

2018 Materiality Review

We regularly review the social, environmental and ethical issues that are most material to our business, using trend analysis, stakeholder engagement and expert input.

Our 2018 review resulted in new 2020 sustainability targets for air quality, living wages, renewable electricity and people supported into employment, as well as informing the launch of our new Supplier Code of Conduct and updates to our Local Charter.

The graphic below shows which issues matter most to British Land and our stakeholders, and links them to the relevant sustainability strategy focus areas.



Stakeholder view on the impact on British Land's business

Note: This matrix only includes sustainability issues, so topics such as security are not included.

Legend

-  Wellbeing
-  Community
-  Futureproofing
-  Skills and opportunity

Material issues

Topic	Definition
Air quality	Through the intensification of urban living, air quality may become a deciding factor in where companies want to be located. This topic covers the attractiveness of British Land's assets due to air quality concerns.
Biodiversity	Diversity among and within plant and animal species across British Land's portfolio of commercial buildings.
Climate change adaptation	The ability of British Land and occupiers to react to climate change and associated issues, including flooding, changing weather patterns and climate change legislation.
Community networks	The degree to which social connections exist within a business and residential community in and around British Land properties (in spite of any socio-economic divides that exist within the community). Includes considerations around British Land's relationships with local authorities and community groups, and the degree to which British Land and its occupiers integrate into community networks.
Diversity and equality	The variety of people in British Land's operations and supply chain, and the level of equality amongst them. Includes considerations about fair working practices (e.g. flexible working, religious holidays) for British Land employees, contractors, occupiers and supply chain partners.
Energy efficiency and emissions	The efficiency of energy use within British Land's buildings (including by customers), smart metering and renewable energy used and financed by the Company. Includes considerations around sustainable building design and the installation of low and zero carbon technologies.
Energy regulation	This topic covers the risk that property assets will no longer be operational due to new legislative requirements. Specifically, new minimum energy efficiency requirements that came into force for both domestic and commercial buildings in England and Wales as of 1 April 2018. After this date, property owners are not able to sign leases or renewals for commercial buildings that do not have at least an EPC rating of E (with limited exceptions).
Environmental stewardship	This topic includes remediation of land to make it suitable for new uses and considerations around environmental pollution and compliance with environmental legislation.
Fair wages	Whether British Land employees, supply chain partners, contractors and occupier employees are being paid a fair wage, e.g. Living Wage Foundation rates.
Health and safety	Health and safety on British Land's construction sites and managed properties. The topic includes concerns about the health and safety of British Land employees, customers, occupiers and contractors.
Housing affordability	Access to housing for British Land communities, customers, employees, supply chain and occupiers.
Human rights	British Land's actual or potential exposure to human rights abuses within its direct operations and amongst its supply chain and broader value chain partners.
Local economies	The impact of British Land on local economies. Includes considerations around local sourcing and the direct and indirect economic impact of British Land's properties, such as job creation and tax.

Topic	Definition
Materials and waste	Effort to reduce materials usage and waste. Covers the resource intensity of materials used and sustainable procurement of materials. Includes waste generated during the construction phase of British Land's projects and through the operations of commercial occupiers. Includes considerations around embodied carbon.
Shared spaces	Known within the property sector as 'public realm', shared space refers to the accessibility and quality of the spaces within and between British Land's buildings.
Skills and employment	British Land's exposure to skills gaps in its workforce, that of its supply chain and customers. The support that British Land provides towards apprenticeships and the employment of the people working for the Company's contractors. The topic includes considerations on employee progression, long-term unemployment, globalisation and jobs lost to technology.
Social inclusion	The recognition and involvement of the social groups that make up the communities in which British Land operates, both in the communities and on British Land's sites. Includes considerations around social mobility, equal opportunities and community investment.
Water consumption	The efficiency of water usage within British Land's buildings (including by customers), and the recycling of blue, grey and brown water within British Land's buildings.
Wellbeing	The physical and mental wellbeing and healthy living of people at British Land's places. This includes the wellbeing of British Land's employees, contractors, commercial occupiers, their staff, and visitors to British Land's commercial locations (e.g. shoppers visiting retail centres).

Stakeholder engagement

We regularly engage with our key stakeholders.

Here, we are pleased to outline stakeholder engagement facilitated by a third-party in 2018 to explore and score the social, environmental and ethical issues that are most material for our business.

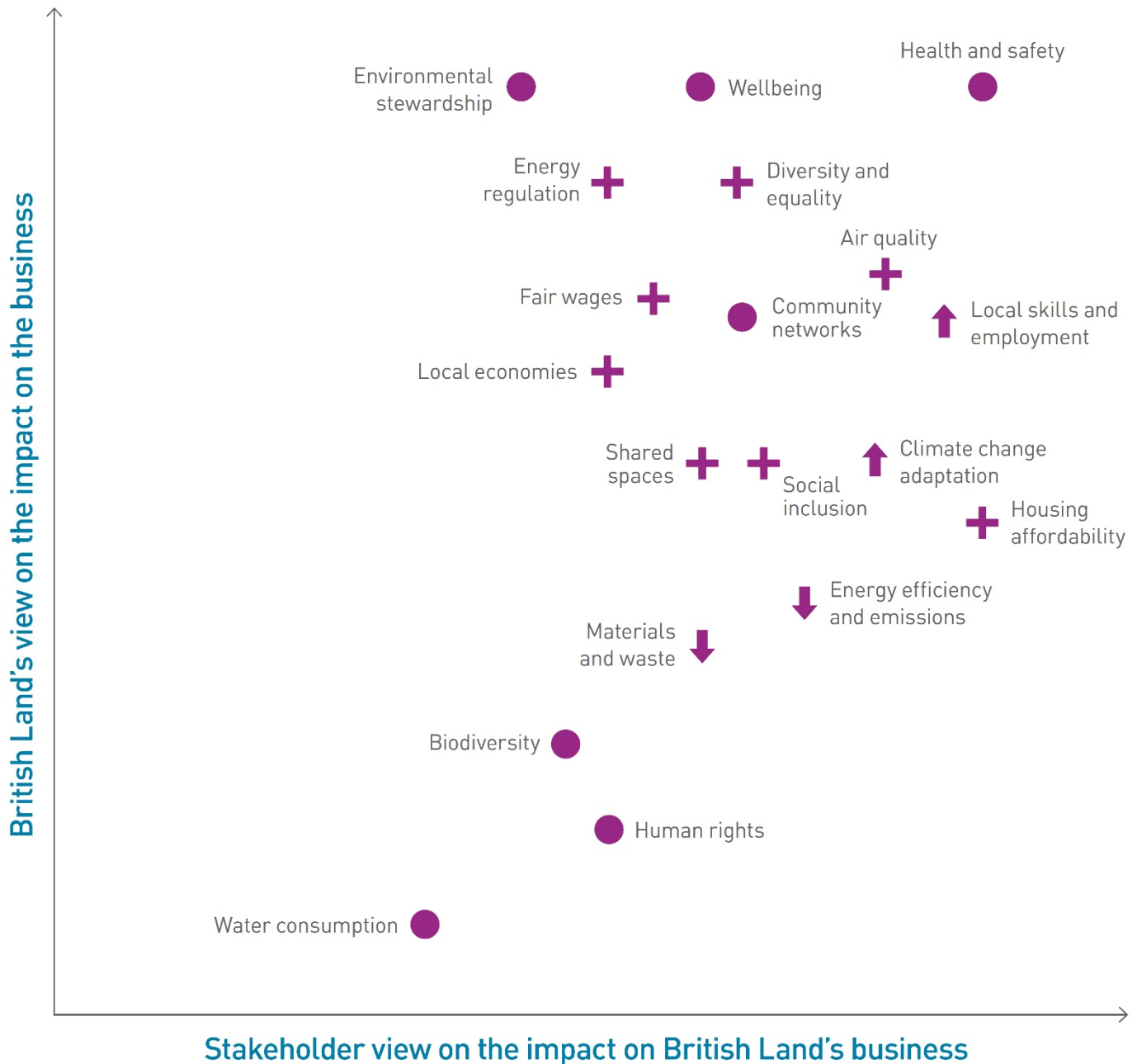
Stakeholders engaged through workshops and interviews included community partners, investors, JV partners, local authorities, NGOs, suppliers and representatives from British Land and Broadgate Estates.

The table below details scoring criteria.

Score	Impact on British Land	Stakeholder interest
0	Issue has no impact on the business performance of the Company and is not currently a management priority .	No likelihood that the issue will impact the business in the short term, and is of no interest to any stakeholders.
1	Issue is on the ' watch list ' of management priorities but is unlikely to have any impact on business performance in the short term.	Low likelihood that the issue will have some impact on the business in the next five years, and is a topic that you as a stakeholder may infrequently ask to discuss with British Land.
2	Issue is on the ' watch list ' of management priorities and is likely to have a low impact on business performance in the short term.	Reasonable likelihood that issue will have some impact on the business in the next five years. As a stakeholder, you may occasionally ask to discuss the topic with British Land.
3	Issue is a management priority for some areas of the business and is likely to have some impact on business performance in the short term.	High likelihood that the issue will have some impact on the business in the next five years. As a stakeholder, the issue is of some interest to you and you may regularly ask to discuss the topic with British Land.
4	Issue is a management priority for some areas of the business and is of critical significance to business performance in one or more business areas .	Reasonable likelihood that the issue will have a significant impact upon the business in the next five years. As a stakeholder, the issue is of significant interest to you.
5	Issue is a top management priority and is of critical significance to business performance.	High likelihood that the issue will have a significant impact upon the business. As a stakeholder, the issue is of significant interest to you, and you understand that the topic is also of significant interest to all other key stakeholders .

Changes to material issues

The graphic below summarises changes to our most material issues since we launched our 2015 sustainability strategy, informed by trend analysis, stakeholder engagement and expert input.



Notes

- 'Environmental stewardship' was previously called 'Care for places'.
- 'Community networks' was previously called 'Local community regeneration'.
- 'Materials' and 'waste' have been combined into a single topic.
- Topics no longer included are: customer service, compliance and supplier engagement.

Download our [2014 Stakeholder Engagement Report](#).

Legend

- + New topic, not included on previous materiality matrices
- ↑ Increase in significance since strategy launch in 2015
- ↓ Decrease in significance since strategy launch in 2015
- No significant change since strategy launch in 2015

We welcome your feedback

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About British Land

We are a leading UK commercial property company focused on high quality retail and London offices. Our strategy is to provide places which meet the needs of our customers and respond to changing lifestyles – Places People Prefer.



The Queen's Award for Enterprise

British Land was awarded the UK's highest accolade for business success, for economic, social and environmental achievements over five years.