



CARBON DISCLOSURE PROJECT

CDP 2013 INVESTOR – CDP 2013 INFORMATION REQUEST

THE BRITISH LAND COMPANY PLC

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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 focus on prime retail and office properties, mainly in the UK, which attract high-quality occupiers committed to long leases. We own properties directly, as well as through investment funds and joint ventures.

As at 31 March 2013, British Land's total properties owned or under management were valued at £16.4 billion, of which its share was £10.5 billion. 60% of the portfolio is invested in retail and 35% in offices. Over 98% of the assets are located in the UK with the balance in Continental Europe, principally Spain, Portugal, France and Italy.

Managing our environmental, economic and social impacts is central to the way we do business and to delivering value for our shareholders. This year, more than ever, we've focused on achieving results on the sustainability issues that matter most to us and our key stakeholders. Our business is built on meeting the requirements of our customers, and this is reflected in our approach to corporate responsibility.

We're delighted to report a 38% reduction in landlord-influenced energy consumption across our like-for-like portfolio compared with 2008/09. This equates to a 39,646 tonne reduction in our carbon emissions and £5.2 million saving for our occupiers, over the last four years. We've also continued to secure consistently high sustainability ratings across our development programme.

In recent times, we have seen increasing public concern about how businesses operate. The reputation of business is being challenged in a way that it hasn't been for many years, which has implications for us and our supply chain. The way we behave and how we work with our stakeholders is more important than ever. As one of Europe's largest Real Estate Investment Trusts, our size and substance demand a responsible approach to business. We believe that developing sustainable buildings, managing them efficiently, helping communities address local priorities and engaging staff helps drive our financial performance. It is also of increasing importance to occupiers and central to our aim of creating environments in which businesses and local communities can thrive.

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 four corporate responsibility focus areas for 2014 are:

01. Managing buildings efficiently
02. Developing sustainable buildings
03. Supporting communities
04. Engaging staff

Our six corporate strategic priorities for 2014 are:

01. Creating sustainable and growing property rental income
02. Investing in assets which protect and grow the capital value over the medium to long term
03. Creating incremental value through developing, repositioning assets and exploiting market anomalies
04. Controlling our costs to maximise profit generation
05. Exploiting our scale and financial strength
06. Attracting and retaining the right people

Corporate responsibility supports our strategic priorities. We believe that sustainable, energy efficient buildings add value, creating sustainable and growing property rental income. They are also less at risk of obsolescence, thus protecting and growing capital value over the medium to long term. In addition, our Community Charter work feeds in to our planning proposals, so they are more likely to be in tune with local

needs, helping us create incremental value through developing and repositioning our assets. For each of our corporate responsibility focus areas, we target our efforts and resources at the properties, developments and initiatives where we can achieve the biggest impacts.

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
Sun 01 Apr 2012 - Sun 31 Mar 2013

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 (£)

MANAGEMENT

1. GOVERNANCE

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

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

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

- The Corporate Responsibility (CR) Committee is chaired by Adrian Penfold, Head of Planning and Corporate Responsibility. Other members are senior executives who have responsibility for delivering each of our CR focus areas, being managing buildings efficiently, supporting communities, developing sustainable buildings and engaging staff. 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.
- Progress against company's CR strategy is reviewed at the monthly CR Committee meetings. The Chairman of the Committee reports to the Chief Executive on progress at least monthly. 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.
- 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 William Day, Patrick Bellew, Frances Done and Kay Allen (including a climate change expert and community expert). The CR Panel meets twice yearly. The Panel does not make decisions, but challenges the CR strategy and provides expert advice.
- The Charity and Community Funding 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.

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

Yes

1.2a Please complete the table

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator
Other: 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.
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

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

2.1a Please provide further details

i) Scope of process

Our risk process classifies risks as external or internal, based on the extent of our control. External environment factors are those we cannot control and must set strategy to exploit or respond to, and internal risks areas, factors which we can control. Our review of corporate responsibility risks considers those related to our focus areas. This includes risks related to climate change and carbon issues, such as:

- Physical
- Reputational
- Regulatory
- Environmental
- Occupier demands and default
- Catastrophic business event
- Financial impact
- Resource security

ii) COMPANY risks/opportunities assessment, including criteria for determining materiality/priorities Physical / reputational / regulatory / environmental / occupier demands / resource security:

At British Land, we take the view that our assessment of risk is a cornerstone of our strategy and our embedded risk management is fundamental to its delivery. Our integrated approach combines a top-down strategic view with a complementary bottom-up operational process. The top-down approach involves a review of the external environment in which we operate to determine the level of risk which we are comfortable exposing the business to in pursuit of our performance objectives – this is our risk appetite. This evaluation frames the determination of our strategy and the actions which underpin its execution. Key risk indicators (KRIs) have been identified for each of our principal risks and uncertainties and are used to monitor our risk exposure on an on-going basis to ensure that the activities of the business remain within agreed risk appetite tolerances. The bottom-up approach involves identification, management and monitoring of risks in each area of our business meaning that risk management is embedded in our everyday operations. Control of this process is provided through maintenance of risk registers in each area. These risk registers are aggregated and reviewed by the Risk Committee, with significant and emerging risks escalated for Board consideration as appropriate.

Corporate responsibility risks, including those related to climate change and carbon are reviewed by the Corporate Responsibility Committee and input into our company risk assessment and management processes. 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's sustainability results are documented in our Annual Report and Accounts 2013.

This year we also 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. During this programme, we engaged with external stakeholders (customers, suppliers and contractors), internal stakeholders (staff) and independent experts, to identify where to focus our efforts. Climate change was a pre-determined focus of a number of these events.

iii) ASSET risks/opportunities assessment, including criteria for determining materiality/priorities

- **Physical risks:** Our insurers use Environment Agency data and their own database to identify potential properties at risk of flooding and identify those at significant risk. For at risk properties, recommended measures to reduce these risks are identified and reviewed by us. This assessment was supplemented in the 2011/12 reporting year as a consultancy was commissioned to further review our UK portfolio's flood risks, obtaining a more accurate understanding of risks. Data from the Environment Agency and our insurance provider was supplemented by a portfolio wide flood risk screening process tailored to the number of sites and information available. Through this process our properties were grouped by level of flood risk to enable a more comprehensive review of flood risk for the assets to be carried out prioritising

the assets considered to be at greatest risk. The prioritisation of the assets was in advance of a more comprehensive review of available flood risk information for assets being considered to be at high or moderate risk. Ten assets were deemed to be in the highest risk category. The majority of these were held on FRI leases by JV partners and the results were shared with those occupiers for their consideration. The remaining asset status remains under review as it is identified for potential future development; the flood risk information will form part of future considerations. We also have a policy to undertake flood risk assessments for all new assets, except when we believe there is no flood risk.

- **Resource security / regulatory / reputational / environmental risk:** At the asset level, in 2012/13 we continued to analyse the likely costs per asset to get Energy Performance Certificate (EPC) ratings above an E, F or G for our entire portfolio. We also perform legal compliance reviews and use asset action plans.
- **Acquisition risks:** Sustainability Brief for Acquisitions requires identification of EPC ratings; this is investment critical information. During due diligence phase required to investigate energy supply and EPC recommendations further.
- **Development risks:** ISO14001 certified EMS and Sustainability Brief for Developments requires review and delivery of sustainability objectives and targets to manage potential impacts and benefits of a project.
- **Regulatory risks:** During the 2011/12 reporting year, we commissioned a desk top study to outline legal and other environmental requirements across UK undertakings. The study looked particularly at those environmental requirements, which could, if not appropriately monitored and managed put us at risk [financial, legal and reputational]. We agreed the properties at potential risk considering the results of desk top study. The aim of audit was to confirm the level of risk and any confirm / clarify any potential breach of the applicable environmental legislation. The audits consisted of a survey of the common areas. A separate report was produced and delivered to the respective managing agents for appropriate action. During this year we have worked with our suppliers to consider and implement the recommendations.

iv) Frequency of monitoring

Company risks

- Register of Principal Risks and Uncertainties updated at least twice annually.

Asset risks

- Flood risks reviewed as assets enter our portfolio and during ad hoc assessments of standing investments (either individual or portfolio-wide).
- Asset compliance risks annually; more detailed study is a one-off commission. Assets susceptible to climate change reviewed again in 2015.
- EPCs are updated every ten years with asset plans assessed annually.
- Legal and other requirements: conducted in 2011/12 and requirement to update will be reviewed on ongoing basis.
- Project teams report performance metrics monthly.
- Acquisition and development risks monitored as enter project pipeline

v) To whom the results are reported

Company risks

- The risk registers are aggregated and reviewed by the Risk Committee, with significant and emerging risks escalated for Board consideration as appropriate.¹ Risk registers are maintained on an on-going basis with a review of the registers undertaken prior to each quarterly Risk Committee meeting.

Asset risks

- Flood risk results are reported to the Board via the Audit Committee
- Legal and other requirements results were reported quarterly to the PLC director responsible and annually to the Board in summary form. As and when this review is updated the reporting will be revisited.
- EPC report results, specifically reporting F and G assets, are reported to the Board via the Audit Committee
- Portfolio performance results are reported annually to the Board. Results are also reported to internal and external stakeholders via Annual Report & Accounts and Corporate Responsibility Report.
- Asset results reported to Asset Managers and managing agents in asset management planning meetings.
- Acquisition and development results reported to Project Teams in project management meetings.

2.2 Is climate change integrated into your business strategy?

Yes

2.2a Please describe the process and outcomes

(i) How the business strategy has been influenced

Our principal risks around operational, legal and other risks are directly or indirectly affected by climate change mitigation or adaptation matters. Our strategies to manage the risk of reduced occupier demand, planning risks at our developments and failure to execute appropriate property investment and development strategies materialise in our climate change management strategy, particularly through the establishment of internal processes related to due diligence, development management and asset management. These are documented and in our Sustainability Briefs for Acquisitions, Developments and Management.

Our Corporate Responsibility Committee develops and manages our strategy. It acts as a catalyst for change, exploring new concepts and trends, testing them and, where appropriate, helping to embed them in business as usual. Progress against company's CR strategy is reviewed at the monthly CR Committee meetings. The Chairman of the Committee reports to the Chief Executive on progress at least monthly. 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) What climate change aspects have influenced the strategy

- Assessment of physical climate change risks and opportunities including recent 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.
- Assessment of regulatory risks and opportunities including EPCs and the requirements of the Energy Act 2011 have informed our EPC policy, acquisition policy and asset improvement plans.
- Reputational risks and opportunities, including occupier requirements, have also informed our acquisition policy and portfolio asset plans.
- Regulatory compliance and climate change mitigation have been the focus for our managed assets and development projects; development projects also consider adaptation through innovative design. In terms of climate change topics we have focussed on energy reduction, primarily due to stakeholder demand, and flooding due to increased exposure risks.

All of the above have been considered in the formulation of our targets including our target to achieve 40% less landlord-influence energy use across our existing portfolio by 2015, compared to 2009.

(iii) The most important components of the short term strategy that have been influenced by climate change

Short-term refers to one year.

- **Asset energy performance:** We have a confirmed minimum energy performance standard not to 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 will consider the actions required to improve an EPC rating above F. In 2011/12, we undertook EPCs across entire office portfolio and confirmed no exposure to Energy Act minimum requirement of E, and this remained the case through 2012/13. We are currently undertaking a complete EPC review in our retail portfolio to understand our exposure to E, F and G rated assets. At the asset level, in 2012/13 we undertook an analysis to understand the likely costs per asset to get Energy Performance Certificate (EPC) ratings above an F or G. We continued to target landlord energy use reductions; remain certified to the Carbon Trust Standard; have voluntarily rolled out landlord energy ratings in 30 buildings, sharing our data with others; worked with occupiers to support their efforts to reduce resource use; implemented initiatives including energy optimisation process, lighting upgrades and, where appropriate, accelerated plant replacement.
- **Asset flood risk management:** Flood risk study commissioned to better understand risks and mitigation required and completed in 2013.
- **Understanding carbon impacts:** In 2012/13, we commissioned a study by Arup, in light of new GHG Scope 3 guidance from WRI, to check we are focusing on the right issues and identify potential gaps in carbon reduction strategy. In 2013, this ongoing commission identified two additional carbon emission sources and added these to our footprint; visitor travel to our properties and energy purchased directly by our occupiers.
- **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). 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, which will finish in September 2013. The next phase is to determine an approach to launch to market. We completed a round of

stakeholder engagement surveys and workshops aimed at elucidating key ethical, environmental and social risks and opportunities facing our business. During this programme, we engaged with external stakeholders (customers, suppliers, contractors), internal stakeholders (staff) and independent experts, to identify where to focus our efforts. Climate change was a pre-determined focus of these discussions.

(iv) The most important components of the long term strategy that have been influenced by climate change:

Long-term refers to beyond one year.

- **Asset energy performance:** We have a confirmed minimum energy performance standard not to 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 will consider the actions required to improve an EPC rating above F. We have set a target of reducing our Scope 1 and 2 emissions intensity per m² by 40% by 2015 (compared to a 2009 baseline).
- **Asset flood risk management:** Flood risk study commissioned to better understand risks and mitigation required and completed in 2013. Moving forward the results are being reviewed; at one site for example, where there are future development plans, the occupier is considering flood protection measures. One asset under British Land control will be reviewed during potential development discussions. Where there are assets where there is a future susceptibility to climate change, we will review these assets in 2015.
- **Developments:** on-going consideration of adaptation in the design of our developments; building in flexibility and future-proofing. Ongoing 2015 target to get planning permission for a showcase sustainable building and 2013 management actions to review procurement on current developments to drive responsible procurement on future developments, focusing in part on embodied carbon.
- **Stakeholder engagement:** We supported the British Property Federation in drafting a letter to Government on the importance of regulatory certainty. We signed a letter from the UKGBC to Government, which demanded a strengthening of the Part L Regulations. We participated in a UKGBC webinar in early 2013 that examined sustainability within the planning system. We continued to share our expertise with the Government, industry bodies and other stakeholders. We completed stakeholder engagement workshops aimed at elucidating key environmental and social risks and opportunities. We engaged with external stakeholders (customers, suppliers, and contractors), internal stakeholders (staff) and independent experts, to identify where to focus our efforts. Climate change was a pre-determined focus of these discussions.

(v) How this is gaining strategic advance over competitors:

We are increasingly able to demonstrate the impact of our energy reduction initiatives to occupiers, such as a 38% reduction in landlord-influenced energy across our like-for-like portfolio over the last four 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, up from 7.8 in 2011.

(vi) What are the most substantial business decisions made during the reporting year that have been influenced by the climate change driven aspects of the strategy:

Our decisions to: review our retail portfolio by conducting EPC assessments; continued roll out of advanced energy monitoring & management systems across our larger office and shopping centre portfolios; continued discussion on properties at significant flood risk.

2.2b Please explain why not

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

- Direct engagement
- Trade associations
- Funding research organizations
- Other

2.3a On what issues have you been engaging directly?

Focus of legislation	Corporate Position	Details of engagement	Proposed solution
Mandatory carbon reporting	Support	Direct response via email	Items raised included: - Clarifying which approach, operational or financial - Government align reporting requirements - Intensity ratios be based on business activity - Companies choose their first year
Other: Part L Building Regulations	Support	Direct response	Extracts from our Blog on www.britishland.com provided here: 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. 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 CO2/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.
Energy efficiency	Support	Minimum building energy performance standards: Working as part of British Property Federation working group	Report being prepared for Government with recommendations ahead of a public consultation.

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

Yes

2.3c 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 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.	Regular participation in meetings, committees and informal discussions.
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	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?
		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).	

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

No

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

No

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

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

Examples of how we work with peers and industry groups to improve industry understanding include participating in the:

- Better Buildings Partnership – 15 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 Minimum Energy Performance Standards (MEPS) Working group advising DECC (Department for Environment and Climate Change) on ways to implement MEPS legislation from the Energy Act 2011.
- EPRA Sustainability Reporting Working Group
- Government's Technology Strategy Board study to review design versus operational energy performance to improve the handover process, help ensure new buildings are operating to their design potential and inform design (ongoing)
- British Property Federation Sustainability Committee – Sarah Cary, Sustainable Developments Executive, is the Chair
- UK Green Building Council UK-GBC member

2.3h 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?

The Head of the CR Committee is chair of our Public Affairs Committee. This ensures our direct and indirect policy-influencing activities are consistent with our climate change strategy.

2.3i 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

3.1a 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 ₂ e)	Target year	Comment
TRGT	Scope 1+2	100%	40%	2009	35508	2015	This target is to reduce landlord-influenced energy use across our like-for-like portfolio (common parts and shared services) by 40% by 2015.

3.1b 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
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3.1c 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
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3.1d Please provide details on your progress against this target made in the reporting year

ID	% complete (time)	% complete (emissions)	Comment
TRGT	67%	95%	We have reduced landlord-influenced energy use across our like-for-like portfolio (common parts and shared services) by 38% since 2009. As such, we are on track to meet our target of reducing landlord-influenced energy use across our like-for-like portfolio (common parts and shared services) by 40%, by 2015.

3.1e Please explain (i) why not; 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

3.2a Please provide details (see guidance)

i) How emissions are/were avoided

Occupiers operating in more carbon-efficient buildings will avoid production of carbon emissions such as from energy use.

- **Developments:** We consciously seek to design buildings which in operation emit less GHG emissions than UK building regulations require (this year 30% more efficient on average). For example, we estimate that the combined design energy efficiency savings of 6 recent office developments is 2,650 tonnes of

CO₂ avoided per year. We also work with our construction supply chain to reduce emissions associated with manufacture of our developments. For last few years, we've been working with our development supply chain to understand the scale and sources of emissions associated with the manufacture of construction materials, their transport to and erection on site. This year, we began making decisions which will reduce this element of our CO₂e footprint. Our design teams for 5 Broadgate and Marble Arch House conducted investigations into the embodied carbon of building elements, seeking to design out material usage and to specify lower carbon sources of concrete and aluminium. At 5 Broadgate, the design is on track to reduce the construction carbon footprint by 4% (3,300 tonnes CO₂e) 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:** British Land has rolled out an advanced energy metering system and optimisation process across fourteen of our office buildings and two of our shopping centres. Our advanced metering and energy optimisation project employs new technologies and management procedures to reduce energy consumption. As part of the specification process, we developed a stringent brief with well-defined objectives that would meet our needs, as well as those of our building management teams and occupiers, including:
 - Providing a comprehensive data reporting system for key energy users within the building
 - Introducing a remote monitoring service that identifies energy saving opportunities quickly
 - Optimising energy efficiency in British Land influenced common areas and shared services
 - Automating the occupier billing process
 - Offering a scalable system across multiple buildings, with online access for multiple users.
 We have forward funded the capital cost of these installations, recovering these capital costs from occupiers' energy savings which we have financially guaranteed. There is therefore no financial exposure or downside for occupiers in supporting this initiative. On average the capital costs of this initiative have been recouped in less than two years across all installations. We forecast that this initiative will save more than £400,000/year in operating costs. We expect to recoup capital costs in each building within three years.

ii) Estimate of amount emissions are/were avoided

In the past four years we have reduced landlord influenced energy (common parts and shared services) across our like for like portfolio of 62 buildings by 38% (39,646 tCO₂e) against a 2009 baseline. The following is a breakdown of the savings in each sector of our portfolio: multi-let offices 38% reduction (21,427 tCO₂e in 12 buildings), shopping centres 39% reduction (14,045 tCO₂e in 2 centres), and retail parks 29% reduction (4,174 tCO₂e in 48 retail parks).

Emissions related to operational energy use avoided on our developments through design that exceeds Building Regulations are estimated as 50,280 tonnes CO₂/year across a 20year operational life or 150,840 tonnes CO₂ across a 60year life.

iii) The methodology, assumptions, emission factors & GWPs used;

- **Developments:** This 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 CO₂ emissions associated with demolition activities, 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)
 Carbon factors sources
 - Embodied carbon factors - Hammond, G., Jones, C., 2006. Inventory of Carbon & Energy (ICE) Version 2.0
 - Transport carbon factors: DEFRA, 2010, Guidelines to Defra/DECCs Greenhouse Gas Conversion Factors for Company Reporting
 - Life expectancy: BCIS, 2006. Life Expectancy of Building Components. 2nd ed. London: Connelly-Manton
- **Managed Portfolio:** The carbon savings figure is calculated from estimated electricity and gas savings in kWh. It is assumed that these savings will be achieved following the initiatives. The following carbon factors (kgCO₂e/kWh) are used (from DEFRA guidance 2012):
 - Electricity Generated Scope 2 direct GHG:0.48234
 - Electricity Gen. Scope 3 life-cycle GHG:0.06468
 - Electricity losses Scope 2 direct GHG:0.03802
 - Electricity losses Scope 3 life-cycle GHG:0.00477
 - Natural Gas Scope 1 direct GHG:0.2055
 - Natural Gas Scope 3 life-cycle GHG:0.02124

iv) Whether considering generating CERs, ERUs within the framework of CDM, JI (UNFCCC)

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

3.3a Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO₂e savings

Stage of development	Number of projects	Total estimated annual CO ₂ e savings in metric tonnes CO ₂ e (only for rows marked *)
Under investigation	60	834
To be implemented*	64	1,031
Implementation commenced*	12	2,190
Implemented*	25	6,162
Not to be implemented	0	0

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

Activity type	Description of activity	Estimated annual CO ₂ e savings (metric tonnes CO ₂ e)	Annual monetary savings (unit currency - as specified in Q0.4)	Investment required (unit currency - as specified in Q0.4)	Payback period
Energy efficiency: Building services	Description of activity: - Upgrade of lighting to more efficient technology – Upgrade of plant to more efficient technology with better controls – This applies to our office portfolio. Scope type: 1, 2 and 3. Voluntary / mandatory: Voluntary. Expected lifetime of the initiative: Ongoing. 10 years.	2,460	400,000	206,600	<1 year
Energy efficiency: Building services	Description of activity: - Rolled out an advanced energy metering system and optimisation process – Provided a comprehensive data reporting system for key energy users within the building – Introduced a remote monitoring service that identifies energy saving opportunities quickly – Optimised energy efficiency in British Land influenced common areas and shared services – Automated the occupier billing process – Offered a scalable system across multiple buildings, with online access for multiple users. – This applies to our office and shopping centre portfolios. Scope type: 1, 2 and 3. Voluntary / mandatory: Voluntary. Expected lifetime of the initiative: Ongoing. 10 years.	3,702	500,000	1,000,000	1-3 years
Energy efficiency: Building services	Description of activity: - Upgrade of lighting to more efficient technology, zoning of car parks and installation of controls across the retail portfolio – This applies to our retail portfolio. Scope type: 1, 2 and 3. Voluntary / mandatory: Voluntary. Expected lifetime of the initiative: Ongoing. 10 years.	2,190	408,000	151,000	<1 year

3.3c What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	We have invested in energy monitoring and management systems 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. In 2012/13 we have invested £602,409 in environmental costs and initiatives across our existing portfolio. For example, in our developments, we assigned project budgets for extra metering over requirement to support operational energy efficiency.
Partnering with governments on technology development	We are close to completing a collaborative project at 201 Bishopsgate, with funding from the Government's Technology Strategy Board. 201 Bishopsgate was designed in 2002 and completed in 2008. This study has been looking at the performance gap between design assumptions for energy consumption against actual operational use. The findings have highlighted that regulated energy in normal hours is operating in line with design assumptions, but that there is more energy consumed from both out of hours occupancy and direct small power use within each occupier's own space. We are also sharing the findings in the industry to help to improve understanding and methodologies to compare operational performance against original design.
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 goals. This year awards were won by: John Gentry, Broadgate Estates (Managing Buildings Efficiently Champion), 4 other awards for managing efficiently, Broadgate Estates (Managing Agent of the Year), 4 other customer service awards, St Stephen's Shopping Centre in Hull (Employment and Training award), 4 others for community awards, Jane Wakiwaka at Greengage (Sustainable Developments Champion) and 5 others for sustainable developments awards.
Employee engagement	At Head Office we have a Staff Environmental Working Group open to all British Land employees to join voluntarily; with approximately 15-20 representatives meeting quarterly representing a cross-section of the business. The Group meet to discuss internal environmental initiatives, share ideas on how to improve our Head Office environmental performance. To date the Group has focussed on paper reduction which indirectly improves energy reduction in our printer/photocopier usage and facilitated the introduction of Barclays Bike Hire Scheme. This year we intend to focus on waste reduction along with green procurement. The Group focuses on initiatives behaviour change of staff. For other initiatives a proposal is prepared for senior management review. In addition we have an internal website area where staff are encouraged to share ideas, an initiatives tracker is used to monitor activities and assign responsibilities for actions. The Chair of the Group reports to Justin Snoxall, Head of Business Group. We have implemented a Green Tips of the Day initiative; a widget on all staff intranet page that provides green tips for staff on a daily basis. 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. We have undertaken a portfolio review this year and have decided to focus our efforts on assets with an energy cost of £25,000 per annum. We believe that by focusing on these assets, it will have the biggest impact on reducing carbon across our portfolio; the 30 properties included in this make up 90% of overall carbon.
Other	We also engage actively with occupiers in our multi-let offices, both

Method	Comment
	<p>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 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 7 industry awards for our energy reduction work: 2013 Property Week Sustainability Achievement Award; 2013 Sustainable City Award for Resource Conservation from the City of London Corporation; 2013 CIBSE (Chartered Institute of Building Service Engineers) Carbon Champion Award, and 2103 CIBSE Client Energy Management Award; 2012 NAREIT Global Recognition Leader in the Light Award; 2012 Green Business Awards for Energy and the Built Environment.</p>

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

4. COMMUNICATION

4.1 Have you published information about your company'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
In mainstream financial reports (complete)	Annual Report and Accounts 2013:
In voluntary communications (complete)	Corporate Responsibility Report 2013
In voluntary communications (complete)	Online CR Webpage.
In voluntary communications (complete)	Stakeholder Engagement Report 2013
In voluntary communications (complete)	Corporate Responsibility Full Data Report 2013

RISKS AND OPPORTUNITIES

5. CLIMATE CHANGE RISKS

5.1 Have you identified any climate change risks (current or future) 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

5.1a Please describe your risks driven by changes in regulation

ID	Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact
RISK1	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 periods for each compliance year. There is a cost risk associated with this scheme; for example, in 2012/13, British Land's financial exposure to the CRC was £1.3m. 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.'	Increased operational cost	1-5 years	Direct	Virtually certain	Low
RISK2	Emission reporting obligations	The UK CRC Energy Efficiency Scheme League Table will detail our performance relative to other CRC organisations for the 2012/13 reporting year. However, from July 2013 the CRC league table is being discontinued and as such moving forward we will no longer see this particular element of the CRC as a risk per se. The importance placed particularly by investors and occupiers on our league position is unknown.	Reduced stock price (market valuation)	Current	Direct	Very unlikely	Low

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
RISK3	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. The UK Energy Bill 2012-13 proposals to bring in minimum energy performance standards for buildings to lease also affect our asset development project and management capital expenditure plans. The above could result in increased capital cost in development and management of British Land buildings and reduced value to properties with poor energy performance.	Increased capital cost	Current	Direct	Virtually certain	Medium-high
RISK4	Product efficiency regulations and standards	The UK Energy Bill 2012-13 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 will either result in an increased refurbishment cost for British Land or devaluation of assets which do not meet the minimum standards.	Increased operational cost	1-5 years	Direct	Virtually certain	High
RISK5	Emission reporting obligations	Defra have announced that reporting of carbon emissions will become mandatory from 30th September 2013 for companies listed on the London Stock Exchange. There is the potential to require British Land to report in new or different ways to our current reporting approach however based on current knowledge we feel we already meet reporting requirements.	Increased operational cost	1-5 years	Direct	Virtually certain	Low

5.1b Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk and (iii) the costs associated with these actions

RISK1

(i) Potential financial implications: indicative cost exposure to the CRC scheme is estimated at £1,310,000 per annum based on 2013 consumption.

(ii) Management methods: We've rolled out an extensive energy reduction initiatives across our portfolio. These have included: Lighting audits, trialling of different technologies and upgrades to more efficient technologies (e.g. LED) and timing schedules; Improvements to maintenance systems/schedules; Continued roll out of advanced energy monitoring, metering system and optimisation process – Regular reviews of individual asset performance against targets using online sustainability performance monitoring platform (accessible by key users within the building) – Continued automation of the occupier billing process – Automated Meter Readings and some automated sub-metering – M&E commissioning and upgrade to ensure efficient operation – BMS (building management system) optimisation – Passive measures including environmental working groups and KPIs. We also work with our office occupiers to support their own energy reduction initiatives through Green Building Management Groups in each building. In summer 2012 we renewed our certification to the Carbon Trust Standard which validates our environmental management methods. Both the metering and Carbon Trust Standard have helped with the CRC's Early Action Metric and therefore British Land's CRC league table position. Since our baseline year of 2008/09, we've achieved a 38% reduction in landlord-influenced energy use across our like-for-like portfolio (common parts and shared services).

(iii) Costs associated with methods/actions: We invested £733,211 in energy management improvements. Administrative internal costs have also been incurred. The costs to achieve Carbon Trust Standard recertification were £10,000.

RISK2

(i) Potential financial implications: negligible. The potential implications relate to stakeholder responses to our position, particularly those of investors and occupiers.

(ii) Management methods: To reduce our energy consumption and carbon emissions, thereby improving our CRC performance, we've rolled out an extensive energy reduction initiatives across our portfolio. These have included: Lighting audits (e.g. reviewing controls, lux levels time clocks and photo cells), trialling of different technologies and upgrades to more efficient technologies (e.g. LED) and timing schedules (e.g. timing and zoning of car parks) – Improvements to maintenance systems/schedules to pre-empt losses in efficiency of lighting systems – Continued rolling out of an advanced energy monitoring, metering system and optimisation process – Regular (e.g. quarterly) reviews of individual asset performance against targets using online (i.e. remote) sustainability performance monitoring platform (accessible by key users within the building) – Continued automation of the occupier billing process – Automated Meter Readings and some automated sub-metering – M&E commissioning and upgrade to ensure efficient operation – BMS (building management system) optimisation – Passive measures including environmental working groups and KPIs. We also work with our office occupiers to support their own energy reduction initiatives through Green Building Management Groups in each building. In summer 2012 we renewed the Carbon Trust Standard which validates our environmental management methods. Both the metering and Carbon Trust Standard have helped with the CRC's Early Action Metric and therefore British Land's CRC league table position. However, we realise the CRC league table is being discontinued from July 2013 and as such moving forward we will no longer see this particular element of the CRC as a risk per se.

(iii) Costs associated with methods/actions: We invested £733,211 in energy management improvements. Administrative internal costs have also been incurred. The costs to achieve Carbon Trust Standard certification were £10,000.

RISK3

(i) Potential financial implications: 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 have not been calculated. Exact costs vary between projects but could be in the order of £500,000 per major office development.

(ii) Management methods: 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 2012/13

our developments were designed to have 27% lower carbon emissions on average than current standards. Our Sustainability Briefs for Developments and Management provides development project teams with energy and carbon requirements. Managers at our larger properties are required to implement Environmental Action Plans to improve energy and carbon performance. Larger investment/CAPEX requirements are included in Asset Plans. We engage with government departments and advise on emerging legislation.

(iii) Costs associated with methods/actions: There are no additional costs associated with the above management methods. Actions are integrated within our business activities.

RISK4

(i) Potential financial implications: The regulations have not been finalised. The final impact will be asset specific and can only be quantified after an evaluation on each asset. To date costs have been incurred in order to complete EPCs as appropriate and to understand the measures we would need to undertake to improve above a rating of E, F or G. Importantly, E, F and G ratings may also have an impact on valuations.

- Office (40% of total portfolio) and residential (2% of total portfolio) portfolios have been EPC rated: we have calculated that we have no exposure to F or G rated EPC assets
- We have a commitment in place to undertake EPCs across the whole retail portfolio between now and the end of March 2014, at a cost of about £1.2m.

At the asset level, in 2012/13 we continued to analyse the likely costs per asset to achieve Energy Performance Certificate (EPC) ratings above an E, F or G for our entire portfolio. We commissioned a consultancy to look at the hypothetical costs; one aspect highlighted that through lighting improvements the cost to achieve over F and G in a retail unit of 2,000 m² to 20,000 m² was approximately £100,000.

(ii) Management methods: 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 provide requirements and guidance for improving the energy and carbon performance of our developments and managed assets.

The first step to manage this risk has been for British Land to undertake an EPC review of our portfolio to understand our exposure to F&G rated properties. So far we have EPC-rated our entire office and residential portfolios and have a management commitment in place to do our retail portfolio by March 2014.

At the asset level, in 2012/13 we continued to analyse the likely costs per asset to get Energy Performance Certificate (EPC) ratings above an E, F or G for our entire portfolio. We commissioned a consultancy to look at the hypothetical costs, which highlighted that through lighting improvements the cost to get over F and G in a retail unit between 2,000 and 20,000 m² was about £100,000. The intention is to have asset plans in place by end of the next reporting year (2013/14) for all assets that are rated F and G. Discussions with retailers will follow.

(iii) Costs associated with methods/actions: Currently completing EPC review of entire retail portfolio to understand our exposure to E, F and G rated assets. Estimate this will cost £1.2m to complete. It is too soon to be clear what costs we will incur in improving any E, F and G rated assets to exceed the proposed minimum performance standards suggested; however, we estimate it may cost £100,000 for a retail unit between 2,000 m² and 20,000 m² to be rated over F and G.

RISK5

(i) Potential financial implications: Believe we meet all current Defra reporting options. Financial implications will therefore be £0.

(ii) Management methods: The CR Committee meets to review new reporting guidelines and implement operational changes required to follow selected guidelines.

(iii) Costs: We don't think this will result in any annual cost increases, as we already provide comprehensive carbon reporting on a public basis.

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

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
RISKA	Change in mean (average) precipitation	Inability to sell property assets at book value because of real or perceived increased risks arising from flooding.	Other: Reduced valuation of assets	Current	Direct	Unlikely	High

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
RISKB	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	Current	Indirect (Supply chain)	About as likely as not	Low
RISKC	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	Current	Direct	About as likely as not	Medium
RISKD	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	Current	Direct	Likely	Medium
RISKE	Sea level rise	Increased risk of tidal flooding from assets situated close to the coast where regional flood defences are inadequate.	Increased capital cost	>10 years	Direct	About as likely as not	Low

5.1d Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; and (iii) the costs associated with these actions

RISKA – RISKE

(i) Potential financial implications: Investors are becoming more alive to the risk of flooding, with some no longer purchasing assets with high flood risk. 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. Before renewing the insurance at one of our assets we had to demonstrate improved flood defences at a cost of £1m. In 2012, British Land encountered one flood claim incident at a public house where the repair costs are estimated to be £100,000.

(ii) Management methods: Until 2011 our insurers used Environment Agency data and their own database to identify potential properties at risk of flooding. They implemented a rolling programme to visit properties to identify those at significant risk and recommend measures to reduce those risks.

In 2011/12, we commissioned a flood consultant to review our portfolio flood risk on an asset by asset basis. This resulted in a review of 419 assets – our entire portfolio. This involved desk-based screening using data from sources including Landmark, British Geological Survey and Environment Agency, topographical surveys and subsequent site visits where necessary to determine whether there were assets with a high flood risk. We defined a high flood risk as those assets deemed to be susceptible to less than 100 year fluvial occurrences and less than 200 year tidal occurrences, after also allowing for assumed changes arising from climate change in the coming 50 years. We had less than 10 assets deemed to be at risk from flooding today. Many of these assets are supermarkets. We have made the supermarket operators aware of the flood risk. At one site, where there are future development plans, the supermarket operator is considering flood protection measures. For the remaining, they have decided to implement management measures in the event of flooding. There is one asset under British Land's own control where we are still discussing possible flood protection measures. Where there are assets where there is a future susceptibility to climate change, we will review these assets in 2015.

For our developments and refurbishments project teams are advised in our Sustainability Brief for Developments that an ongoing objective for British Land is to 'improve the quality of surface and ground water and to reduce the risk of flooding' and 'To future proof the development during design by addressing the anticipated effects of climate change'. Example targets are provided to project teams. These include the following:

- For a brownfield site, reduce the extent of impermeable area across the site by at least 25%.
- In Flood Zones 2 and 3, ensure all areas of the building and a safe passage from the site can be achieved, 600mm above the flood plain level.
- Provide attenuation for the 100-year storm, plus 30% allowance for climate change (based on current best practice).

- Install a water treatment plant on site to treat at least 50% of waste water, and re-use the treated water on site.
 - Model the likely effects on thermal comfort within the building from anticipated changes in temperature from climate change. Carry out recommendations based on the model where mitigation can be effected.
- In 2012 we have implemented a new approach that we will not acquire assets with deemed high flood risks, without a clear asset plan to mitigate the perceived risk.
For assets acquisitions, flood risk is looked at as part of the due diligence and identified as part of our Acquisition Sustainability Brief.

(iii) Costs associated with methods / actions: To date we have incurred costs of £280,000 from our portfolio flood review.

There are no additional costs associated with implementation of the Sustainability Briefs for Developments or Acquisition; these are business as usual activities. These costs do not take account of possible flood mitigation measures identified at a high risk asset.

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

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
RISKF	Other drivers	Inability to insure/increased costs/market valuation write 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 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, these may not make any provision for commercial property	Other: increased insurance premiums, inability to insure, market valuation write downs	Current	Indirect (Supply chain)	More likely than not	Medium

5.1f Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; (iii) the costs associated with these actions

RISKF

(i) Potential financial implications: Investors are becoming more alive to the risk of flooding, with some no longer purchasing assets with high flood risk. Where flooding does occur, then this may result in insurance

claims. In 2007 two retail assets flooded in Sheffield and Rotherham. These assets were a shopping centre and a retail park and resulted in each centre being closed for more than 1 month. The 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 of our assets we had to demonstrate improved flood defences at a cost of £1m. In 2012, British Land encountered one flood claim incident at a public house where the repair costs are estimated to be £100,000.

(ii) Management methods: Until 2011 our insurers used Environment Agency data and their own database to identify potential properties at risk of flooding. They implemented a rolling programme to visit properties to identify those at significant risk and recommend measures to reduce those risks.

In 2011/12, we commissioned a flood consultant to review our portfolio flood risk on an asset by asset basis. This resulted in a review of 419 assets – our entire portfolio. This involved desk-based screening using data from sources including Landmark, British Geological Survey and Environment Agency, topographical surveys and subsequent site visits where necessary to determine whether there were assets with a high flood risk. We defined a high flood risk as those assets deemed to be susceptible to less than 100 year fluvial occurrences and less than 200 year tidal occurrences, after also allowing for assumed changes arising from climate change in the coming 50 years. We had less than 10 assets deemed to be at risk from flooding today. Many of these assets are supermarkets. We have made the supermarket operators aware of the flood risk. At one site, where there are future development plans, the supermarket operator is considering flood protection measures. For the remaining, they have decided to implement management measures in the event of flooding. There is one asset under British Land's own control where we are still discussing possible flood protection measures. Where there assets where there is a future susceptibility to climate change, we will review these assets in 2015.

For our developments and refurbishments project teams are advised in our Sustainability Brief for Developments that an ongoing objective for British Land is to 'improve the quality of surface and ground water and to reduce the risk of flooding' and 'To future proof the development during design by addressing the anticipated effects of climate change'. Example targets are provided to project teams. These include the following:

- For a brownfield site, reduce the extent of impermeable area across the site by at least 25%.
- In Flood Zones 2 and 3, ensure all areas of the building and a safe passage from the site can be achieved, 600mm above the flood plain level.
- Provide attenuation for the 100-year storm, plus 30% allowance for climate change (based on current best practice).
- Install a water treatment plant on site to treat at least 50% of waste water, and re-use the treated water on site.
- Model the likely effects on thermal comfort within the building from anticipated changes in temperature from climate change. Carry out recommendations based on the model where mitigation can be effected.'
- In 2012 we have implemented a new approach that we will not acquire assets with deemed high flood risks, without a clear asset plan to mitigate the perceived risk.

For assets acquisitions, flood risk is looked at as part of the due diligence and identified as part of our Acquisition Sustainability Brief.

(iii) Costs associated with methods / actions: The flood review cost us £280,000. This does not include costs for any adaptation works which will be identified to improve flood defences where we can. There are no additional costs associated with implementation of the Sustainability Briefs for Developments or Acquisition; these are business as usual activities. These costs do not take account of possible flood mitigation measures identified at a high risk asset.

5.1g 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

5.1h 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

5.1i 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 (current or future) 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

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

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
OPP1	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 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 four years, we've reduced landlord-influenced energy (common parts and shared services) by 38% across our like-for-like portfolio, compared to our 2009 baseline. We feel that this stands us in good stead compared to our peers.	Increased demand for existing products/services	1-5 years	Direct	More likely than not	Medium
OPP2	Product efficiency regulations and standards	Opportunities potentially exist around British Land performing well in. Opportunities potentially exist around British Land performing well in terms of out-performing Building Regulation requirements	Increased demand for existing products/services	Current	Direct	More likely than not	Medium

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
OPP3	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 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.	Increased demand for existing products/services	Current	Direct	More likely than not	Medium

6.1b Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity and (iii) the costs associated with these actions

OPP1

(i) Potential financial implications: There are potential financial opportunities from an increased demand from occupiers for our space, contributing to reduced void rates and increased investment yields. Management cost efficiencies may exist from input to, and a close understanding of, government and industry requirements and standards related to disclosure and reporting on climate change matters. Occupiers and potential occupiers are increasingly interested in the sustainability performance of our new and existing buildings. The rating of our buildings has the potential to positively affect the future value of our portfolio. Industry studies suggest that buildings which have a green certification command higher rents and transactions. A study by RICS suggests that rents are 21% higher and transactions 18% higher for buildings with BREEAM certification. With a commercial property portfolio worth £16.4 billion (of which our share is £10.5 billion) and a gross rental income of £294m in 2012/13, this is a large opportunity for British Land. Furthermore, in September 2011 API released a study ('Better Building Returns') reporting a 9% green premium on 5 star-rated NABERS offices.

(ii) Management methods: 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, which will finish in September 2013. The next phase is to determine an approach to launch to market.

(iii) Costs associated with management methods: The Better Building Partnership to date has funded some £45,000 in developing this specification and running the pilot.

OPP2 – OPP3

(i) Potential financial implications: There are potential financial opportunities from an increased demand from occupiers for our space, contributing to reduced void rates. Management cost efficiencies may exist from input to, and a close understanding of, government and industry requirements and standards related to disclosure and reporting on climate change matters. Occupiers and potential occupiers are increasingly

interested in the sustainability performance of our new and existing buildings. The rating of our buildings has the potential to positively affect the future value of our portfolio.

Industry studies suggest that buildings which have a green certification command higher rents and transactions. A study by RICS suggests that rents are 21% higher and transactions 18% higher for buildings with BREEAM certification. With a commercial property portfolio worth £16.4 billion (of which our share is £10.5 billion) and a gross rental income of £294m in 2012/13, this is a large opportunity for British Land. Furthermore, in September 2011 API released a study ('Better Building Returns') reporting a 9% green premium on 5 star-rated NABERS offices.

(ii) Management methods: 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 and BREEAM Very Good or Excellent rating on all major retail developments and refurbishments". This year we reported 4.9 million square feet of BREEAM excellent space has been delivered over the last four years – an area the size of four London Olympic Stadiums. We ensure that these targets are met through our sustainability guidance document, The Sustainability Brief for Developments.

(iii) Costs associated with management methods: In 2011/12, we updated the British Land sustainability guidance document, The Sustainability Brief for Developments at a cost of £10,000 and we have a management commitment to update the Sustainability Brief for Developments in the near future. Besides this, the management process for ensuring buildings strive to achieve a green certification is integrated into our business and is business as usual – therefore incurring an extra cost of £0. We estimate that generally, the cost of achieving a green label certification on developments is less than 1% of the project cost.

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

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
OPP4	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	>10 years	Direct	About as likely as not	Unknown
OPP5	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	>10 years	Indirect (Supply chain)	More likely than not	Unknown

6.1d Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity and (iii) the costs associated with these actions

OPP4 – OPP5

(i) Potential financial implications: Climate change adaptation and mitigation provides opportunities to offer to the market buildings that are designed with future-proofing and adaptability in mind. In addition we have opportunities to retrofit innovative features to existing assets, such as sources of no or low carbon energy. The financial opportunities of these are difficult to quantify at this stage; more tangible are benefits to the downstream supply chain for consultants and manufacturers involved in the delivery of consultancy and the design and manufacture of products.

Industry studies suggest that buildings which have a green certification (and are therefore better designed to cope with climate change) command higher rents and transactions. A study by RICS suggests that rents are

21% higher and transactions 18% higher for buildings with BREEAM certification. With a commercial property portfolio worth £16.4 billion (of which our share is £10.5 billion) and a gross rental income of £294m in 2012/13, this is a large opportunity for British Land.

(ii) Management methods: Until 2011 our insurers used Environment Agency data and their own database to identify potential properties at risk of flooding. They implemented a rolling programme to visit properties to identify those at significant risk and recommend measures to reduce those risks.

In 2011/12, we commissioned a flood consultant to review our portfolio flood risk on an asset by asset basis. This resulted in a review of 419 assets – our entire portfolio. This involved desk-based screening using data from sources including Landmark, British Geological Survey and Environment Agency, topographical surveys and subsequent site visits where necessary to determine whether there were assets with a high flood risk. We defined a high flood risk as those assets deemed to be susceptible to less than 100 year fluvial occurrences and less than 200 year tidal occurrences, after also allowing for assumed changes arising from climate change in the coming 50 years. We had less than 10 assets deemed to be at risk from flooding today. Many of these assets are supermarkets. We have made the supermarket operators aware of the flood risk. At one site, where there are future development plans, the supermarket operator is considering flood protection measures. For the remaining, they have decided to implement management measures in the event of flooding. There is one asset under British Land's own control where we are still discussing possible flood protection measures. Where there are assets where there is a future susceptibility to climate change, we will review these assets in 2015.

For our developments and refurbishments project teams are advised in our Sustainability Brief for Developments that an ongoing objective for British Land is to 'improve the quality of surface and ground water and to reduce the risk of flooding' and 'To future proof the development during design by addressing the anticipated effects of climate change'. Example targets are provided to project teams. These include the following:

- For a brownfield site, reduce the extent of impermeable area across the site by at least 25%
- In Flood Zones 2 and 3, ensure all areas of the building and a safe passage from the site can be achieved, 600mm above the flood plain level
- Provide attenuation for the 100-year storm, plus 30% allowance for climate change (based on current best practice).
- Install a water treatment plant on site to treat at least 50% of waste water, and re-use the treated water on site.
- Model the likely effects on thermal comfort within the building from anticipated changes in temperature from climate change. Carry out recommendations based on the model where mitigation can be effected.'

In 2012 we implemented a new approach that we will not acquire assets with deemed high flood risks, without a clear asset plan to mitigate the perceived risk.

For assets acquisitions, flood risk is looked at as part of the due diligence and identified as part of our Acquisition Sustainability Brief.

(iii) Costs associated with methods / actions: In total, the flood review cost us £280,000. This does not include costs for any adaptation works which will be identified to improve flood defences where we can. There are no additional costs associated with implementation of the Sustainability Briefs for Developments or Acquisition; these are business as usual activities. These costs do not take account of possible flood mitigation measures identified at a high risk asset.

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

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
OPP6	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	Current	Direct	Virtually certain	Low-medium

6.1f Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions

OPP6

(i) Potential financial implications: It is challenging to quantify the financial implication of reputational opportunities. We undertook occupier surveys as part of the RealService survey and most recently in line with

the Property Industry Alliance's Occupier Satisfaction Survey. This includes questions around delivery of occupiers' own environmental commitments as well as our own performance; this year our office occupiers rated us 8.2 out of 10 for interaction on environmental issues, up from 7.8 in 2011 and ahead of the industry average of 3.8 out of 10. Another indicator is the % of vacant space in our portfolio; we report that our vacancy rate figure is 3%, compared to the IPD (market) average of 9%. We have estimated that the vacant estimated rental value (ERV) of our vacant space is £18.6 million.

(ii) Management methods:

(a) Corporate responsibility programme: We recognise that our business activities have wide-ranging environmental, social and economic impacts, which can affect the lives of a significant number of people. A responsible approach to managing, financing and developing buildings with enduring occupier appeal is therefore fundamental to how we do business.

In 2012, we carried out a thorough stakeholder engagement programme that informs our corporate responsibility strategy and activities moving forward. We engaged occupiers, investors, employees, local community, local government and independent experts. We also consulted experts on a range of issues, reviewed best practice and benchmarked our performance.

We take our responsibilities seriously throughout the property life cycle, and work in partnership with our occupiers, suppliers and staff to be the best in the four areas we believe, are the most important to us and our stakeholders:

- Managing buildings efficiently
- Developing sustainable buildings
- Supporting communities
- Engaging staff

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 in 2011.

(b) Reporting: We report to our stakeholders on our corporate responsibility programme quarterly in our CR Updates and annually via our CR Report. In addition we respond to investor questionnaires including Dow Jones Sustainability Index, FTSE4Good (via the Carbon Disclosure Project), GRESB, Oekom and Vigeo. Reporting helps inform our stakeholders of our commitments, performance, successes, challenges and future plans.

(c) Benchmarking: We also take part in industry benchmarking initiatives and submit our work to award initiatives to demonstrate our leading, innovative CR initiatives. This year we won : Management Today's Most Admired Companies in Britain Awards – leading company for environmental and community responsibility; DJSI and FTSE4Good – listed member; GRESB – Green Star Award; NAREIT – Global Recognition Leader in the Light Award; Property Week – Sustainability Achievement Award; CIBSE (Chartered Institute of Building Services Engineers) – Carbon Champion and Client Energy Management Award; Corporation of London – Sustainable Cities Award for Resource Conservation; ENDS Business Awards – Energy and the Built Environment; EPRA – Gold Award for sustainability reporting.

(iii) Costs associated with methods / actions: Costs for the majority of the above management methods were reported in our 2013 CR Full Data Report. Our CR investment costs for 2012/13 were £1,065,200. This includes certification fees for the Carbon Trust Standard and investment in CR improvements related to energy use, water use and waste. It 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 biennially.

6.1g 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

6.1h 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

6.1i 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

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 ₂ e)	Scope 2 Base year emissions (metric tonnes CO ₂ e)
Thu 01 Apr 2010 - Thu 31 Mar 2011	7,092	50,043

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

7.2a If you have selected "Other", please provide details below

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
CH ₄	IPCC Second Assessment Report (SAR - 100 year)
N ₂ O	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

Fuel/Material/Energy | Emission Factor | Unit | Reference

Resource type		UK	France	Italy	Portugal	Spain
Electricity generated	Electricity generated Scope 2 direct GHG (kgCO ₂ e/kWh)	0.48234	0.08927	0.43281	0.41102	0.35561
	Electricity generated Scope 3 life-cycle GHG (kgCO ₂ e/kWh)	0.06468	0.01214	0.05885	0.05589	0.04835
Electricity losses	Electricity losses Scope 2 direct GHG (kgCO ₂ e/kWh)	0.03802	0.00604	0.02557	0.03041	0.02299
	Electricity losses Scope 3 life-cycle GHG (kgCO ₂ e/kWh)	0.00477	0.00082	0.00348	0.00413	0.00313
Gas (Net Calorific Value)	Natural Gas Scope 1 direct GHG (kgCO ₂ e/kWh)	0.2055	n/a	n/a	0.2055	0.2055
	Natural Gas Scope 3 life-cycle GHG (kgCO ₂ e/kWh)	0.02124	n/a	n/a	0.02124	0.02124
Oil	Gas oil Scope 1 direct GHG (kgCO ₂ e/kWh)	3.0213	n/a	n/a	3.0213	3.0213
	Gas/ diesel oil Scope 3 life-cycle GHG (kgCO ₂ e/kWh)	0.5815	n/a	n/a	0.5815	0.5815
Geothermal	Electricity generated Scope 2 direct GHG (kgCO ₂ e/kWh)	n/a	n/a	0.43281	n/a	n/a
	Electricity generated Scope 3 life-cycle GHG (kgCO ₂ e/kWh)	n/a	n/a	0.05885	n/a	n/a
	Electricity losses Scope 3 direct GHG (kgCO ₂ e/kWh)	n/a	n/a	0.02557	n/a	n/a
	Electricity losses Scope 3 life-cycle GHG (kgCO ₂ e/kWh)	n/a	n/a	0.00348	n/a	n/a

Resource type		UK	France	Italy	Portugal	Spain
Refrigerants	R407c (GWP/tonne)	1526	n/a	n/a	n/a	1526
	R134a (GWP/tonne)	1300	n/a	n/a	n/a	n/a
Fuel use	Diesel Scope 1 (kg CO ₂ e/litre)	2.6769	n/a	n/a	n/a	n/a
	Diesel Scope 3 (kg CO ₂ e/litre)	0.5644	n/a	n/a	n/a	n/a
	Petrol Scope 1 (kg CO ₂ e/litre)	2.3144	n/a	n/a	n/a	n/a
	Petrol Scope 3 (kg CO ₂ e/litre)	0.4638	n/a	n/a	n/a	n/a
	LPG Scope 1 (kg CO ₂ e/litre)	1.5326	n/a	n/a	n/a	n/a
	LPG Scope 3 (kg CO ₂ e/litre)	0.1918	n/a	n/a	n/a	n/a
Water	Water supply (kg CO ₂ e/m ³)	0.3441	0.3441	0.3441	0.3441	0.3441
British Land travel	Average car: GHG (kgCO ₂ e per vehicle km)	0.19469	n/a	n/a	n/a	n/a
	Average car: life-cycle GHG (kgCO ₂ e per vehicle km)	0.03925	n/a	n/a	n/a	n/a
	Domestic average: GHG (kgCO ₂ e per vehicle km)	0.16685	n/a	n/a	n/a	n/a
	Domestic average: life-cycle GHG (kgCO ₂ e per vehicle km)	0.03439	n/a	n/a	n/a	n/a
	Short-haul international average: GHG (kgCO ₂ e per vehicle km)	0.09522	n/a	n/a	n/a	n/a
	Short-haul international average: life-cycle GHG (kgCO ₂ e per vehicle km)	0.01964	n/a	n/a	n/a	n/a
	Black cab: GHG (kgCO ₂ e per vehicle km)	0.15709	n/a	n/a	n/a	n/a
	Black cab: life-cycle GHG (kgCO ₂ e per vehicle km)	0.03136	n/a	n/a	n/a	n/a
	Private taxi: GHG (kgCO ₂ e per vehicle km)	0.14756	n/a	n/a	n/a	n/a
	Private taxi: life-cycle GHG (kgCO ₂ e per vehicle km)	0.02943	n/a	n/a	n/a	n/a
	National rail: GHG (kgCO ₂ e per vehicle km)	0.05818	n/a	n/a	n/a	n/a
	National rail: life-cycle GHG (kgCO ₂ e per vehicle km)	0.00897	n/a	n/a	n/a	n/a
	Tube: GHG (kgCO ₂ e per vehicle km)	0.07361	n/a	n/a	n/a	n/a
	Tube: life-cycle GHG (kgCO ₂ e per vehicle km)	0.00972	n/a	n/a	n/a	n/a

8. EMISSIONS DATA (1 APR 2012 - 31 MAR 2013)

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 CO₂e

6,728

8.3 Please provide your gross global Scope 2 emissions figures in metric tonnes CO₂e

39,637

8.4 Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions which are not included in your disclosure?

No

8.4a Please complete the table

Source	Scope	Explain why the source is excluded
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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	54% of our energy use is recorded via AMR (Automated Meter Readings). The remaining 46% 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	54% of our energy use is recorded via AMR (Automated Meter Readings). The remaining 46% 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 Scope 1 emissions

Third party verification or assurance complete

8.6a Please indicate the proportion of your Scope 1 emissions that are verified/assured

More than 90% but less than or equal to 100%

8.6b Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Type of verification or assurance	Relevant standard
Limited assurance	ISAE3000

8.6c 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
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8.7 Please indicate the verification/assurance status that applies to your Scope 2 emissions

Third party verification or assurance complete

8.7a Please indicate the proportion of your Scope 2 emissions that are verified/assured

More than 90% but less than or equal to 100%

8.7b Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Type of verification or assurance	Relevant standard
Limited assurance	ISAE3000

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

No

8.8a Please provide the emissions in metric tonnes CO₂

9. SCOPE 1 EMISSIONS BREAKDOWN (1 APR 2012 - 31 MAR 2013)

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

Yes

9.1a Please complete the table below

Country/Region	Scope 1 metric tonnes CO ₂ e
United Kingdom	6,707
Spain	21
Portugal	0

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

By business division

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

Business division	Scope 1 emissions (metric tonnes CO ₂ e)
Offices - British Land occupied demises	92
Offices - shared services	4,912
Shopping Centres - common parts	519
Retail Parks - common parts	23
Refrigerant Loss - air conditioning	1,076
Travel: Fuel Use - British Land owned vehicles	106

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

Facility	Scope 1 emissions (metric tonnes CO ₂ e)	Latitude	Longitude
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9.2c Please break down your total gross global Scope 1 emissions by GHG type

GHG type	Scope 1 emissions (metric tonnes CO ₂ e)
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9.2d Please break down your total gross global Scope 1 emissions by activity

Activity	Scope 1 emissions (metric tonnes CO ₂ e)
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9.2e Please break down your total gross global Scope 1 emissions by legal structure

Legal structure	Scope 1 emissions (metric tonnes CO ₂ e)
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10. SCOPE 2 EMISSIONS BREAKDOWN (1 APR 2012 - 31 MAR 2013)

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

Yes

10.1a Please complete the table below

Country/Region	Scope 2 metric tonnes CO ₂ e	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low carbon electricity, heat, steam or cooling (MWh)
United Kingdom	37,344	81,407	
France	15	163	
Italy	257	942	
Portugal	363	885	
Spain	1,658	778	

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

By business division

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

Business division	Scope 2 emissions (metric tonnes CO ₂ e)
Offices - British Land occupied demises	836
Offices - common parts	10,433
Offices - shared services	14,941
Shopping Centres - common parts	9,824
Retail Parks - common parts	3,247
Residential - common parts	356

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

Facility	Scope 2 emissions (metric tonnes CO ₂ e)

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

Activity	Scope 2 emissions (metric tonnes CO ₂ e)

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

Legal structure	Scope 2 emissions (metric tonnes CO ₂ e)

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	26,851
Electricity	84,175
Heat	349
Steam	
Cooling	

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

Fuels	MWh
Natural gas	26,274
Diesel/Gas oil	577

11.4 Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor

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

12. EMISSIONS PERFORMANCE

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

Decreased

12.1a Please complete the table

Reason	Emissions value (percentage)	Direction of change	Comment
Emissions reduction activities	8	Decrease	This is the result of initiatives including: - Lighting audits (e.g. reviewing controls, lux levels time clocks and photo cells), trialling of different technologies and upgrades to more efficient technologies (e.g. LED) and timing schedules (e.g. timing and zoning of car parks) – Improvements to maintenance systems/schedules to pre-empt losses in efficiency of lighting systems – Continued rolling out of an advanced energy monitoring, metering system and optimisation process – Regular (e.g. quarterly) reviews of individual asset performance against targets using online (i.e. remote) sustainability performance monitoring platform (accessible by key users within the building) – Continued automation of the occupier billing process – Automated Meter Readings and some automated sub-metering – M&E commissioning and upgrade to ensure efficient operation – BMS (building management system) optimisation – Passive measures including environmental working groups and KPIs.
Divestment			
Acquisitions			
Mergers			
Change in output			
Change in methodology			
Change in boundary			
Change in physical operating conditions			
Unidentified			
Other			

12.2 Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO₂e per unit currency total revenue

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
76.26	metric tonnes CO ₂ e	unit total revenue	15	Decrease	The decrease in carbon intensity per revenue is due in part to emissions reduction activities. Emissions reduction activities are largely responsible for reducing overall Scope 1 and 2 emissions – and therefore this intensity metric – by 8% between 2011/12 and 2012/13. This is the result of initiatives including: - Lighting audits (e.g. reviewing controls, lux levels time clocks and photo cells), trialling of different technologies and upgrades to more efficient technologies (e.g. LED) and timing schedules (e.g. timing and zoning of car parks) – Improvements to maintenance

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
					systems/schedules to pre-empt losses in efficiency of lighting systems – Continued rolling out of an advanced energy monitoring, metering system and optimisation process – Regular (e.g. quarterly) reviews of individual asset performance against targets using online (i.e. remote) sustainability performance monitoring platform (accessible by key users within the building) – Continued automation of the occupier billing process – Automated Meter Readings and some automated sub-metering – M&E commissioning and upgrade to ensure efficient operation – BMS (building management system) optimisation – Passive measures including environmental working groups and KPIs.

12.3 Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO₂e 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
86.65	metric tonnes CO ₂ e	FTE employee	24	Decrease	The decrease in carbon intensity per FTE is due to emissions reduction activities and a marginal increase in FTE count. Emissions reduction activities are largely responsible for reducing overall Scope 1 and 2 emissions – and therefore this intensity metric. FTE increase by 1% from 483 in 2011/12 to 489 in 2012/13. Emissions reduction activities include: - Lighting audits (e.g. reviewing controls, lux levels time clocks and photo cells), trialling of different technologies and upgrades to more efficient technologies (e.g. LED) and timing schedules (e.g. timing and zoning of car parks) – Improvements to maintenance systems/schedules to pre-empt losses in efficiency of lighting systems – Continued rolling out of an advanced energy monitoring, metering system and optimisation process – Regular (e.g. quarterly) reviews of individual asset performance against targets using online (i.e. remote) sustainability performance monitoring platform (accessible by key users within the building) – Continued automation of the occupier billing process – Automated Meter Readings and some automated sub-metering – M&E commissioning and upgrade to ensure efficient operation – BMS (building management system) optimisation – Passive measures including environmental working groups and KPIs.

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
0.049	metric tonnes CO ₂ e	square meter	39	Decrease	We have reported our office portfolio intensity here: This reduction in carbon intensity per square meter was largely due to emissions reduction activities, including: - Lighting audits (e.g. reviewing controls, lux levels time clocks and photo cells), trialling of different technologies and upgrades to more efficient technologies (e.g. LED) and timing schedules (e.g. timing and zoning of car parks) – Improvements to maintenance systems/schedules to pre-empt losses in efficiency of lighting systems – Continued rolling out of an advanced energy monitoring, metering system and optimisation process – Regular (e.g. quarterly) reviews of individual asset performance against targets using online (i.e. remote) sustainability performance monitoring platform (accessible by key users within the building) – Continued automation of the occupier billing process – Automated Meter Readings and some automated sub-metering – M&E commissioning and upgrade to ensure efficient operation – BMS (building management system) optimisation – Passive measures including environmental working groups and KPIs.

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

13.1a 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 ₂ e	Details of ownership
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13.1b What is your strategy for complying with the schemes in which you participate or anticipate participating?

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

Yes

13.2a Please complete the table

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO ₂ e)	Number of credits (metric tonnes CO ₂ e): Risk adjusted volume	Credits retired	Purpose, e.g. compliance
Credit Purchase	Hydro	Carbon Clear Erkenek run-of-river hydropower project, Adiyaman Province, Turkey	Other: Verified Carbon Standard Certified	332			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 ₂ e	Methodology	Percentage of emissions calculated using primary data	Explanation
Purchased goods and services	Relevant, calculated	54,327	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 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. First year reported in CDP; calculated and reported in CR Full Data Report 2012 and 2013. Please see our Reporting Criteria on pages 179 – 181 of our CR Full Data Report 2013 for further information.
Capital goods	Relevant, calculated	259,242	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%	2011/12 emissions associated with capital assets, namely construction of new developments and embodied carbon in existing buildings purchased by British Land First year reported in CDP; calculated and reported in CR Full Data Report 2012 and 2013. Please see our Reporting Criteria on pages 179 – 181 of our CR Full Data Report 2013 for further information.

Sources of Scope 3 emissions	Evaluation status	Metric tonnes CO ₂ e	Methodology	Percentage of emissions calculated using primary data	Explanation
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Relevant, calculated	6,537	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 ₂ e. 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 2012 and 2013. Please see our Reporting Criteria on pages 179 – 181 of our CR Full Data Report 2013 for further information.
Upstream transportation and distribution	Relevant, calculated		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 good's
Waste generated in operations	Relevant, calculated		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 good's

Sources of Scope 3 emissions	Evaluation status	Metric tonnes CO ₂ e	Methodology	Percentage of emissions calculated using primary data	Explanation
Business travel	Relevant, calculated	252	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 applied. Expenditure from Barclaycard staff credit cards.	100%	2012/13 staff business travel of British Land staff. Please see our Reporting Criteria on pages 179 – 181 of our CR Full Data Report 2013 for further information.
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. First year reported in CDP; calculated and reported in CR Full Data Report 2012 and 2013. Please see our Reporting Criteria on pages 179 – 181 of our CR Full Data Report 2013 for further information.
Upstream leased assets	Not relevant, explanation provided				British Land does not lease buildings and so this category is not applicable.
Investments	Relevant, calculated	10,859	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. First year reported in CDP; calculated in 2012 and reported in CR Full Data Report 2012 and 2013. Please see our Reporting Criteria on pages 179 – 181 of our CR Full Data Report 2013 for further information.
Downstream transportation and distribution	Not relevant, explanation provided				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				British Land does not manufacture intermediate products and so this category is not applicable.
Use of sold products	Not relevant, explanation provided				This category is aimed at product manufacturers where products are used by the consumer which produce further emissions.

Sources of Scope 3 emissions	Evaluation status	Metric tonnes CO ₂ e	Methodology	Percentage of emissions calculated using primary data	Explanation
End of life treatment of sold products	Not relevant, explanation provided				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	748,150	Calculated based on energy use purchased directly by occupiers that was estimated using floor area and space use data, where available, annual energy usage data kWh/m ² from 2012 CIBSE Guide F, and annual energy usage data kWh/m ² from retail occupiers' websites.	100%	2011/12 downstream (scope 3) emissions of occupier/third party controlled energy/refrigerant emissions. Please see our Reporting Criteria on pages 179 – 181 of our CR Full Data Report 2013 for further information.
Franchises	Not relevant, explanation provided				British Land does not operate any franchises and so this category is not applicable.
Other (upstream)	Not evaluated				
Other (downstream)	Relevant, calculated	4,970,786	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/m ² 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 Scope 3 emissions

Third party verification or assurance complete

14.2a Please indicate the proportion of your Scope 3 emissions that are verified/assured

More than 0% but less than or equal to 20%

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

Type of verification or assurance	Relevant standard
Limited assurance	ISAE3000

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

14.3a Please complete the table

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	3.2	Decrease	Energy use has decreased due to initiatives described in the earlier sections of this report.
Upstream transportation & distribution	Change in output	59	Increase	This emission source has increased due to an increase in our development activities this year.
Business travel	Change in output	32	Increase	This emission source has increased due to an increase in our development activities this year.

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

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

Methods and prioritising engagements:

Stakeholders have been identified by working with people across the business, consulting experts, engaging with external stakeholders and reviewing best practice. We undertake engagement via ongoing engagement methods including meetings, membership of industry committees and presentations, and via specially commissioned research. The appropriate method and frequency is reviewed annually to ensure we are engaging at an appropriate level with them during the year. Examples of this year's engagement activities are provided below and further information is available in our Stakeholder Engagement Report 2013.

Suppliers:

We work closely with our suppliers to achieve our ethical standards and corporate responsibility goals, meeting regularly, providing extensive guidance for instance through our Sustainability Briefs, implementing audit processes such as ISO 14001 certified Environmental Management System for developments and writing key performance indicators into contracts where appropriate. In addition to biannual meetings with managing agents to review the sustainability performance of our properties and with key development contractors on or products, a selection participated in a CR workshop on carbon, and all were invited to participate in our online CR Consultation.

Customers:

We hold a biennial customer satisfaction survey, this year with 219 occupiers that included their satisfaction regarding sustainability issues. We operate Occupier Working Groups. We held a CR workshop on carbon with stakeholders including tenants and all were invited to participate in our online CR Consultation.

Other stakeholders:

(1) Investors: In addition to ongoing investor relationship management we held a CR workshop on carbon with stakeholders including investors and also an online CR consultation with 22 Socially Responsible Investment Analysts,

(2) Staff: In addition to ongoing staff engagement including monthly staff meetings, we hold an annual staff satisfaction that covers sustainability, and all were invited to participate in our online CR Consultation.

(3) Peers, NGOs and specialists: we held a CR workshop on carbon with stakeholders

Measuring success and positive outcomes:

Our Stakeholder Engagement Report 2013 presents the number of participants in our specially commissioned research events together with the outcomes, both qualitatively and quantitatively. We also present our thinking in response to the views expressed by stakeholders. Regarding carbon a positive outcome is that we have committed to review and publish a revised carbon strategy this year and confirmed our intention to fund work to encourage innovation around embodied carbon. Specific engagement reports are published such as our customer satisfaction survey.

14.4b 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
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14.4c 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
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14.4d Please explain why not and any plans you have to develop an engagement strategy in the future

SIGN OFF

Please enter the name of the individual that has signed off (approved) the response and their job title

Justin Snoxall, Head of Business Group