward to assist you in completing your response.

Select country
United Kingdom
France
Italy
Portugal
Spain

0.4 Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

GBP(£)

0.6 Modules

As part of the request for information on behalf of investors, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sectors, companies in the oil and gas industry, companies in the information technology and telecommunications sectors and companies in the food, beverage and tobacco sectors should complete supplementary questions in addition to the main questionnaire.

If you are in these sectors (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will not appear below but will automatically appear in the navigation bar when you save this page. If you want to query your classification, please email respond@cdp.net.
If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see https://www.cdp.net/en-US/Programmes/Pages/More-questionnaires.aspx.

Module: Management

1 Governance

1.1 Where is the highest level of direct responsibility for climate change within your organization?

Individual/Sub-set of the Board or other committee appointed by the Board

1.1.a Please identify the position of the individual or name of the committee with this responsibility

(i) The Corporate Responsibility (CR) Committee is chaired by Finance Director Lucinda Bell, who is an Executive Director and member of the Board. Other members are senior executives who have responsibility for delivering each of our CR focus areas: managing buildings efficiently, supporting communities, developing sustainable buildings, engaging staff, cutting carbon emissions and exceeding customer expectations. Our CR Committee develops and implements our corporate responsibility strategy. It acts as a catalyst for change across the business, exploring and testing new concepts and trends and, where appropriate, implementing them. Staff and suppliers take on responsibility for implementation of the initiatives.

(ii) Progress against company's CR strategy is reviewed at the quarterly CR Committee meetings. The Chairman of the Committee reports to the Chief Executive on progress at least quarterly. A presentation is given to the Executive Committee to approve changes in strategy and to provide updates on external change. A review of the strategy and performance is presented to the Board annually, in addition to quarterly updates on CR progress. The CR Committee meets regularly with business units and twice annually with managing agents and project teams to share best practice and review performance.

(iii) The Company also has a CR Panel, chaired by Chris Grigg, our CEO, with Lucinda Bell, our Finance Director, participating alongside independent external advisers, including Patrick Bellew, Frances Done and Kay Allen. The CR Panel meets twice yearly. The Panel does not make decisions, but challenges the CR strategy and provides expert advice.
(iv) The Charity and Community Committee, which approves most charitable donations, is chaired by Edward Cree, Retail Asset Manager, and reports to the Executive Committee on an annual basis. The Executive Committee approves the Company's Charity Funding Policy and annual budget.

0.1 Do you provide incentives for the management of climate change issues, including the attainment of targets?

Yes

1.1.b Please provide further details on the incentives provided for the management of climate change issues

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator
Corporate executive team	Monetary reward	From 2013, the remuneration of all members of the Executive Committee (which includes all the Executive Directors) is linked to British Land's performance in the Dow Jones Sustainability Index (DJSI) through annual incentive awards. The DJSI is a global benchmarking index, which evaluates the sustainability of companies. It covers climate strategy in its assessment of the 'Environmental Dimension' of companies. From this year its climate questions are CDP-aligned.
Environment/Sustainability managers	Monetary reward	Discretionary bonus: The remuneration of members of the Corporate Responsibility Committee is in part related to achievement of annual corporate responsibility targets, including those related to carbon emissions.
All employees	Recognition (non-monetary)	Each year we recognise our employees and suppliers through an awards scheme. This relates to delivering value, and making a difference to our customers and communities.
Other: Suppliers and contractors	Recognition (non-monetary)	Each year we recognise our employees and suppliers through an awards scheme. This relates to delivering value and making a difference to our customers and communities.
Other: Building asset managers	Monetary reward	Discretionary bonus: Remuneration is in part related to achievement of annual corporate responsibility targets, including those related to carbon emissions.

2 Strategy

2.1 Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company wide risk management processes

2.1.a Please provide further details on your risk management procedures with regard to climate change risks and opportunities

Frequency of monitoring	To whom are results reported	Geographical areas considered	How far into the future are risks considered?	Comment
Six-monthly or more frequently	Individual/Sub-set of the Board or committee appointed by the Board	The geographical area covered by assets owned and managed by British Land PLC and its subsidiaries.	3 to 6 years	Our integrated approach to risk combines a top-down strategic view with a complementary bottom-up operational process. Top-down approach involves a review of the external environment in which we operate to determine level of risk to which we are comfortable exposing the business – risk appetite. Key risk indicators (KRIs) have been identified for each of our principal risks and are used to monitor our risk exposure to ensure that the activities of business remain within agreed risk appetite. KRIs reviewed quarterly by the Risk Committee. Bottom-up approach involves identification, management and monitoring of risks in each area of business (including corporate responsibility risks). Control of this process is provided through maintenance of risk registers in each area. Risk registers are aggregated and reviewed by the Risk Committee, with significant and emerging risks escalated for Board consideration. Register of principal risks updated quarterly.

2.1.b Please describe how your risk and opportunity identification processes are applied at both company and asset level

Corporate responsibility risks, including those related to climate change and carbon are reviewed by the CR Committee and input into our company risk assessment and management processes, including through completion and submission of the CR Risk Register. The team assesses the issues that matter most to us and our stakeholders, considering experience over the previous year, internal and managing agent feedback, results of our stakeholder engagement and our sustainability performance over the previous year. From this we consider future focus areas and document the internal and external risks and how we manage them. This year we expanded our stakeholder engagement considerably, through completion of online surveys and workshops aimed at elucidating key ethical, environmental and social risks and opportunities facing our business. Some 750 stakeholders gave online feedback on key social and environmental issues. An open forum of over 100 experts also assessed our carbon strategy, and we hosted workshops exploring issues relating to supply chain management.

At the company level, reputational/regulatory climate change-related risks and opportunities assessment has identified the following: stakeholder demand for energy and carbon efficient assets and mandatory carbon reporting. Also through company level assessment are economic/regulatory climate change-related risks from: increasingly strict (in terms of energy and carbon) planning requirements, carbon taxation (e.g. CRC) and increasing insurance premiums arising from flooding.

At the asset level, physical climate change-related risks assessment has identified increased flooding and temperature change. Also identified through asset-level assessment: regulatory risks from mandatory energy performance standards (e.g. EPCs and Minimum Energy Performance Standards); and, energy supply ('blackout') risks from the UK Government decommissioning carbon intensive power stations.

2.1.c How do you prioritize the risks and opportunities identified?

Corporate responsibility risks, including those related to climate change and carbon are reviewed by the CR Committee and input into our company risk assessment and management processes, including completion and submission of the CR Risk Register. The team assesses the issues that matter most to us and our stakeholders, considering experience over the previous year, internal and managing agent feedback, results of our stakeholder engagement and our sustainability performance over the previous year.

To prioritise emerging risks, the risk register employs a risk matrix classification system to rank individual risks. The risk matrix has two axes: impact and likelihood. 'Impact' is graded according to predicted potential low, medium and high financial and reputational impact. 'Likelihood' is graded according to predicted likelihood of the risk materialising. 'Impact' is assessed on a 'gross basis', which means before taking into account the effect of recorded mitigants. 'Likelihood' is assessed on a 'net basis', which means after taking into account the effect of recorded mitigants. Once this risk classification process has been applied, a colour is awarded according to the following traffic light system: red for high impact and low, medium or high likelihood, and medium impact and high likelihood; yellow for medium impact and medium likelihood; and, green for the rest. Ultimately, the traffic light system is used to prioritise risks, including those related to climate change and carbon.

At the asset level, asset size and impact are prioritised – for example, we prioritise assets with energy consumption over £25,000 per year.

2.1.d Please explain why you do not have a process in place for assessing and managing risks and opportunities from climate change, and whether you plan to introduce such a process in future

Main reason for not having a process	Do you plan to introduce a process?	Comment

2.2 Is climate change integrated into your business strategy?

Yes

2.2.a Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process

i)
Risk evaluation frames the determination of our strategy and the actions of its execution. Many of our risks are directly or indirectly affected by climate change mitigation or adaptation matters. For example, our strategies to ensure operational efficiency, occupier and investor demand, successful investment, planning applications and development, and asset protection depend on our integration of climate change related risk mitigation into our business strategy. Such risk mitigation measures include internal processes related to due diligence, and development and asset management and are documented in our publically available Sustainability Briefs for Acquisitions, Developments and Management. Our Corporate Responsibility (CR) Committee develops and manages our CR risk register and CR strategy. Progress against company's CR strategy is reviewed at the quarterly CR Committee meetings. The Chairman of the Committee reports to the Chief Executive on progress at least quarterly. A presentation is given to the Executive Committee to approve changes in strategy and to provide updates on external change. A review of the strategy and performance is presented to the Board annually, in addition to quarterly updates on CR progress. The CR Committee meets regularly with business units and twice annually with managing agents and project teams to share best practice and review performance.

ii)
- Physical risks and opportunities, e.g. flooding: for example, flood risk assessments, government indicators regarding investment in flood defences and feedback from insurers have informed strategic discussions regarding our flood policies, insurance and asset plans.
- Regulatory risks and opportunities: for example, increasingly stretching planning requirements (e.g. Part L), carbon taxation, EPCs and the requirements of the Energy Bill 2011 (i.e. MEPs) have informed our developments policies, EPC policy, acquisition policies and asset improvement plans.
- Reputational risks and opportunities, including mandatory reporting and stakeholder demand for energy efficiency, have also informed our acquisition policy and asset plans.

iii) Short-term (one year):
- Asset energy performance: In 2011/12, we undertook EPCs across entire office portfolio and confirmed no exposure to the Energy Act minimum requirement of E and this remained the case in 2013/14. In 2013/14 we completed a review of our exposure to E, F and G EPC rated assets in our retail portfolio and as well as an analysis of the likely costs per asset to improve ratings above an F or G (£500k). We have also: voluntarily rolled out landlord energy ratings in 30 buildings, shared our data with others; worked with occupiers to support their efforts to reduce resource use; implemented initiatives including a wholescale energy optimisation process, lighting upgrades and, where appropriate, accelerated plant replacement. We also continue to target landlord energy use reductions and remain certified to the Carbon Trust Standard.
- Asset flood risk management: We continue to explore opportunities to improve flood risk assessment and protection for our assets. 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 indepth review of our entire portfolio. We had less than 10 assets deemed to be at risk from flooding today; many of these assets were supermarkets and flood risk management measures have since been developed. Several assets were deemed to have a future susceptibility to climate change;

we will review approximately 20 of these assets in 2015 to see if the flood risk has changed. Furthermore, our insurer Aviva is currently offering £100,000 to qualifying properties that could benefit from improved flood defences; we have earmarked one particular asset for consideration for this funding.

- Stakeholder engagement: We continue to take a leading role with Better Buildings Partnership to introduce a landlord operational energy scheme for multi-let offices (November 2011 to present).
- We also complete stakeholder engagement surveys and workshops aimed at elucidating key ethical, environmental and social risks and opportunities facing our business. In 2013/14, some 750 stakeholders gave online feedback on key issues and an open forum of over 100 experts also assessed our carbon strategy.
- These physical, regulatory and reputational risks were all considered during the formulation of our current targets relating to our managed and development portfolios, e.g. target to reduce like-for-like Scope 1 & 2 emissions by 40% by 2015 (compared to a 2009 baseline).

iv) Long-term (beyond one year):

- Asset energy supply/efficiency: We do not purchase F or G rated assets without explicit actions in the asset plan on how to improve the EPC rating, unless the Investment Committee decides otherwise. For all new lettings we consider actions required to improve an EPC rating above F. Our long-term environmental targets – including reducing like-for-like Scope 1 & 2 emissions by 40% by 2015 – will conclude in March 2015; in view of this, we will publish a revised strategy and targets in 2015. We have also identified a risk of 'blackouts' arising from carbon intensive power stations going offline in 2015-16. We are currently monitoring this risk and gathering information to enable us to properly assess.
- Asset flood risk management: We review flood risk for assets entering the portfolio and where new acquisitions do not meet the flood standard, then we need a costed proposal to mitigate the risk prior to acquisition.
- Developments: On-going consideration of adaptation in the design of our developments; building in flexibility and future-proofing. On-going target to get planning permission for a showcase sustainable building.
- Stakeholder engagement: We continued to share our expertise with the Government, industry bodies and other stakeholders. For example, Sarah Cary, Sustainable Developments Executive, Chaired the UKGBC's Embodied Carbon Week.

v)
We are increasingly able to demonstrate the impact of our energy reduction initiatives to occupiers, such as a 36% reduction in landlord-influenced energy across our like-for-like portfolio over the last five years, and work with them to support their own climate change objectives. Our 2012/13 independent survey of office occupiers rated us 8.2 out of 10 for interaction on environmental issues; our next survey is due this coming year, 2014/15. Our belief that this helps protect and grow capital value over the medium to long-term is somewhat supported by the fact that our occupancy rates have been very strong this past reporting year - retail: 98.5% and offices: 92.1%.

vi)
Our decisions to: play a key role in the debate around embodied carbon in construction; continue to reduce landlord influenced energy; and, continue to engage with assets at risk of flooding.

2.2.b Please explain why climate change is not integrated into your business strategy

2.3 Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)

Direct engagement with policy makers
Trade associations
Funding research organizations
Other

2.3.a On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
Other: Part L Building Regulations	Support	Direct response.	Extracts from our Blog on www.britishland.com provided here: : Scanning the horizon for Part L, By Sarah Cary, Sustainable Developments Executive at British Land. What's missing is a forum for discussion about what 2016 or 2019 standards might entail – a big uncertainty for the industry. Why we need to be able to see further From a developer's perspective, 2016 and 2019 are fast approaching; it can often take two years for a small project to go from concept through planning to the start of construction on site..continued... But there's very little on the detail on what might be expected in 2016 or 2019. Determining the 2019 standard now would give industry time to respond, pushing innovation in products and building design – benefiting industry and the environment. It would be a great opportunity for UK architects and construction products to become global leaders in energy efficient building designs. Thoughts on making better binoculars Given the scale of change proposed and potential impact on industry by this regulation, the current closed committee plus industry impact assessment approach to developing regulation just isn't working fast enough, or able (or enabled) to see far enough into the future. There is a wealth of knowledge, experience and interest within the commercial development sector that Government should be calling on to establish longer term objectives. A non-domestic 'energy standards hub' or similar could provide a platform from which the industry could develop far-reaching standards for new non-domestic buildings. I also want to see improvements to the modelling approach taken to set Building Regulations. Variations in modelling outputs between types and versions of software result in significant design risks, delays, cost and uncertainty. Finally, I'd like to see an absolute standard to measure the energy efficiency of on-site fabric and systems for non-domestic buildings (either in kg CO_2/m^2 to assess emissions or kWh/m^2 to assess energy consumption). And what do we think of the regulations? The overall ambition of the Building Regulations trajectory for non-domestic buildings, including an aggregate 20% improvement on 2010 for the 2013 regulations, is a good start.

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
Other: Zero carbon regulation for non-domestic buildings	Support	Sarah Cary, Sustainable Developments Executive at British Land chaired a task group looking into the case for zero carbon regulation for non-domestic buildings.	Extracts from UKGBC website: Building Zero Carbon - the case for action: Task Group, chaired by Sarah Cary, Sustainable Developments Executive, British Land. The policy for all new non domestic buildings to be zero carbon from 2019 was introduced by the Labour Government in 2008. The Coalition Government recommitted to this target, and announced it would strengthen energy efficiency standards for new non-domestic buildings from April 2014. However, there was no clear definition of zero carbon for non domestic buildings. This Task Group was set up to enable industry to investigate and recommend a way forward, as well as building the business and economic case for action. Key outcomes of Task Group: There is a very strong economic case for establishing a robust route map towards zero carbon for non-domestic buildings as soon as possible. Establishing the details of Building Regulations gives everyone in the industry time to prepare, levelling the playing field and reducing the burden to all those involved in construction. For a list of the main recommendations emerging from the task group, see: http://www.ukgbc.org/content/building-zero-carbon-task-group.
Energy efficiency	Support	Minimum building energy performance standards: Working as part of British Property Federation working group.	Report issued to Government (DECC) in early 2014 with recommendations ahead of a public consultation.

2.3.b Are you on the Board of any trade associations or provide funding beyond membership?

Yes

2.3.c Please enter the details of those trade associations that are likely to take a position on climate change legislation

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
Better Buildings Partnership	Consistent	Extract from website: By 2030 approximately 70 per cent of buildings in London today will still be in use. New buildings are designed to be more energy efficient, but only account for only 1-2% of London's building stock per year. To continue London's drive as a leader in transforming to an exemplar low-carbon city, and successfully reach the Mayor of London's target of a 60% reduction in CO_2 emissions by 2025, the existing building stock needs to be the focus. The commercial building	Regular participation in meetings, committees and informal discussions.

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
		stock represents 33% of London's CO_2 emissions, and is an area where significant CO_2 savings can be achieved. Commercial landlords have an important role to play in reducing CO_2 emissions from their buildings. Landlords get windows of opportunity to improve buildings as part of refurbishment projects, but more often they need to work with occupiers and managing agents to retrofit buildings while they are still in use. This retrofitting poses a variety of challenges. The Better Buildings Partnership was set up for commercial landlords to collaborate in finding solutions and tools to overcome these challenges.	
British Property Federation	Consistent	Extract from website: The two million non-domestic buildings and 26 million dwellings in the UK contribute to just under half of all carbon emissions, so a move to increase the efficiency of the building stock is crucial to curbing emissions.	Regular participation in meetings, committees and informal discussions.
UK Green Building Council	Consistent	Extract from website: The built environment has a huge impact on our daily lives, our society and our natural world. Globally, it accounts for 40-50% of natural resource use, 20% of water use, 30-40% of energy use and around a third of CO_2 emissions. This is not sustainable and we cannot go on like this forever. We believe there is another way for the construction and property sectors to do business – creating green buildings that minimise environmental impacts on the planet, help provide people with a better quality of life and which offer better value for organisations. We believe that sustainability is compatible with profitability, and that a low carbon, sustainable built environment will play a crucial role in the UK's transition to a green economy.	Regular participation in meetings, committees and informal discussions.
Chartered Institute of Building	Consistent	Extract from Sustainable Development Policy: The Chartered Institute of Building (CIOB) recognises global warming as one of the most serious challenges facing the world in the 21st Century. We believe that innovation is key to reducing emissions, or increasing their capture or sequestration. With 50% of the UK's global warming problem being apportioned directly to the buildings we live and work in, the CIOB believes that sustainability is critical in all aspects of the built environment, from planning through to demolition and the re-use of construction materials. The CIOB believes that many of the solutions can be sought at the source of the problem. We encourage the government and industry to focus on the de-carbonisation of our energy supply. If this can be achieved, de-carbonisation of all building stock will follow, as the industry moves to innovate and respond to the changing market. It is important to promote the construction of new zero carbon buildings (both domestic and non-domestic) but equally, technologies that also allow the industry to make significant gains to become more energy efficient, by upgrading existing stock for example, should be considered. The public sector procures about 40% of non-domestic construction in the UK. The CIOB would therefore like to see greater emphasis from government on the use of sustainable material, equipment and techniques, including the measurement of existing and new building stock through best practice providers like BRE Environmental Assessment Method (BREEAM).	Regular participation in meetings, committees and informal discussions.

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
European Public Real Estate Association	Consistent	Extract from Best Practices Recommendations on Sustainability Reporting 2011 guidance document: The practice of voluntary sustainability reporting has become increasingly common in the European real estate sector – particularly among larger listed real estate companies. An area of growing European Union and national policy debate over the past year, however, has been the introduction of mandatory sustainability reporting regulation. It is EPRA's role as a trade body representing listed companies in the real estate sector to prepare our members for the likely introduction of more stringent mandatory sustainability reporting regulations, which are already in place in a number of European countries such as France and Denmark. We therefore embarked on a programme to develop EPRA Best Practices Recommendations on Sustainability Reporting – building upon relevant mandatory reporting requirements and voluntary initiatives, in particular the Global Reporting Initiative's Construction and Real Estate Sector Supplement (GRI CRESS) which we will refer to throughout this document. … It is our hope that with the introduction of Sustainability BPR the bar will be raised in terms of sustainability disclosure, and not just among the largest listed companies. The first edition of the Sustainability BPR intentionally focuses only on environmental issues as these were identified as currently the most relevant and material to the sector in a review by the EPRA Sustainability Reporting Committee. Future editions may incorporate social indicators as we seek to reflect emerging consensus on sustainability performance measurement.	Regular participation in meetings, committees and informal discussions.
National Association of Real Estate Investment Trusts	Consistent	Extract from website: NAREIT's annual Leader in the Light Awards honour NAREIT member companies that have demonstrated superior and sustained energy use practices. The Leader in the Light Awards are presented to REITs in eight property sectors: Diversified; Global, for non-U.S. companies; Health Care; Industrial; Lodging/Resorts; Office; Residential; and Retail. If there are both large and small-cap entries that meet the awards criteria in a given property sector, NAREIT presents awards to both the leading large and small cap companies. NAREIT has been presenting the Leader in the Light awards since 2005. Beginning in 2012, however, NAREIT modified its judging criteria to include the results of the Global Real Estate Sustainability Benchmark (GRESB) Annual Survey. Designed in 2009, GRESB's Annual Survey measures the environmental performance of property portfolios around the world. The survey is endorsed and closely watched by many of the world's largest institutional investors, representing, in 2012, more than $1.7 trillion in institutional capital under management. Incorporating the GRESB survey results into the Leader in the Light judging criteria enables the companies competing in Leader in the Light to measure their performance against a global benchmark. "Sustainability is a critical issue – one that is becoming increasingly important to our industry and its investors," said NAREIT President and CEO Steven A. Wechsler. "Our inclusion of GRESB judging criteria in the Leader in the Light program reflects NAREIT's recognition of the global importance of this issue," he said.	Participation in meetings, committees and informal discussions.

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
British Council for Offices	Consistent	Extract from website: Environmental Sustainability Group (ESG), Terms of Reference: - To address those aspects of environmental sustainability that effect and influence office development, design and occupation - To commission and produce research reports and discussion papers which allow the dissemination of best practice and new thinking in those aspects of environmental sustainability which may influence office developments - To follow a broader remit within this field so that concepts of urban regeneration, mixed use development and social engagement, may be full explored including investment and finance questions - To host technical seminars and workshops for members on aspects of sustainability and green issues - To report on its work to the Management Executive - To act as a focal point in responding to Government consultation papers on environmental issues	Regular participation in meetings, committees and informal discussions.

2.3.d Do you publically disclose a list of all the research organizations that you fund?

No

2.3.e Do you fund any research organizations to produce or disseminate public work on climate change?

No

2.3.f Please describe the work and how it aligns with your own strategy on climate change

2.3.g Please provide details of the other engagement activities that you undertake

- UK Green Building Council UK-GBC Member and in April 2014, we co-sponsored the UK Green Building Council's first Embodied Carbon Week, to further raise awareness of the importance of embodied carbon, hear from experts, encourage collaboration on different measurement approaches and identify best practice opportunities. Sarah Cary, Sustainable Development's Executive, was Chairperson of Embodied Carbon week.
- Our Sustainable Developments Executive, Sarah Cary, chaired the UK GBC's Zero Carbon Buildings Task Force and is on Sustainability Committees with both the British Council of Offices and British Property Federation.

- Better Buildings Partnership – 18 largest London landlords. Currently developing a Landlord Energy Rating similar to NABERS base build rating to add landlord energy rating for letting of existing and new buildings.
- British Property Federation Sustainability Committee and British Property Federation Minimum Energy Performance Standards (MEPS) Working group advising DECC (Department for Environment and Climate Change) on ways to implement MEPS legislation from the Energy Bill 2011.
- EPRA Sustainability Reporting Working Group - participation in meetings, committees and informal discussions.

2.3.h 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?

One member of the CR Committee represents 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. Public Affairs engagement strategy is approved by our Executive Committee.

2.3.i Please explain why you do not engage with policy makers

3 Targets and Initiatives

3.1 Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?

Absolute target

3.1.a Please provide details of your absolute target

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions (metric tonnes CO_2e)	Target year	Comment
Abs1	Scope 1+2	100%	40%	2009	30819	2015	This target is to reduce our like-for-like Scope 1 and 2 emissions across our like for like portfolio (common parts and shared services) by 40% compared to 2009.

3.1.b Please provide details of your intensity target

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Normalized base year emissions	Target year	Comment

3.1.c Please also indicate what change in absolute emissions this intensity target reflects

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comment

3.1.d For all of your targets, please provide details on the progress made in the reporting year

ID	% complete (time)	% complete (emissions)	Comment
Abs1	83%	90%	We have reduced our like-for-like Scope 1 and 2 emissions across our like for like portfolio (common parts and shared services) by 36% compared to 2009, as such we are on track to achieve our target of 40% by 2015.

3.1.e Please explain (i) why you do not have a target; and (ii) forecast how your emissions will change over the next five years

3.2 Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?

Yes

3.2.a Please provide details of how the use of your goods and/or services directly enable GHG emissions to be avoided by a third party

i) Emissions reductions outlined below represent Scope 1 and 2 emissions for the third party.

Developments: We consciously seek to design and build buildings which in operation emit fewer GHG emissions than UK building regulations require (this year 30% more energy efficient on average). We also work with our construction supply chain to reduce emissions associated with the manufacture of our developments. We have been exploring embodied carbon on our developments since 2009, commissioning studies across our development programme and detailed studies at - amongst others - 5 Broadgate. 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. For instance, our design teams for 5 Broadgate and Marble Arch House conducted investigations into the embodied carbon of key building elements, seeking to design out material usage and to specify lower carbon sources of concrete and aluminium. Since January 2014, we have required all projects with a construction value over £50 million to reduce embodied carbon in concrete, steel, rebar, aluminium and glass by 10% compared to the concept design. At 5 Broadgate, the design is on track to reduce the construction carbon footprint by 4% (3,200 tonnes CO_2e) compared to the concept baseline, after a specific structural frame solution was chosen and the amount of steel used in the façade was cut.

Managed portfolio: We work closely with our managing agents to manage energy use at our properties, implementing environmental action plans at all major assets. We have installed automatic meter reading (AMR) systems across most of our managed portfolio to enable our local teams to 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 – 15% savings; increasing intake of external ambient air to reduce the need for heating and cooling, and eliminating heating and cooling conflicts – 10% savings; installing motion sensors and replacing lighting with energy efficient alternatives – 5% savings; and, adjusting temperature set points to reduce heating and cooling demands – 5% savings. We are working with our occupiers to reduce energy use and cut carbon emissions, notably through Green Building Management Groups in our multi-let offices. We have also completed Energy Performance Certificate assessments across our portfolio.

ii) Developments: Emissions related to operational energy use avoided on our current office and retail developments through design that exceeds Building Regulations are estimated at 4,135t CO_2/year (or 69,400t CO_2 across a 20 year operational life and 208,300t across a 60 year development life). Building regulations only address a defined subset of total building energy use and the actual value of savings is likely to be significantly larger.

Managed portfolio: In the past five years we have reduced landlord influenced emissions (common parts and shared services) across our like for like portfolio 36% against a 2009 baseline, which has resulted in the avoidance of 37,097 tCO_2e of GHG emissions.

iii) Developments: The 5 Broadgate embodied carbon LCA assessment was undertaken in accordance to BS EN ISO14040. The whole life carbon performance model evaluated from ''Cradle to end of operation''. It includes predicted CO_2 emissions associated with production of raw materials, transport of materials to site, construction activities, and operational energy consumption. The following assumptions were made: Decarbonisation of UK power grid will be according to DECC projections; 60 year life time based on life expectancy for steel frame (up to first major refurbishment). Embodied carbon factors - Hammond G, Jones C, 2006. Inventory of Carbon & Energy (ICE) Version 2.0; Transport carbon factors - Guidelines to Defra/DECCs Greenhouse Gas Conversion Factors for Company Reporting 2010; Life expectancy - BCIS, 2006. Life Expectancy of Building Components. 2nd ed.

Managed Portfolio: The carbon savings figure is calculated from electricity, gas, oil and biomass savings in MWh made since 2009, as well as any reductions in refrigerant loss and fuel use in British Land owned vehicles. The following carbon factors are used (from UK Government conversion factors for Company Reporting 2014): electricity generated scope 2 ($kgCO_2e/kWh$):0.44548; geothermal electricity generated scope 2 ($kgCO_2e/kWh$):0.40631; nat. gas scope 1 ($kgCO_2e/kWh$): 0.20421; gas oil scope 1 ($kgCO_2e/l$):2.9343; R407c (GWP/t):1526; R134a (GWP/t):1300; diesel scope 1 (kg CO_2e/l:2.6705; petrol scope 1 ($kgCO_2e/l$):2.3104; LPG scope 1 (kg CO_2e/l):1.4929.

iv) No

3.3 Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and implementation phases)

Yes

3.3.a Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO_2e savings

Stage of development	Number of projects	Total estimated annual CO_2e savings in metric tonnes CO_2e (only for rows marked *)
Under investigation	1	
To be implemented*	1	200
Implementation commenced*	2	40
Implemented*	16	2486
Not to be implemented	0	0

3.3.b For those initiatives implemented in the reporting year, please provide details in the table below

Activity type	Description of activity	Estimated annual CO_2e savings (metric tonnes CO_2e)	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative, years	Comment
Energy efficiency: Building services	Nature of activity: Rollout of Automated Meter Reading (AMRs) across our retail portfolio, to allow real-time capture and analysis of energy consumption data. Scope type: 1, 2 and 3. Voluntary / mandatory: voluntary.	1000	162000	150000	1-3 years	On-going	Carbon savings will be corrective in the first few yrs (i.e. getting energy consumption down to a baseline) and then preventative going onwards (i.e. maintain the baseline and correcting any actions that cause an unnecessary increase in energy consumption).
Energy efficiency: Building services	Nature of activity: Rolling replacement of lighting across the retail portfolio and where opportunities exist in our offices. Scope type: 1, 2 and 3. Voluntary / mandatory: voluntary.	872	123000	235600	1-3 years	On-going	
Energy efficiency:	Nature of activity: Replacement of the chillers in a single property. Scope	150	35000	289000	4-10 years	20 years	

Activity type	Description of activity	Estimated annual CO_2e savings (metric tonnes CO_2e)	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative, years	Comment
Building services	type: 1, 2 and 3. Voluntary / mandatory: voluntary.						
Energy efficiency: Building services	Nature of activity: Replacement of the boilers in two office properties. Scope type: 1, 2 and 3. Voluntary / mandatory: voluntary.	30	5000	130000	21-25 years	20 years	

3.3.c 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 partially to support compliance with the Carbon Trust Standard and CRC Energy Efficiency Scheme Early Action Metrics. More importantly these systems support the identification of energy saving opportunities. We aim to exceed and have significantly exceeded regulatory standards for energy efficiency in new developments. We aim to exceed regulatory standards for energy efficiency in new developments.
Dedicated budget for energy efficiency	Our CR programme budget covers a range of initiatives aimed at delivering our CR targets. We report on our investment annually in our CR Report. Since 2011/12 we have invested over £3,403,000 in energy initiatives across our existing portfolio. Furthermore, in our developments, we assigned project budgets for extra metering over requirement to support operational energy efficiency.
Internal incentives/recognition programs	Each year, at an awards ceremony, we recognise the achievements of our staff and supply chain who have helped us to achieve our overall corporate responsibility 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: provide employees with real-time Head Office environmental KPI data; have a bicycle user group; have a scheme to encourage use of Barclays Bike Hire Scheme; and, have awareness raising campaigns on various environmental issues. We also provide staff inductions, wherein new starters receive a presentation on corporate responsibility. In addition we have a Green Suggestion Box; on our intranet all staff are encouraged to enter their suggestions.
Internal finance mechanisms	All managed properties are required to contribute to our Environmental Action Plan. 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 in our multi-let offices, both through quarterly environmental working group meetings between occupiers and building management and through our on-going focus to minimise energy use of central heating and cooling plant. At our

Method	Comment
	quarterly environmental working groups we provide a building statement of energy, water and waste use, highlighting the respective performance of each occupier and the building management. This highlights those stakeholders who are making particular progress. At these meetings, we also share best practice. 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 the past year, we have won several industry awards for our energy reduction work, including: 2014 CIBSE (Chartered Institute of Building Service Engineers) Client Energy Management Award 2014 and Building Operation Award 2014; 2013 NAREIT Global Recognition Leader in the Light Award.
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. For instance, our design teams for 5 Broadgate and Marble Arch House conducted investigations into the embodied carbon of key building elements, seeking to design out material usage and to specify lower carbon sources of concrete and aluminium. Since January 2014, we have required all projects with a construction value over £50 million to reduce embodied carbon in concrete, steel, rebar, aluminium and glass by 10% compared to the concept design.

3.3.d If you do not have any emissions reduction initiatives, please explain why not

4 Communication

4.1 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	Page/Section reference	Attach the document
In mainstream financial reports (complete)	Annual Report and Accounts 2014	https://www.cdp.net/sites/2014/97/2297/Investor CDP 2014/Shared Documents/Attachments/CC4.1/annual-report-2014.pdf
In voluntary communications (complete)	Corporate Responsibility Report 2014	https://www.cdp.net/sites/2014/97/2297/Investor CDP 2014/Shared Documents/Attachments/CC4.1/BL CR Summary Report 2014.pdf
In voluntary communications (complete)	Online CR Webpage	https://www.cdp.net/sites/2014/97/2297/Investor CDP 2014/Shared Documents/Attachments/CC4.1/British Land Website Text.pdf
In voluntary communications (complete)	Stakeholder Engagement Report 2014	https://www.cdp.net/sites/2014/97/2297/Investor CDP 2014/Shared Documents/Attachments/CC4.1/BL Stakeholder Engagement Report 2014.pdf
In voluntary communications (complete)	Corporate Responsibility Full Data Report 2014	https://www.cdp.net/sites/2014/97/2297/Investor CDP 2014/Shared Documents/Attachments/CC4.1/BL CR Full Data Report 2014.pdf

Module: Risks and Opportunities

5 Climate Change Risks

5.1 Have you identified any climate change risks that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Risks driven by changes in regulation
Risks driven by changes in physical climate parameters
Risks driven by changes in other climate-related developments

5.1.a Please describe your risks driven by changes in regulation

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Emission reporting obligations	The UK CRC Energy Efficiency Scheme Introductory Phase 1 (which expired in March 2013) required that we purchase carbon allowances for emissions incurred during 2011/12 and 2012/13 at a fixed price of £12 per tonne of carbon dioxide. We have now (since April 2013) moved into Phase 2, in which there will be 2 allowance sales	Increased operational cost	1 to 3 years	Direct	Virtually certain	Low	In 2013/14, British Land's financial exposure to the CRC was £1.35m.	We work closely with our managing agents to manage energy use at our properties, implementing environmental action plans at all major assets. We have installed automatic meter reading (AMR) systems across most of our managed portfolio to enable our local teams to identify reduction opportunities on an ongoing basis, at the same time as improving billing accuracy. Examples of energy	We invested over £1,354,000 in energy management improvements in 2013/14. Administrative internal costs have also been incurred. The costs to achieve Carbon Trust Standard recertification were £10,000 – and are incurred biennially (last recertified 2011/12).

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	periods for each compliance year. There is a cost risk associated with this scheme; for example, in 2013/14, British Land's financial exposure to the CRC was £1.35m . As the UK CRC Energy Efficiency Scheme is an obligatory scheme, there is also a regulatory compliance risk; for example, we must also report emissions annually and have suitable information available in an Evidence Pack.							reduction measures include: matching heating and cooling plant run times with operational hours agreed with occupiers – 15% savings; increasing intake of external ambient air to reduce need for heating and cooling, and eliminating heating and cooling conflicts – 10% savings; installing motion sensors and replacing lighting with energy efficient alternatives – 5% savings; and, adjusting temperature set points to reduce heating and cooling demands – 5% savings. Through these recent and other more historic initiatives, we have been able to achieve 36% reduction on our like-for-like Scope 1 & 2 emissions since 2009.	
Product efficiency regulations and standards	The UK Energy Bill 2011 will include Minimum Energy Performance Standards for buildings. This will prohibit the letting of space where there is an EPC rating of F or G. These proposals	Increased operational cost	3 to 6 years	Direct	Virtually certain	High	Costs have been incurred in order to complete a review of EPCs across our portfolio. Furthermore, we have funded an analysis into the likely costs of improving underperforming assets above an E rating.	The first step to manage this risk has been for British Land to undertake an EPC review of our portfolio to understand exposure to E, F and G rated properties. Furthermore, we have funded an analysis into the likely costs of	Cost of conducting an EPC review across our portfolio was in excess of £1m. Through our EPC review exposure to E, F or G rated assets was only found in our retail portfolio and likely costs to improve

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	will either result in an increased refurbishment cost for British Land or devaluation of assets which do not meet the minimum standards.						Through our EPC review exposure to E, F or G rated assets was only found in our retail portfolio and likely costs to improve these underperforming assets was estimated at £500,000 (per asset). Importantly, E, F and G ratings may also have an impact on valuations.	improving underperforming assets above an E rating. Where appropriate, the results of these analyses feed directly into our asset specific management plans – a procedure which enables us to work closely with managing agents to improve energy use and rating performance at our properties. 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 Briefs for Development and Management also provide requirements and guidance for improving the energy and carbon performance of our developments and managed assets. It is important to note that the regulations have not yet been finalized.	these underperforming assets was estimated at £500,000 (per asset).

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Product efficiency regulations and standards	Revisions to the UK Building Regulation Part L are setting increasingly challenging energy and carbon minimum standards that may require us to increase capital investment in development projects. The UK Climate Change Act 2008 provisions, including policies required to meet the new carbon targets, such as a shift to renewable power may affect our future decisions and opportunities regarding energy supply and design decisions for development and refurbishment projects.	Increased capital cost	Up to 1 year	Direct	Virtually certain	Medium-high	Ensuring compliance with Part L amendments may mean we further invest in capital costs that enhance energy and carbon performance of our development projects. Exact costs vary, but as an example, compliance with Part L is estimated to have cost £1,000,000 for a recent mixed-use scheme or 1-2% of the total project costs. Additional impacts include possible difficulty to secure planning permissions, accelerated asset value depreciation and increased fiscal burden from environmental taxes.	We set annual targets for development projects for BREEAM; BREEAM requirements are amended in order to track ahead of Part L (and other) requirements we believe this mitigates any potential financial impact related to compliance with Building Regulation amendments. During 2013/14 our developments were designed to have 30% lower energy consumption on average than current Building Regulations. Our Sustainability Briefs for Developments provides development project teams with energy and carbon requirements. We engage with government departments and advise on emerging legislation; for example, Sarah Cary (Sustainable Development Executive) recently chaired a UKGBC taskforce on the future of Building Regulations Part L.	There are no additional costs associated with the above management methods. Actions are integrated within our business activities.
Product efficiency regulations	The Energy Saving Opportunity Scheme (ESOS), emerges from the EU Energy	Increased operational cost	Up to 1 year	Direct	Virtually certain	Low	DECC have indicated that audits would cost roughly £17,000 on average and that	When the regulations are finalised, the CR Committee and others will meet to elevate business	None as yet though we think this will be covered in business as usual.

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
and standards	Efficiency Directive and is currently under consultation and will take effect from January 2015. Initial proposals include requirements for businesses with over 250 employees and annual turnover of >50m EURO or annual balance sheet total exceeding 43m EURO to commission energy audits of operations (including transport) every four years. Risks from non-compliance include government fines and reputational impact.						subsequent audits might be cheaper - in the region of £10,000. We conducted a trial at one of our properties and estimated that it will cost roughly £10,000. We think these costs will be covered in business as usual costs.	ramifications as well as review existing practices and implement operational changes in order to follow guidelines, as required.	

5.1.b Please describe your risks that are driven by change in physical climate parameters

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in mean (average) precipitation	Inability to sell or rent property assets at book value because of real or perceived increased risks arising from flooding.	Other: Reduced valuation of assets	Up to 1 year	Direct	Unlikely	High	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.	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	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

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								carry out regular portfolio-wide assessments. For example, in 2011/12, we commissioned a flood consultant to perform an indepth review of our entire portfolio. We had less than 10 assets deemed to be at risk from flooding today; many of these assets were supermarkets and flood risk management measures have since been developed. Several assets were deemed to have a future susceptibility to climate change; we will review approximately 20 of these assets in 2015 to see if the flood risk has changed. Furthermore, our insurers Aviva are currently offering £100,000 to qualifying properties that could benefit from improved flood defences; we have earmarked one particular asset for consideration for this funding. Our publically available management procedures – Sustainability Briefs for Management, Development and	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.

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								Acquisition – also include prescriptions for asset-level flood risk assessment and mitigation. For example, the Sustainability Brief for Management prescribes a Flood Risk Assessment and site-wide water balance calculation at RIBA Stage 2 (Concept Stage). Furthermore, the Sustainability Brief for Acquisitions looks at flood risk as part of the due diligence process and we do not acquire assets with deemed high flood risks without a clear asset plan to mitigate the perceived risk.	
Change in mean (average) precipitation	Insurers either refuse to insure or increase insurance rates significantly to reflect increased real or perceived risks of flooding. The impact of this is indirect to British Land as we pass these costs on to occupiers.	Increased operational cost	Up to 1 year	Indirect (Supply chain)	About as likely as not	Low	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 £25 million. 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	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 indepth review of our entire portfolio. We had less than 10 assets	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

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							public house where the repair costs are estimated to be £100,000.	deemed to be at risk from flooding today; many of these assets were supermarkets and flood risk management measures have since been developed. Several assets were deemed to have a future susceptibility to climate change; we will review approximately 20 of these assets in 2015 to see if the flood risk has changed. Furthermore, our insurers Aviva are currently offering £100,000 to qualifying properties that could benefit from improved flood defences; we have earmarked one particular asset for consideration for this funding. Our publically available management procedures – Sustainability Briefs for Management, Development and Acquisition – also include prescriptions for asset-level flood risk assessment and mitigation. For example, the Sustainability Brief for Management prescribes a Flood Risk Assessment	business activities. Our 2011/12 portfolio-wide flood review cost approximately £280,000.

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								and site-wide water balance calculation at RIBA Stage 2 (Concept Stage). Furthermore, the Sustainability Brief for Acquisitions looks at flood risk as part of the due diligence process and we do not acquire assets with deemed high flood risks without a clear asset plan to mitigate the perceived risk.	
Change in mean (average) precipitation	Inability to get planning permission for new developments or increased capital costs arising from a requirement for flood defences.	Increased capital cost	Up to 1 year	Direct	About as likely as not	Medium	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.	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 indepth review of our entire portfolio. We had less than 10 assets deemed to be at risk from flooding today; many of these assets were supermarkets and flood risk management measures have since been developed. Several assets were deemed to	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 £280,000.

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								have a future susceptibility to climate change; we will review approximately 20 of these assets in 2015 to see if the flood risk has changed. Furthermore, our insurers Aviva are currently offering £100,000 to qualifying properties that could benefit from improved flood defences; we have earmarked one particular asset for consideration for this funding. Our publically available management procedures – Sustainability Briefs for Management, Development and Acquisition – also include prescriptions for asset-level flood risk assessment and mitigation. For example, the Sustainability Brief for Management prescribes a Flood Risk Assessment and site-wide water balance calculation at RIBA Stage 2 (Concept Stage). Furthermore, the Sustainability Brief for Acquisitions looks at flood risk as part of the due diligence process and we	

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								do not acquire assets with deemed high flood risks without a clear asset plan to mitigate the perceived risk.	
Change in mean (average) temperature	New developments will need to consider possible increases in temperature and its implications to facades and cooling plants.	Increased capital cost	Up to 1 year	Direct	Likely	Low	Tenants and investors are becoming more alive to the impacts of climate change. It is possible that in future, some might no longer purchase or rent assets at book value if there is an actual or perceived risk of the asset overheating.	As outlined in our publically available Sustainability Brief for Developments, we prescribe that design and build standards must meet BREEAM Very Good/Excellent and Code for Sustainable Homes Level 4. As BREEAM requirements are updated in order to track emerging climate change related issues and encourage evaluation of climate change impacts through design modelling. We believe prescribing these rating tools goes some way towards mitigating potential issues such as those from overheating.	Many of the management procedures mentioned (e.g. Sustainability Brief for Development) do not represent additional costs as actions are integrated within our business activities.
Sea level rise	Increased risk of tidal flooding from assets situated close to the coast where regional flood defences are inadequate.	Increased capital cost	>6 years	Direct	More likely than not	Medium-high	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. Furthermore, insurers either refuse to insure or increase	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	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

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							insurance rates significantly to reflect increased real or perceived risks of flooding. The impact of this is indirect to British Land as we pass these costs on to occupiers. Finally, there are potential costs arising from a requirement for flood defences.	example, in 2011/12, we commissioned a flood consultant to perform an indepth review of our entire portfolio. We had less than 10 assets deemed to be at risk from flooding today; many of these assets were supermarkets and flood risk management measures have since been developed. Several assets were deemed to have a future susceptibility to climate change; we will review approximately 20 of these assets in 2015 to see if the flood risk has changed. Furthermore, Aviva are currently offering £100,000 to qualifying properties that could benefit from improved flood defences; we have earmarked one particular asset for consideration for this funding. Our publically available management procedures – Sustainability Briefs for Management, Development and Acquisition – also include prescriptions for asset-	procedures mentioned (e.g. Sustainability Brief for Acquisitions) do not represent additional costs as actions are integrated within our business activities.

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								level flood risk assessment and mitigation. For example, the Sustainability Brief for Management prescribes a Flood Risk Assessment and site-wide water balance calculation at RIBA Stage 2 (Concept Stage). Furthermore, the Sustainability Brief for Acquisitions looks at flood risk as part of the due diligence process and we do not acquire assets with deemed high flood risks without a clear asset plan to mitigate the perceived risk.	

5.1.c Please describe your risks that are driven by changes in other climate-related developments

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated Financial Implications	Management method	Cost of management
Other drivers	Increased insurance premiums; inability to insure; inability for landlord to meet obligations under lease and funding agreements; damage costs incurred on uninsurable assets reverting to landlord; market valuation write	Other: Increased insurance premiums; inability to insure; inability for landlord to meet obligations under lease and funding agreements; damage costs incurred on uninsurable assets	Up to 1 year	Indirect (Supply chain)	More likely than not	Medium	Increased insurance premiums; damage costs incurred on uninsurable assets reverting to landlord; market valuation write downs; investors not purchasing assets with high flood risk. For e.g.: in 2007 two retail assets flooded	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	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

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated Financial Implications	Management method	Cost of management
	downs: The Government has indicated that it cannot fund future flood defences for commercial property. Flood defence will fall on owners and communities, where it is deemed necessary. As a result of this, the Association of British Insurers (ABI) has indicated that it will not renew flood insurance protocols in 2013, which mandate provision of flood cover by insurance companies. Whilst the protocols are specific to existing domestic properties and small businesses, there are complications for commercial property. It is unlikely however that this will ultimately lead to insurance cover for flooding at commercial assets being withdrawn completely. The more important consequence of all of this is that investors are now more	reverting to landlord; market valuation write downs					in Sheffield and Rotherham - total claims resulting from these floods were £25 million and resulted in a 5% increase in the annual insurance premium; before renewing the insurance at one asset we had to demonstrate improved flood defences at a cost of £1m.	regular portfolio-wide assessments. For example, in 2011/12, we commissioned a flood consultant to perform an indepth review of our entire portfolio. We had less than 10 assets deemed to be at risk from flooding today; many of these assets were supermarkets and flood risk management measures have since been developed. Several assets were deemed to have a future susceptibility to climate change; we will review approximately 20 of these assets in 2015 to see if the flood risk has changed. Furthermore, Aviva are currently offering £100,000 to qualifying properties that could benefit from improved flood defences; we have earmarked one particular asset for consideration for this funding. Our publically available management procedures –	(e.g. Sustainability Brief for Acquisitions) do not represent additional costs as actions are integrated within our business activities.

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated Financial Implications	Management method	Cost of management
	sensitive to flood risk. There is now much more scrutiny of flood risk when assets are purchased. British Land's insurance brokers have flagged this to us. British Land assets deemed to have high flood risks may therefore be more susceptible to valuation write downs in the future. Our understanding is that negotiations are advanced in relation to a Flood Re scheme proposed by the ABI. However, even if negotiations were to be concluded shortly, it seems highly unlikely that there will be any provision for commercial property.							Sustainability Briefs for Management, Development and Acquisition – also include prescriptions for asset-level flood risk assessment and mitigation. For example, the Sustainability Brief for Management prescribes a Flood Risk Assessment and site-wide water balance calculation at RIBA Stage 2 (Concept Stage). Furthermore, the Sustainability Brief for Acquisitions looks at flood risk as part of the due diligence process and we do not acquire assets with deemed high flood risks without a clear asset plan to mitigate the perceived risk.	
Other drivers	Energy security - Heightened risk of brownouts and blackouts as power stations come off line in 2015-16 impacting business of our occupiers, management of our	Increased operational cost	1 to 3 years	Indirect (Supply chain)	More likely than not	Medium	British Land/occupier costs - enhanced power source back-up provision required; British Land management time - property management contingency plans required; Investment	CR Committee are monitoring and gathering information on this issue and are in the process of commissioning an external consultant to conduct a review of the resilience of	Management procedures do not represent additional costs as yet as actions are integrated within our business activities.

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated Financial Implications	Management method	Cost of management
	properties and occupier and investment appeal of UK/London						valuations: reduced occupier and investment appeal of UK/London properties.	electricity supply (including back up energy provision) across the managed portfolio.	
Other drivers	Rising energy costs: Impact on service charge and rent affordability from energy prices continuing to rise at a significant rate over RPI.	Reduced demand for goods/services	Up to 1 year	Indirect (Client)	More likely than not	Low	Rising energy costs: Impact on service charge and rent affordability from energy prices continuing to rise at a significant rate over RPI.	Energy reduction programme and good procurement of energy. Carbon Trust Certification and portfolio-wide EPC review.	We have invested over £1,354,000 in energy management improvements in 2013/14. The costs to achieve Carbon Trust Standard recertification were £10,000 – and are incurred biennially (last recertified 2011/12). Cost of conducting an EPC review across our portfolio was in excess of £1m. Through our EPC review exposure to E, F or G rated assets was only found in our retail portfolio and likely costs to improve these underperforming assets was estimated at £500,000 (per asset).

5.1.d Please explain why you do not consider your company to be exposed to risks driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

5.1.e Please explain why you do not consider your company to be exposed to risks driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

5.1.f Please explain why you do not consider your company to be exposed to risks driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

6 Climate Change Opportunities

6.1 Have you identified any climate change opportunities that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Opportunities driven by changes in regulation
Opportunities driven by changes in physical climate parameters
Opportunities driven by changes in other climate-related developments

6.1.a Please describe your opportunities that are driven by changes in regulation

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Product efficiency regulations and standards	The introduction of a landlord operational energy ratings (LER) scheme (which reports landlord energy efficiency in multi-let buildings) to inform the buying decisions of tenants when renting space. The scheme would be similar to that of NABERS in Australia, which has significantly impacted the lettings market. British Land has been working with the Better Buildings Partnership to develop a specification for a LER scheme, which it has piloted across its office	Increased demand for existing products/services	1 to 3 years	Direct	More likely than not	Medium	The rating of our buildings has the potential to positively affect the future value of our portfolio and there are potential financial opportunities from an increased demand from occupiers for our space, contributing to reduced void rates and increased investment yields. With a commercial property portfolio worth £17.8billion (of which our share is £12billion) and a gross rental income of £331m in	We continue to take a leading role with Better Buildings Partnership to introduce a landlord operational energy scheme for multi-let offices (November 2011 to present). This initiative engaged Camco and The Usable Buildings Trust to draft a technical specification for this rating tool, which was finalised in Sep 2012. We initiated a pilot in January 2013. The next phase is to determine an approach to launch to market.	The Better Building Partnership to date has funded some £45,000 in developing this specification and running the pilot. Many of the other procedures involved do not represent additional costs as actions are integrated within our business activities.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	portfolio. This has confirmed its achievability in the UK; the next step is to launch the LER and work to increase its use in the marketplace. The LER may provide opportunities for increased rents and quicker take up of lettings at British Land properties. Over the last five years, we've reduced landlord-influenced energy (common parts and shared services) by 36% across our like-for-like portfolio, compared to our 2009 baseline. We feel that this stands us in good stead compared to our peers.						2013/14, this is a large opportunity for British Land.		
Product efficiency regulations and standards	Opportunities potentially exist around British Land performing well in terms of out-performing Building Regulation requirements.	Increased demand for existing products/services	Up to 1 year	Direct	More likely than not	Medium	The rating of our buildings has the potential to positively affect the future value of our portfolio and there are potential financial opportunities from an increased demand from occupiers for our	We have a set of top down targets to get design teams to meet green building standards. We have an ongoing target to achieve: a minimum BREEAM Excellent rating on all major office developments and refurbishments;	We estimate that generally, the cost of achieving a green building certificate on developments is less than 1% of the project cost. Many of the management procedures mentioned (e.g. Sustainability Brief

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							space, contributing to reduced void rates and increased investment yields. With a commercial property portfolio worth £17.8billion (of which our share is £12billion) and a gross rental income of £331m in 2013/14, this is a large opportunity for British Land.	BREEAM Very Good or Excellent rating on all major retail developments and refurbishments; and, Code for Sustainable Homes Level 4 on all residential developments. We ensure that these targets are met through our sustainability guidance document, The Sustainability Brief for Developments.	for Acquisitions) do not represent additional costs as actions are integrated within our business activities.
Product labeling regulations and standards	Opportunities lie in the acquisition, development and management of strongly rated properties such as BREEAM, Code for Sustainable Homes, EcoHomes, LEED and EPCs. We are increasingly seeing demand for energy labelling and hearing our customers asking for BREEAM certification as part of quality commercial development. We continue to require BREEAM Excellent on all major office developments and	Increased demand for existing products/services	Up to 1 year	Direct	More likely than not	Medium	The rating of our buildings has the potential to positively affect the future value of our portfolio and there are potential financial opportunities from an increased demand from occupiers for our space, contributing to reduced void rates and increased investment yields. With a commercial property portfolio worth £17.8billion (of which our share is £12billion) and a gross rental income of £331m in	We have a set of top down targets to get design teams to meet green building standards. We have an ongoing target to achieve: a minimum BREEAM Excellent rating on all major office developments and refurbishments; BREEAM Very Good or Excellent rating on all major retail developments and refurbishments; and, Code for Sustainable Homes Level 4 on all residential developments. We ensure that these targets are met through	We estimate that generally, the cost of achieving a green label certification on developments is less than 1% of the project cost. 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.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	Very Good or Excellent on major retail developments. We believe this helps our buildings let quicker, and we increasingly hear our customers asking for BREEAM certification as part of quality commercial development.						2013/14, this is a large opportunity for British Land.	our sustainability guidance document, The Sustainability Brief for Developments.	

6.1.b Please describe the opportunities that are driven by changes in physical climate parameters

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in mean (average) precipitation	Increased demand for properties better able to cope with physical variations from climate change. Also relevant to Continental Europe. This may provide opportunities for increased rents and quicker take up of lettings at British Land properties.	Increased demand for existing products/services	>6 years	Direct	About as likely as not	Unknown	Climate change adaptation and mitigation provides opportunities to offer to the market buildings that are future-proofed and adaptable. Financial opportunities are difficult to quantify; however, industry studies suggest that buildings which have a green certification (and are therefore designed to cope with climate change) command higher rents and transactions. With a	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 indepth review of our entire portfolio. We had less than 10 assets deemed to be at risk from flooding today; many of	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.

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							commercial portfolio worth £17.8b (of which our share £12b) and gross rental £331m in 2013/14, this is a large opportunity.	these assets were supermarkets and flood risk management measures have since been developed. Several assets were deemed to have a future susceptibility to climate change; we will review approximately 20 of these assets in 2015 to see if the flood risk has changed. Furthermore, Aviva are currently offering £100,000 to qualifying properties that could benefit from improved flood defences; we have earmarked one particular asset for consideration for this funding. Our publically available management procedures – Sustainability Briefs for Management, Development and Acquisition – also include prescriptions for asset-level flood risk assessment and mitigation. For example, the Sustainability Brief for Management prescribes a Flood Risk Assessment and site-wide water balance calculation at	

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								RIBA Stage 2 (Concept Stage). Furthermore, the Sustainability Brief for Acquisitions looks at flood risk as part of the due diligence process and we do not acquire assets with deemed high flood risks without a clear asset plan to mitigate the perceived risk.	
Change in mean (average) temperature	Increased demand for properties better able to cope with physical variations from climate change. Also relevant to Continental Europe. This may provide opportunities for increased rents and quicker take up of lettings at British Land properties.	Increased demand for existing products/services	>6 years	Indirect (Supply chain)	More likely than not	Unknown	Climate change adaptation and mitigation provides opportunities to offer to the market buildings that are future-proofed and adaptable. Financial opportunities are difficult to quantify; however, industry studies suggest that buildings which have a green certification (and are therefore designed to cope with climate change) command higher rents and transactions. With a commercial portfolio worth £17.8b (of which our share £12b) and gross rental £331m in 2013/14, this is a large opportunity.	Amongst other initiatives, we have a set of top down targets to get design teams to meet green building standards (and therefore design to cope better with climate change). We have an ongoing target to achieve: a minimum BREEAM Excellent rating on all major office developments and refurbishments; BREEAM Very Good or Excellent rating on all major retail developments and refurbishments; and, Code for Sustainable Homes Level 4 on all residential developments.	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.

6.1.c Please describe the opportunities that are driven by changes in other climate-related developments

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Reputation	Some of our occupiers have their own corporate responsibility programmes addressing climate change matters. British Land can work with them in partnership to address their and our own objectives in this area.	Other: Strong occupier relations	Up to 1 year	Direct	Virtually certain	Low-medium	It is challenging to quantify the financial implication of reputational opportunities. We undertake occupier surveys and include questions around delivery of occupiers' own environmental commitments as well as our own performance; in 2012/13 year our office occupiers rated us 8.2 out of 10 for interaction on environmental issues - our next survey is due 2014/15. Another indicator is occupancy rates, which have been very strong this past reporting year - retail: 98.5% and offices: 92.1%.	Corporate responsibility programme: Our latest research shows that stakeholders continue to want us to lead on corporate responsibility. This year 750 stakeholders gave online feedback on key social and environmental issues. We aim to exceed regulatory requirements, striving to improve consistently by setting medium-term and annual targets. We publish comprehensive performance data and progress statements against our targets each year, with regular updates throughout the year. We hold environmental working groups with occupiers to discuss sustainability issues. We also conduct customer surveys every 2 years to understand how our customers believe we are performing so that we can identify where we can improve. We completed one such survey in 2012/13; in this we were rated 8.2 out of 10 for interaction on environmental issues by our office occupiers, up from 7.8	Costs for the majority of the above management methods are reported in our 2014 CR Full Data Report (Figure 3). Our CR investment costs for 2013/14 were £1,645,000, which does not include staff time; we have nine staff forming our CR Committee with other staff integrating CR within their business activities. The customer surveys which we conduct cost approximately £50,000 bi-annually.

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								in 2011 - our next survey is due 2014/15. Reporting: We report to our stakeholders on our corporate responsibility programme quarterly in our CR Updates and annually via our Annual Report and Accounts and CR Report. In addition we respond to investor questionnaires (e.g. DJSI, FTSE4Good, GRESB). Reporting helps inform our stakeholders of our commitments, performance, successes, challenges and future plans. Benchmarking: We also take part in industry benchmarking initiatives and submit our work to award initiatives to demonstrate our leading, innovative CR initiatives.	

6.1.d Please explain why you do not consider your company to be exposed to opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

6.1.e Please explain why you do not consider your company to be exposed to opportunities driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

6.1.f Please explain why you do not consider your company to be exposed to opportunities driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

7 Emissions Methodology

7.1 Please provide your base year and base year emissions (Scopes 1 and 2)

Base year	Scope 1 Base year emissions (metric tonnes CO_2e)	Scope 2 Base year emissions (metric tonnes CO_2e)
Fri 01 Apr 2011 - Sat 31 Mar 2012	5668	42339

7.2 Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use
Defra Voluntary Reporting Guidelines
EPRA (European Public Real Estate Association) guidelines, 2011
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
Other

7.2.a If you have selected "Other" in CC7.2 please provide details of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard Global Reporting Initiative.

7.3 Please give the source for the global warming potentials you have used

Gas	Reference
CH4	IPCC Second Assessment Report (SAR - 100 year)
N2O	IPCC Second Assessment Report (SAR - 100 year)

7.4 Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data at the bottom of this page

Fuel/Material/Energy	Emission Factor	Unit	Reference

Further Information

For question 7.4 please see attached: Q7.4 British Land 2013 Emissions Factors

Attachments

https://www.cdp.net/sites/2014/97/2297/Investor CDP 2014/Shared Documents/Attachments/InvestorCDP2014/CC7.EmissionsMethodology/Q7.4 British Land 2014 Emissions Factors.xlsx

8 Emissions Data - (1 Apr 2013 - 31 Mar 2014)

8.1 Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Operational control

8.2 Please provide your gross global Scope 1 emissions figures in metric tonnes CO_2e

7082

8.3 Please provide your gross global Scope 2 emissions figures in metric tonnes CO_2e

36264

8.4 Are there are 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

8.4.a Please provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure

Source	Relevance of Scope 1 emissions from this source	Relevance of Scope 2 emissions excluded from this source	Explain why the source is excluded

8.5 Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

Scope 1 emissions: Uncertainty range	Scope 1 emissions: Main sources of uncertainty	Scope 1 emissions: Please expand on the uncertainty in your data	Scope 2 emissions: Uncertainty range	Scope 2 emissions: Main sources of uncertainty	Scope 2 emissions: Please expand on the uncertainty in your data
Less than or equal to 2%	Metering/ Measurement Constraints	98% of our energy use is recorded via AMR (Automated Meter Readings). The remaining 2% is recorded via our online reporting platform via manual meter reads. This data has various checks completed on it and is 3rd Party assured however there is still a small chance of inaccuracy.	Less than or equal to 2%	Metering/ Measurement Constraints	98% of our energy use is recorded via AMR (Automated Meter Readings). The remaining 2% is recorded via our online reporting platform via manual meter reads. This data has various checks completed on it and is 3rd Party assured however there is still a small chance of inaccuracy.

8.6 Please indicate the verification/assurance status that applies to your reported Scope 1 emissions

Third party verification or assurance complete

8.6.a Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Limited assurance	https://www.cdp.net/sites/2014/97/2297/Investor CDP 2014/Shared Documents/Attachments/CC8.6a/bl_cr_full_data_report_2014___independent_assurance.pdf	All	ISAE3000	95

8.6.b Please provide further details of the regulatory regime to which you are complying that specifies the use of Continuous Emissions Monitoring Systems (CEMS)

Regulation	% of emissions covered by the system	Compliance period	Evidence of submission

8.7 Please indicate the verification/assurance status that applies to your reported Scope 2 emissions

Third party verification or assurance complete

8.7.a Please provide further details of the verification/assurance undertaken for your Scope 2 emissions, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of Scope 2 emissions verified (%)
Limited assurance	https://www.cdp.net/sites/2014/97/2297/Investor CDP 2014/Shared Documents/Attachments/CC8.7a/bl_cr_full_data_report_2014___independent_assurance.pdf	All	ISAE3000	95

8.8 Please identify if any data points other than emissions figures have been verified as part of the third party verification work undertaken

Additional data points verified	Comment
Year on year change in emissions (Scope 1 and 2)	For further information please see our Corporate Responsibility Full Data Report 2014 (www.British Land.com/crdata, which includes an 'A' symbol against assured data. Please also see our independent assurance statement: www.britishland.com/crassurance.
Year on year change in emissions (Scope 3)	For further information please see our Corporate Responsibility Full Data Report 2014 (www.British Land.com/crdata, which includes an 'A' symbol against assured data. Please also see our independent assurance statement: www.britishland.com/crassurance.

Additional data points verified	Comment
Year on year emissions intensity figure	For further information please see our Corporate Responsibility Full Data Report 2014 (www.British Land.com/crdata, which includes an 'A' symbol against assured data. Please also see our independent assurance statement: www.britishland.com/crassurance.
Progress against emission reduction target	For further information please see our Corporate Responsibility Full Data Report 2014 (www.British Land.com/crdata, which includes an 'A' symbol against assured data. Please also see our independent assurance statement: www.britishland.com/crassurance.
Other: Energy consumption assurance	For further information please see our Corporate Responsibility Full Data Report 2014 (www.British Land.com/crdata, which includes an 'A' symbol against assured data. Please also see our independent assurance statement: www.britishland.com/crassurance.

8.9 Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

8.9.a Please provide the emissions from biologically sequestered carbon relevant to your organization in metric tonnes CO_2

9 Scope 1 Emissions Breakdown - (1 Apr 2013 - 31 Mar 2014)

9.1 Do you have Scope 1 emissions sources in more than one country?

Yes

9.1.a Please break down your total gross global Scope 1 emissions by country/region

Country/Region	Scope 1 metric tonnes CO_2e
United Kingdom	7081
France	0
Italy	0
Portugal	0
Spain	1

9.2 Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By business division

9.2.a Please break down your total gross global Scope 1 emissions by business division

Business division	Scope 1 emissions (metric tonnes CO_2e)
Offices: shared services	4660
British Land: subsidiaries	81
Shopping centres: common parts	466
Retail parks: common parts	69
Residential: common parts	0.09

Business division	Scope 1 emissions (metric tonnes CO_2e)
Air conditioning in offices and shopping centres	1677
Fuel use: British Land owned vehicles	129

9.2.b Please break down your total gross global Scope 1 emissions by facility

Facility	Scope 1 emissions (metric tonnes CO_2e)	Latitude	Longitude

9.2.c Please break down your total gross global Scope 1 emissions by GHG type

GHG type	Scope 1 emissions (metric tonnes CO_2e)

9.2.d Please break down your total gross global Scope 1 emissions by activity

Activity	Scope 1 emissions (metric tonnes CO_2e)

9.2.e Please break down your total gross global Scope 1 emissions by legal structure

Legal structure	Scope 1 emissions (metric tonnes CO_2e)

10 Scope 2 Emissions Breakdown - (1 Apr 2013 - 31 Mar 2014)

10.1 Do you have Scope 2 emissions sources in more than one country?

Yes

10.1.a Please break down your total gross global Scope 2 emissions and energy consumption by country/region

Country/Region	Scope 2 metric tonnes CO_2e	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low carbon electricity, heat, steam or cooling accounted for CC8.3 (MWh)
United Kingdom	34922	80333	0
France	8	106	0
Italy	240	880	0
Portugal	137	535	0
Spain	957	4023	0

10.2 Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

By business division

10.2.a Please break down your total gross global Scope 2 emissions by business division

Business division	Scope 2 emissions (metric tonnes CO_2e)
Offices: common parts	10243
Offices: shared services	13831
British Land: Head Office occupied space	245

Business division	Scope 2 emissions (metric tonnes CO_2e)
British Land: subsidiaries	466
Shopping centres: common parts	8598
Retail parks: common parts	2693
Residential: common parts	188

10.2.b Please break down your total gross global Scope 2 emissions by facility

Facility	Scope 2 emissions (metric tonnes CO_2e)

10.2.c Please break down your total gross global Scope 2 emissions by activity

Activity	Scope 2 emissions (metric tonnes CO_2e)

10.2.d Please break down your total gross global Scope 2 emissions by legal structure

Legal structure	Scope 2 emissions (metric tonnes CO_2e)

11 Energy

11.1 What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

11.2 Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

Energy type	MWh
Fuel	25818
Electricity	85588
Heat	289
Steam	0
Cooling	0

11.3 Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Natural gas	25711
Diesel/Gas oil	107

11.4 Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the Scope 2 figure reported in CC8.3

Basis for applying a low carbon emission factor	MWh associated with low carbon electricity, heat, steam or cooling	Comment
No purchases or generation of low carbon electricity, heat, steam or cooling accounted with a low carbon emissions factor	0	

12 Emissions Performance

12.1 How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Decreased

12.1.a Please 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

Reason	Emissions value (percentage)	Direction of change	Comment
Emissions reduction activities	2	Decrease	This is the result of emissions reduction initiatives, including: - Working closely with our managing agents to manage energy use at our properties, implementing environmental action plans at all major assets. We have installed automatic meter reading (AMR) systems across most of our managed portfolio to enable our local teams to 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; Adjusting temperature set points to reduce heating and cooling demands. - Working with our occupiers to reduce energy use and cut carbon emissions, notably through Green Building Management Groups in our multi-let offices. We have also completed Energy Performance Certificate assessments across our portfolio.
Divestment			
Acquisitions			
Mergers			
Change in output			
Change in methodology			
Change in boundary			

Reason	Emissions value (percentage)	Direction of change	Comment
Change in physical operating conditions			
Unidentified			
Other			

12.2 Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO_2e per unit currency total revenue

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
59.41	metric tonnes CO_2e	unit total revenue	4	Decrease	The decrease in carbon intensity per revenue is due in part to emissions reduction activities and an increase in revenue. Emissions reduction initatives have included: - Working closely with our managing agents to manage energy use at our properties, implementing environmental action plans at all major assets. We have installed automatic meter reading (AMR) systems across most of our managed portfolio to enable our local teams to 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; Adjusting temperature set points to reduce heating and cooling demands. - Working with our occupiers to reduce energy use and cut carbon emissions, notably through Green Building Management Groups in our multi-let offices. We have also completed Energy Performance Certificate assessments across our portfolio.

12.3 Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO_2e per full time equivalent (FTE) employee

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
66.31	metric tonnes CO_2e	FTE employee	6	Decrease	The decrease in carbon intensity per FTE is due to emissions reduction activities and an increase in FTE count. Emissions reduction initatives have included: - Working closely with our managing agents to manage energy use at our properties, implementing environmental action plans at all major assets. We have installed automatic meter reading (AMR) systems across most of our managed portfolio to enable our local teams to 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; Adjusting temperature set points to reduce heating and cooling demands. - Working with our occupiers to reduce energy use and cut carbon emissions, notably through Green Building Management Groups in our multi-let offices. We have also completed Energy Performance Certificate assessments across our portfolio.

12.4 Please provide an additional intensity (normalized) metric that is appropriate to your business operations

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
0.06	metric tonnes CO_2e	square meter	7	Increase	We have reported the carbon intensity of our whole portfolio. There has been an increase in carbon intensity because - despite the fact that we have reduce the overall quantity of Scope 1 and 2 carbon emissions - the number of square meters of floor area in our portfolio (for which we have reliable and robust data) for has decreased.

13 Emissions Trading

13.1 Do you participate in any emissions trading schemes?

No, and we do not currently anticipate doing so in the next 2 years

13.1.a Please complete the following table for each of the emission trading schemes in which you participate

Scheme name	Period for which data is supplied	Allowances allocated	Allowances purchased	Verified emissions in metric tonnes CO_2e	Details of ownership

13.1.b What is your strategy for complying with the schemes in which you participate or anticipate participating?

13.2 Has your organization originated any project-based carbon credits or purchased any within the reporting period?

Yes

13.2.a Please provide details on the project-based carbon credits originated or purchased by your organization in the reporting period

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO_2e)	Number of credits (metric tonnes CO_2e): Risk adjusted volume	Credits cancelled	Purpose, e.g. compliance
Credit Purchase	Hydro	Carbon Clear Erkenek run-of-river hydropower project, Adiyaman Province, Turkey	VCS (Voluntary Carbon Standard)	332	332	No	Voluntary Offsetting

14 Scope 3 Emissions

14.1 Please account for your organization's Scope 3 emissions, disclosing and explaining any exclusions

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO_2e	Emissions calculation methodology	Percentage of emissions calculated using primary data	Explanation
Purchased goods and services	Relevant, calculated	54237	Procurement emissions calculated by mapping spend to input-output carbon intensities to produce out-turn consumption based emissions. Mapped to 123 Standard Industrial Classification sectors which are then input to Arup's Beacon tool. The carbon intensity data in Beacon is supplied under exclusive license by the Centre for Sustainability Accounting LTD.	0%	Figures remain as per previous year, except we have restated a typo made last year [from 54,327 to 54,237]. 2011/12 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 CR Full Data Report Figures 7 and 8. For further information refer to the CR Reporting Criteria on pages 195 – 204 of our CR Full Data Report 2014.
Capital goods	Relevant, calculated	258612	Embodied carbon study by Davis Langdon of carbon associated with materials and systems for construction and potential wastage, on-site energy usage and transportation factors. Their Carbon Ready Reckoner was used. Additional supply chain emissions calculated as procurement emissions calculated by mapping spend to input-output carbon intensities to produce out-turn consumption based emissions. Mapped to 123 Standard Industrial Classification sectors which are then input to Arup's Beacon tool. The carbon intensity data in Beacon is supplied under exclusive license by the Centre for Sustainability Accounting LTD.	0%	Emissions associated with capital assets, namely construction of new developments in 2013/14 and embodied carbon in existing buildings purchased by British Land in 2011/12 [this figures have not been updated. Calculated and reported in CR Full Data Report 2014 Figures 7 and 8. For further information refer to the CR Reporting Criteria on pages 195 – 204 of our CR Full Data Report 2014.

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO_2e	Emissions calculation methodology	Percentage of emissions calculated using primary data	Explanation
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Relevant, calculated	5893	GHG emissions for energy and fuel are based on energy data presented earlier. This is primary data reported by Managing Agents into our central database Credit 360. Energy is converted to CO_2e. emission factors sourced from Defra/DECC's Guidelines, with the exception of Portugal gas that is from IEA Statistics.	100%	Upstream (scope 3) emissions of scope 1 & 2 energy and fuel related emissions reported by British Land in CR Full Data Report Figures 7 and 8. For further information refer to the CR Reporting Criteria on pages 195 – 204 of our CR Full Data Report 2014.
Upstream transportation and distribution	Relevant, calculated	0	Supply chain emissions calculated as procurement emissions calculated by mapping spend to input-output carbon intensities to produce out-turn consumption based emissions. Mapped to 123 Standard Industrial Classification sectors which are then input to Arup's Beacon tool. The carbon intensity data in Beacon is supplied under exclusive license by the Centre for Sustainability Accounting LTD.	0%	Currently included in 'Purchased goods and services' and 'Capital goods'.
Waste generated in operations	Relevant, calculated	0	Supply chain emissions calculated as procurement emissions calculated by mapping spend to input-output carbon intensities to produce out-turn consumption based emissions. Mapped to 123 Standard Industrial Classification sectors which are then input to Arup's Beacon tool. The carbon intensity data in Beacon is supplied under exclusive license by the Centre for Sustainability Accounting LTD.	0%	Currently included in 'Purchased goods and services' and 'Capital goods'.
Business travel	Relevant, calculated	298	Fuel use data for owned or leased vehicles is submitted by Agents into the data management system Credit 360. Staff business travel emissions are calculated by converting expenditure to number of kilometres travelled and DEFRA/DECC carbon emission factors are	100%	2013/14 staff business travel of British Land staff. Reported by British Land in CR Full Data Report Figures 7 and 8.For further information refer to the CR Reporting Criteria on pages 195 – 204 of our CR Full Data Report 2014.

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO_2e	Emissions calculation methodology	Percentage of emissions calculated using primary data	Explanation
			applied. Expenditure from Barclaycard staff credit cards.		
Employee commuting	Relevant, calculated	76	Calculated from Full Time Equivalent data and Head Office travel survey data. Staff based at Meadowhall Shopping Centre calculated from FTE data and National Travel Survey (commuting) data.	0%	2011/12 staff commuting emissions of British Land staff. Reported by British Land in CR Full Data Report Figures 7 and 8 and reported in CR Full Data Report 2012 and 2013. For further information refer to the CR Reporting Criteria on pages 195 – 204 of our CR Full Data Report 2014.
Upstream leased assets	Not relevant, explanation provided	0		0%	British Land does not lease buildings and so this category is not applicable.
Downstream transportation and distribution	Not relevant, explanation provided	0		0%	British Land does not manufacture products which are transported to an end consumer and so this category is not applicable.
Processing of sold products	Not relevant, explanation provided	0		0%	British Land does not manufacture intermediate products and so this category is not applicable.
Use of sold products	Not relevant, explanation provided	0		0%	This category is aimed at product manufacturers where products are used by the consumer which produce further emissions.
End of life treatment of sold products	Not relevant, explanation provided	0		0%	This category is typically focussed at product manufacturers, where emissions are associated with the disposal, recycling of sold products which are typically within 5-10 years of manufacture. For British Land this relates to demolition of buildings, For existing assets this is not currently calculated as the demolition phase is 40+ years after the construction.
Downstream leased assets	Relevant, calculated	748150	Calculated based on energy use purchased directly by occupiers that was estimated using	100%	2011/12 downstream (scope 3) emissions of occupier/third party controlled energy/refrigerant

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO_2e	Emissions calculation methodology	Percentage of emissions calculated using primary data	Explanation
			floor area and space use data, where available, annual energy usage data kWh/m2 from 2012 CIBSE Guide F, and annual energy usage data kWh/m2 from retail occupiers' websites.		emissions. Reported by British Land in CR Full Data Report Figures 7 and 8 and reported in CR Full Data Report 2012 and 2013. For further information refer to the CR Reporting Criteria on pages 195 – 204 of our CR Full Data Report 2014.
Franchises	Not relevant, explanation provided	0		0%	British Land does not operate any franchises and so this category is not applicable.
Investments	Relevant, calculated	10859	Procurement emissions calculated by mapping spend to input-output carbon intensities to produce out-turn consumption based emissions. Mapped to 123 Standard Industrial Classification sectors which are then input to Arup's Beacon tool. The carbon intensity data in Beacon is supplied under exclusive license by the Centre for Sustainability Accounting LTD.	0%	2011/12 emissions associated with the interest charges paid to finance companies, and so the emissions associated with this category are the corporate emissions of companies in this sector, i.e. energy use, travel, materials, equipment, rent, marketing. Reported by British Land in CR Full Data Report Figures 7 and 8 and reported in CR Full Data Report 2012 and 2013. For further information refer to the CR Reporting Criteria on pages 195 – 204 of our CR Full Data Report 2014.
Other (upstream)	Not evaluated	0		0%	
Other (downstream)	Relevant, calculated	4970786	Visitor travel emissions calculated based on visitor numbers, average distance and carbon intensity of journey that were estimated using site data where available. TRICS (national standard database for trip generation) data on visitor trips/day/m2 and Modal National Travel Survey (NTS(travel data 2011 and distance data for commuting and shopping.	0%	It is analogous to Category 13 [downstream leased assets] for British Land. We have chosen to include emissions estimated for 2012/13 'Visitor travel to our properties' here as it is the emission source most relevant to this category. Please see our Reporting Criteria on pages 179 – 181 of our CR Full Data Report 2013 for further information. First year reported in CDP; calculated and reported in CR Full Data Report 2013. Please see our Reporting Criteria on pages 179 – 181 of our CR Full Data Report 2013 for further information.

14.2 Please indicate the verification/assurance status that applies to your reported Scope 3 emissions

Third party verification or assurance complete

14.2.a Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of Scope 3 emissions verified (%)
Limited assurance	https://www.cdp.net/sites/2014/97/2297/Investor CDP 2014/Shared Documents/Attachments/CC14.2a/bl_cr_full_data_report_2014___independent_assurance.pdf	All	ISAE3000	3

14.3 Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?

Yes

14.3.a Please identify the reasons for any change in your Scope 3 emissions and for each of them specify how your emissions compare to the previous year

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Fuel- and energy-related activities (not included in Scopes 1 or 2)	Emissions reduction activities	10	Decrease	This is the result of emissions reduction initiatives, including: - Working closely with our managing agents to manage energy use at our properties, implementing environmental action plans at all major assets. We have installed automatic meter reading (AMR) systems across most of our managed portfolio to enable our local teams to 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

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
				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; Adjusting temperature set points to reduce heating and cooling demands. - Working with our occupiers to reduce energy use and cut carbon emissions, notably through Green Building Management Groups in our multi-let offices. - We have also completed Energy Performance Certificate assessments across our portfolio.
Business travel	Change in output	18	Increase	
Capital goods	Change in output	0.2	Decrease	

14.4 Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)

Yes, our suppliers
Yes, our customers
Yes, other partners in the value chain

14.4.a Please give details of methods of engagement, your strategy for prioritizing engagements and measures of success

i) Methods of engagement:
- On developments (suppliers): 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.
- Managed portfolio (customers and suppliers): We have supported office occupiers own energy reduction initiatives through Green Building Management Groups in each office building. In regular meetings, we report occupier and building management performance and share best practice. We're also funding ongoing energy monitoring services for around 20 office occupiers, providing half-hourly data, to give visibility on out-of-hours lighting use and small power demand in occupiers' demises. In 2013 we were scored 8.2 out of 10 by office occupiers for interaction on environmental issues, ahead of the industry average of 3.8. These

initiatives also future proof our portfolio, particularly given increasingly stringent regulatory requirements, such as the Energy Act. We have installed automatic meter reading at 98% of our retail properties, in addition to 91% of our office portfolio, to cut energy costs and carbon emissions.
- Other partners in the value chain: In April 2014, we co-sponsored the UK Green Building Council's first Embodied Carbon Week, to further raise awareness of the importance of embodied carbon, hear from experts, encourage collaboration on different measurement approaches and identify best practice opportunities. Our Sustainable Developments Executive, Sarah Cary, chaired the UK GBC's Zero Carbon Buildings Task Force and is on Sustainability Committees with both the British Council of Offices and British Property Federation. Our Head of the Business Group, Justin Snoxall, is participating in the UK GBC group on healthy buildings and the Better Buildings Partnership group to establish a landlord energy rating scheme in the UK.
ii) Prioritisation:
- On developments: We prioritise suppliers (contractors) at all developments above a construction value of £300,000.
- Managed portfolio: We prioritise customers and tier 1 suppliers (managing agents) according to asset impact, namely those assets with energy consumption over £25,000 per year.
ii) Measures of success:
- On developments: At 5 Broadgate, the design is on track to reduce the construction carbon footprint by 4% (3,200 tonnes CO_2e) compared to the concept baseline, after a specific structural frame solution was chosen and the amount of steel used in the façade was cut. Furthermore, emissions related to operational energy use avoided on our current office and retail developments through design that exceeds Building Regulations are estimated at 4,135t CO_2/year (or 69,400t CO_2 across a 20 year operational life and 208,300t across a 60 year development life).

- Managed portfolio: In the past five years we have reduced landlord influenced emissions (common parts and shared services) across our like for like portfolio 36% against a 2009 baseline, which has resulted in the avoidance of 37,097 tCO_2e of GHG emissions.

14.4.b To give a sense of scale of this engagement, please give the number of suppliers with whom you are engaging and the proportion of your total spend that they represent

Number of suppliers	% of total spend	Comment

14.4.c If you have data on your suppliers' GHG emissions and climate change strategies, please explain how you make use of that data

How you make use of the data	Please give details
Identifying GHG sources to prioritize for reduction actions	i and ii) 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 rely on suppliers providing carbon emission data, for example for the following activities in construction: production of raw materials, transport of materials to site, construction activities, and operational energy consumption. Such data has been and is being used to inform our embodied carbon studies and the design process with the ultimate aim of reducing embodied carbon.

14.4.d Please explain why you do not engage with any elements of your value chain on GHG emissions and climate change strategies, and any plans you have to develop an engagement strategy in the future

Module: Sign Off

15 Sign Off

15.1 Please provide the following information for the person that has signed off (approved) your CDP climate change response

Name	Job title	Corresponding job category
Justin Snoxall	Head of the Business Group	Business unit manager