

Governance

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Tim Score
Chairman

2022 Corporate Governance Report

A refreshed management team, an exciting corporate strategy and stretching sustainability goals: the Board has guided the Company through a year of opportunity and growth.

As I outlined in my Chairman's Statement on page 10 the Company has a clear and ambitious strategy to fulfil its purpose in creating Places People Prefer. By utilising our competitive advantage in active asset management and development combined with meaningful stakeholder engagement, the Company is working hard to capture growth and deliver financial returns in an increasingly more sustainable way.

The Board's role during the year has been to challenge and support management both in the development of the new strategy and in its execution, providing challenge and independent lines of sight to refine and maximise the business's objectives.

As the Company has delivered on its priority to more actively recycle capital from its mature portfolio and invest into growth sectors, unique developments and value opportunities, the Board has taken bold decisions whilst ensuring financial and organisational longevity. Financial capacity, the demands on the workforce, shareholder returns, our sustainability goals and the impact on our broader stakeholders have all been at the forefront of our decision-making process.

The nature of our business, from investing in and developing properties to managing and curating our spaces, means we have a continuous dialogue with a wide group of stakeholders and consider our environmental and social impacts in all that we do. This cultural approach is central to our purpose and flows through all levels of the organisation.

As the Company continues to work towards its ambitious strategic and sustainability

Training

During the year, the Board participated in a deep-dive training session on the progress against our 2030 Sustainability Strategy and the future initiatives that will drive carbon reduction. Our subject matter experts provided detailed training on the technical aspects of embodied and operational carbon, the Company's broad sustainability reporting programme, external investor and analyst views on sustainability and the focus of the management team for the year ahead.

Glossary

1. Remuneration policy and engagement with shareholders (DRR page 127)
2. Director biographies (Directors' Report page 101)
3. Board changes and appointment process followed during the year (Nomination Committee Report, page 116)

AGM


Following the success of the 2021 AGM, we will once again be holding a hybrid meeting on 12 July 2022 at Storey Club, 100 Liverpool Street. Full details are contained within the 2022 Notice of Meeting. We would encourage shareholders to join either virtually or physically and participate in the meeting.

objectives, the Board will continue to develop its operation to ensure that the governance framework the Company operates under is complementary to those objectives.

This year, I want to provide you with an insight into the core role of the Board during the year under review, with a focus on stakeholder engagement and the impact it has on our decision making process. The case studies on the following page give a real insight into the work of the Board and the matters that are considered that go to the heart of how British Land operates. I hope you find this new format useful and enjoy reading about our work.

The rest of our corporate governance report will describe in detail how the Company continues to uphold high standards of corporate governance. Each Committee Chair will provide a detailed view of the work that their respective Committee has undertaken.

As I look forward to the year ahead, I would like to take the opportunity to thank my colleagues on the Board and across the business for their continued hard work and dedication.



Tim Score
Non-Executive Chairman

Stakeholder engagement

Stakeholders are at the centre of our decision making process to ensure that as a business we produce Places People Prefer. Pages 32-34 outline our stakeholder groups and provide details of how we engage with them.

The following case studies provide examples of principal decisions taken by the Board during the year, and how Directors have had specific regard to elements of section 172 (a)-(f) of the Companies Act 2006. Our formal section 172 Statement is within the Strategic report on page 33.

Our Workforce Engagement Statement is incorporated within the report of the CSR Committee on pages 114-115 which provides Board level oversight of this important work.



Canada Water

Working with AustralianSuper and in partnership with Southwark Council, this mixed use scheme is expected to include 3,000 new homes alongside a mix of commercial, retail and community space.

Image is a CGI

Applied governance

Principal Board Decisions

The Directors individually and collectively consider their obligations under section 172 (a)-(f) of the Companies Act 2006 when making decisions. Management take care to prepare decision papers that are scrutinised at executive level committees and subsequently endorsed if appropriate before they are presented to the Board. Directors take great comfort from the detail and diligence that management apply in preparing papers, and individual Board members often take the opportunity to have briefings with subject matter experts to bolster their knowledge. A checklist is provided within each decision paper that details the individual subsections of section 172 and the impact that the decision is likely to have on each stakeholder group. Whilst all stakeholder groups are considered, the following are some examples of the principal decisions taken by the Board during the year that demonstrate the impact of the decision process:

Case studies:

1. Part disposal of Canada Water to AustralianSuper

In March 2022, the Company announced the sale of 50% of our share in the Canada Water Masterplan to AustralianSuper and the creation of a new joint venture. The transaction delivered on our plan to introduce a partner on the project to accelerate delivery of and returns from the Masterplan. This new structure also provides visibility over the 10-year development programme, benefiting the internal project team, the suppliers and partners that we are contracted with and the local communities and end customers that will be able to have the benefit of the scheme once finished.

Securing a partner as credible as AustralianSuper with a track record in responsible investing and delivering mixed use redevelopments within London was a key consideration for the Board. The long term impacts on the Company's reputation for high standards of business conduct are reflected by our choice of AustralianSuper and the Board was satisfied that, culturally, the two organisations would fit well together.

2. 2 Finsbury Avenue

The Board approved the demolition of the existing 2 Finsbury Avenue building and enabling works for the proposed redevelopment in January 2022. In doing so, the Board had regard to the environmental impact of the scheme by reference to the Company's 2030 Sustainability Strategy and the embodied carbon levels proposed for the development.

In preparation for the proposal being brought to the Board, the Investment Committee reviewed the proposal on two separate occasions and challenged the project team to make design and procurement changes to reduce carbon to a market leading level for a new high rise building.

The proposal that the Board subsequently considered detailed how material and method innovations had been employed to improve the sustainability credentials of the design, which in turn slightly increased development costs. Reflecting strong demand for more sustainable space, as evidenced at 1 Broadgate which was fully let four years ahead of completion at attractive rents, the Board was satisfied that any increase in costs would be more than offset by higher rents as a result of its stronger sustainability credentials.

3. Free shares

As detailed within the CSR Committee report on page 115, the employee engagement survey is a key tool that the Board relies on for detailed engagement with the workforce. An area of particular feedback highlighted in the annual survey in February 2022 was how much employees had valued the Free Share awards under the Company's Approved Share Incentive Plan which had been suspended during the Covid-19 pandemic.

Management had originally intended to continue to suspend the award of free shares as part of the budget forecasting process for the year ending 31 March 2023. However given the strong financial performance of the Company during the year and the high value our employees put on the Free Share awards, the Board approved the proposal by management to provide Free Share awards across all BL employing companies.

Driving success

Our Board develops strategy and leads British Land to achieve long term success.

1. Tim Score

Non-Executive Chairman N

Appointed as a Non-Executive Director in March 2014 and as Chairman in July 2019.

Skills and experience

Tim has significant experience in the rapidly evolving global technology landscape and brings years of engagement both with mature economies and emerging markets to the Board.

He is the Deputy Chair, Senior Independent Director and Chair of the Audit Committee at Pearson plc and is a Non-Executive Director at the Football Association.

He is also a Non-Executive Director and Chair of the Audit and Risk Committee at Bridgepoint Group plc and sits on the board of trustees of the Royal National Theatre.

Tim was formerly a Non-Executive Director at HM Treasury, Chief Financial Officer of ARM Holdings PLC and held senior financial positions at Rebus Group Limited, William Baird plc, LucasVarity plc and BTR plc.

From 2005 to 2014, he was a Non-Executive Director of National Express Group PLC, including time as interim Chairman and six years as Senior Independent Director.

2. Simon Carter

Chief Executive Officer

Appointed to the Board as Chief Financial Officer in May 2018 and as Chief Executive in November 2020.

Skills and experience

Simon has extensive experience of finance and the real estate sector. He joined British Land from Logikor, the owner and operator of European logistics real estate, where he had served as Chief Financial Officer since January 2017. Prior to joining Logikor, from 2015 to 2017 Simon was Finance Director at Quintain Estates & Development Plc. Simon previously spent over 10 years with British Land, working in a variety of financial and strategic roles and was a member of our Executive Committee from 2012 until his departure in January 2015. Simon also previously worked for UBS in fixed income and qualified as a chartered accountant with Arthur Andersen. In May 2022, Simon was appointed to the Board of Real Estate Balance, a campaigning organisation working to improve diversity and inclusion in the real estate industry.

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3. Bhavesh Mistry

Chief Financial Officer

Appointed to the Board in July 2021.

Skills and experience

Bhavesh brings a broad range of financial, strategic and transformation experience to British Land gained across a number of multinational organisations. Prior to joining British Land, Bhavesh was Deputy Chief Financial Officer at Tesco PLC. Bhavesh has previously held senior finance and strategy roles in a range of consumer-facing businesses including Whitbread Hotels and Restaurants, Anheuser Busch InBev and Virgin Media. Bhavesh qualified as a Chartered Accountant with KPMG and holds an MBA from London Business School.

Board Committee membership key

- A Audit Committee
- C Corporate Social Responsibility Committee
- N Nomination Committee
- R Remuneration Committee
- Chair of a Board Committee

4. Preben Prebensen

Senior Independent

Non-Executive Director A N R

Appointed as a Non-Executive Director in September 2017 and Senior Independent Director in July 2020.

Skills and experience

Preben has 30 years' experience in driving long term growth for British banking businesses.

He is currently the Independent Non-Executive Chairman of Riverstone International, having previously been Chief Executive of Close Brothers Group plc from 2009 until 2020. Preben was formerly the Chief Investment Officer of Catlin Group Limited and Chief Executive of Wellington Underwriting plc. Prior to that he held a number of senior positions at JP Morgan.

Board Committee membership key

- A Audit Committee
- C Corporate Social Responsibility Committee
- N Nomination Committee
- R Remuneration Committee
- Chair of a Board Committee

5. Laura Wade-Gery

Non-Executive Director R N

Appointed as a Non-Executive Director in May 2015.

Skills and experience

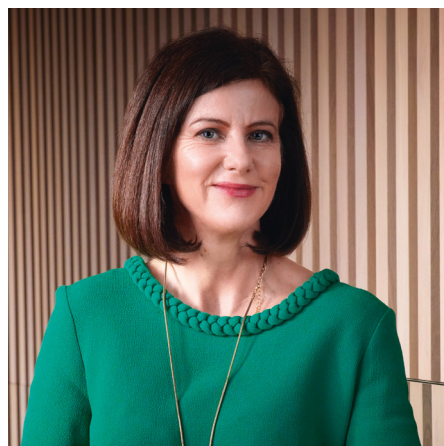
Laura has deep knowledge of digital transformation and customer experience and brings her experience leading business change management to the Board.

She is Chair of NHS Digital and a Non-Executive Director of NHS England. Most recently, Laura accepted the position of Non-Executive Director at Legal & General Group plc. Until April 2021, she was a Non-Executive Director of John Lewis Partnership plc. Previously, Laura was Executive Director of Multi Channel at Marks and Spencer Group plc, served in a number of senior positions at Tesco PLC including Chief Executive Officer of Tesco.com and was a Non-Executive Director of Reach PLC (formerly known as Trinity Mirror plc).

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6. Loraine Woodhouse

Non-Executive Director A

Appointed as a Non-Executive Director in March 2021.

Skills and experience

Loraine has extensive experience across all finance disciplines and has worked within many different sectors including real estate and retail.

Loraine has been Chief Financial Officer of Halfords Group plc since 1 November 2018. Prior to joining Halfords, Loraine spent five years in senior finance roles within the John Lewis Partnership. In 2014 Loraine was appointed Acting Group Finance Director and subsequently as Finance Director of Waitrose. Prior to that, Loraine was Chief Financial Officer of Hobbs, Finance Director of Capital Shopping Centres Limited (subsequently Intu Plc) and Finance Director of Costa Coffee Limited. Loraine's early career included finance and investor relations roles at Kingfisher Plc.

7. Alastair Hughes

Non-Executive Director C N A

Appointed as a Non-Executive Director in January 2018.

Skills and experience

Alastair has proven experience of growing real estate companies and is a fellow of the Royal Institution of Chartered Surveyors.

Alastair is a Non-Executive Director of Schroders Real Estate Investment Trust Limited, Tritax Big Box REIT and QuadReal Property Group, with over 25 years of experience in real estate markets.

He is a former Director of Jones Lang LaSalle Inc. (JLL) having served as managing director of JLL in the UK, as CEO for Europe, Middle East and Africa and then as CEO for Asia Pacific.

8. Irvinder Goodhew

Non-Executive Director N R

Appointed as a Non-Executive Director in October 2020.

Skills and experience

Irvinder brings over 25 years of experience through operational, strategic and digital transformation roles in a broad range of sectors including retail, consulting and financial services.

She is currently a Managing Director at Alvarez & Marsal and was previously a Transformation Director at Lloyds Banking Group plc. Irvinder held several senior executive positions in the UK and Australia in consumer facing industries, across supply chain operations, strategy and transformation for FTSE 100/ASX organisations including J Sainsbury plc, Coles Group and BOC Group. Irvinder's industry experience is complemented with a career in global strategy consulting including her role as a Partner with AT Kearney leading their consumer and retail practice in Australia and New Zealand.

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9. Nicholas Macpherson

Non-Executive Director

Appointed as a Non-Executive Director in December 2016.

Skills and experience

Nicholas has directed organisations through both fiscal and strategic change management and brings this vital expertise to the Board.

He is Chairman of The Scottish American Investment Company PLC, a Director of C. Hoare & Co. and a member of the Advisory Council to Arcus Infrastructure Partners. Nicholas was the Permanent Secretary to the Treasury for over 10 years from 2005 to March 2016, leading the department through the financial crisis and subsequent period of banking reform.

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10. Lynn Gladden

Non-Executive Director

Appointed as a Non-Executive Director in March 2015.

Skills and experience

Lynn is recognised as an authority in working at the interface of advanced technology and industry. Her critical thinking and analytical skills bring a unique dimension to the Board.

She is Shell Professor of Chemical Engineering at the University of Cambridge and was appointed as Executive Chair of the Engineering and Physical Sciences Research Council (UKRI) in 2018. She is also a fellow of the Royal Society and Royal Academy of Engineering.

11. Mark Aedy

Non-Executive Director

Appointed as a Non-Executive Director in September 2021.

Skills and experience

Mark is a Managing Director and Head of Moelis & Company EMEA & Asia Investment Banking. Prior to 2009, Mark was on the Global Executive Committee of Corporate & Investment Banking at Bank of America Merrill Lynch and before that was Head of Investment Banking EMEA at Merrill Lynch. Aside from his executive career Mark holds various non-profit and public sector board roles, including Senior Independent Director of the Royal Marsden NHS Foundation Trust and is a Trustee of the HALO Trust. He is also a Visiting Fellow at Oxford University.



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12. Brona McKeown

General Counsel and Company Secretary

Appointed as General Counsel and Company Secretary in January 2018. In January 2022 Brona also took on responsibility for Human Resources.

Skills and experience

Before joining British Land, Brona was General Counsel and Company Secretary of The Co-operative Bank plc for four years as part of the restructuring executive team. Immediately prior to that she was Interim General Counsel and Secretary at the Coventry Building Society. Prior to October 2011, Brona was Global General Counsel of the Corporate division of Barclays Bank plc, having joined Barclays in 1998. Brona trained and spent a number of years at a large City law firm.

A strategic enabler

Our governance structure ensures that the right people have access to the right information. Delegated authorities throughout our organisation enable effective decision making at appropriate levels.

Board attendance

Director	Meeting Attendance
Tim Score	6/6
Simon Carter	6/6
Bhavesh Mistry	5/5
Preben Prebensen	6/6
Mark Aedy	4/4
Lynn Gladden	6/6
Alastair Hughes	6/6
Irinder Goodhew	6/6
Nicholas Macpherson	6/6
Laura Wade-Gery ¹	5/6
Loraine Woodhouse	6/6

1. Laura Wade-Gery missed one Board meeting in May 2021 due to illness, but ensured a full report of the matters considered by the May 2021 Remuneration Committee which she had chaired was made at the Board meeting despite not being able to attend herself.

The Board continues to demonstrate individual and collective commitment to British Land by devoting sufficient time to discharge its duties and each year the Directors are asked to report their time spent on British Land commitments. In addition to formal meetings, the Board met collectively with management in February for the annual strategy offsite as well as for informal networking events throughout the year.

Governance framework



Further information about the different Committees can be found on page 107

Corporate Governance Report



Code compliance

We are reporting against the 2018 UK Corporate Governance Code (the 'Code') available at frc.org.uk. The Board considers that the Company has complied with all relevant provisions of the Code throughout the year.

For the purposes of Provision 5 of the Code, the Board has designated the CSR Committee as our prescribed method of overseeing workforce engagement, which provides greater resource at Board level than a single board member and demonstrates our continued commitment to excellent workforce engagement.

→ Board leadership and company purpose

The Board has determined that the Company's purpose is to create and manage outstanding places to deliver positive outcomes for all our stakeholders on a sustainable basis. We call this Places People Prefer.

We do this by understanding the evolving needs of the people and organisations who use our places every day and the communities who live in and around them. The changing way people choose to work, shop and live is what shapes our strategy, enabling us to drive demand for our space, in turn creating value over the long term.

The Board, supported by an expert management team, continues to maximise the competitive advantages of the Company by utilising a deep history of stakeholder engagement to produce Places People Prefer and maximise sustainable value for shareholders. The Company is led by the Board in its entrepreneurial approach to placemaking and continues to innovate and produce world class destinations.

As at 31 March 2022, the Board comprised the Chairman, the CEO, the CFO and eight independent Non-Executive Directors. We continue to have a strong mix of experienced individuals on the Board. The majority are independent Non-Executive Directors who are not only able to offer an external perspective on the business, but also constructively challenge Executive Directors, particularly when developing the Company's strategy and in their performance.

Our governance structure is designed to ensure that decisions are taken at the appropriate level and with the proper degree of oversight and challenge. Elements of our business require quick decision making and this is enabled by an agile Board and management team that collaborate effectively on complex issues.

Strategy days

Following the lifting of pandemic restrictions, the Board was able to hold its annual strategy off-site in person in London in February 2022. The event was attended by the full Board and Executive Committee and was structured to allow for the development of and challenge to the Company's corporate strategy, with a balanced program of presentations, debate and discussion.

The CEO, senior executives and external guests delivered a number of presentations to attendees, providing in-depth analysis on aspects of the business and the external environment. Areas of focus included: driving returns on retail parks and our London Campuses, our people strategy, development in the innovation sector, and presentations from external parties on the role of cities in a post-pandemic environment and emerging technologies including the metaverse.

Culture and stakeholder engagement

The Company's purpose is core to every decision taken by the Board. As detailed on pages 8-9, the Company has a framework of values and strategic measures that underpin our purpose to ensure that the strategy and culture of the Company are aligned. Led by the CSR Committee, we have a broad range of workforce engagement mechanisms to ensure the Board is able to assess the culture of the organisation. Our workforce engagement mechanisms are described on pages 114-115.

Although the CSR Committee has general oversight of and responsibility for workforce engagement, it collaborates with other Board Committees as appropriate to the extent that issues identified fall under the remit of a different Committee. The Board is regularly updated by Committee Chairs. The Board has delegated oversight of the Company's whistleblowing arrangements to the Audit Committee but retains overall responsibility and receives updates on cases as appropriate.

→ Board leadership and company purpose

The British Land Leadership Team consists of the Executive Committee and its direct reports in management roles who meet regularly both formally and informally to ensure there is a direct and visible link across the business, and act as a channel for workforce views to reach the Board.

As well as workforce engagement, the CSR Committee has formal responsibility for engagement with the Company's wider stakeholders. Stakeholder engagement is integral to creating Places People Prefer and the decisions taken by the Board to maximise shareholder value are enhanced by the views of the diverse range of stakeholders and wider communities that we serve. The mechanisms that ensure effective stakeholder engagement are detailed on pages 32-34. Examples of how principal decisions taken by the Board have been shaped by the impacts on our stakeholders are described in the Chairman's letter on page 99.

Further information on British Land's contribution to wider society can be found on pages 38-48

Engagement with major shareholders

Institutional investors and analysts receive regular communications from the Company, including investor relations events, one-to-one and group meetings with the Chairman and Executive Directors, and tours of our major assets. We have a dedicated investor relations team which manages our day to day shareholder engagement and provides regular feedback to the board.

Throughout the year we have hosted a number of investor events, both virtually and in person after the lifting of pandemic restrictions. Investor events including site tours have been held at Canada Water and Norton Folgate, and the CEO, CFO and Head of Real Estate have delivered their usual half year and full year results presentations as well as participating in a number of virtual and in-person roadshows, private clients roadshows and retail investor meetings. We also engaged with our major shareholders during our review of our Remuneration Policy. The resulting changes to the policy are summarised on page 129.

The Chairman is committed to ensuring that shareholder views, both positive and negative, are relayed back to the Board and is assisted by the executive team in doing so. The Chairman, Senior Independent Director, CEO and CFO are available to address any concerns our stakeholders may wish to raise. In June 2021 the Chairman attended a number of meetings with key investors and shareholders including, among others, BlackRock, Norges Bank and Brookfield.

In addition to the Chairman's efforts, the Chief Executive provides a written report at each scheduled Board meeting which includes a summary of market activity and commentary on investor meetings in the period. Direct feedback received during roadshows and other events is made available to the Board as appropriate.

The Board engages with wider shareholders via our Annual General Meeting which is held in a hybrid format and allows for shareholders to submit comments or questions for the Board either in person or via the website or telephone.

Conflicts of interest and external appointments

The Directors are required to avoid a situation in which they have, or could have, a direct or indirect conflict with the interests of the Company. The Board has established a procedure whereby Directors are required to notify the Chairman and the General Counsel and Company Secretary of all new potential outside interests and actual or perceived conflicts that may affect them in their roles as Directors of British Land. The Board reviewed its Conflicts of Interests Policy during the year and made amendments to provide a distinction between the approvals required for significant and non-significant appointments.

Any external appointments must be approved before they are accepted by Directors. The Board has delegated authority to the Chairman (or Senior Independent Directors for appointments concerning the Chairman) and any other member of the Nomination Committee to provide approval for significant appointments in between scheduled Board meetings. An updated register of situational conflicts of interest is then tabled at the next scheduled Board meeting for approval by the full Board. The register is provided to the Board for review and approval at least twice a year.

In November 2021, Tim Score was appointed as Non-Executive Director of Bridgepoint plc and Laura Wade-Gery was appointed as Non-Executive Director of Legal & General Group plc. In September 2021 Irvinder Goodhew was appointed as managing director of Alvarez and Marsal. In all cases the Board considered the appointments and concluded that they would not impact the directors' ability to dedicate sufficient time to their commitments at British Land. Prior approval of the appointments was given and they were subsequently noted in the register of situational conflicts which was then approved.

Non-Executive Directors' letters of appointment set out the time commitments expected from them. Following consideration, the Nomination Committee has concluded that all the Non-Executive Directors continue to devote sufficient time to discharging their duties to the required high standard. Further details on the process for appointment to the Board can be found within the Report of the Nomination Committee on page 117.

British Land's policy is to allow Executive Directors to take one non-executive directorship at another FTSE company, subject to Board approval. The Executive Directors do not currently hold any such Non-Executive Directorships.



Division of responsibilities

There is a clear written division of responsibilities between the Chairman (who is responsible for the leadership and effectiveness of the Board) and the Chief Executive (who is responsible for managing the Company).

The responsibilities of the Chairman, Chief Executive and Senior Independent Director have been agreed by the Board and are available to view on our website britishland.com/structure-committees.

When running Board meetings, the Chairman maintains a collaborative atmosphere and ensures that all Directors have the opportunity to contribute to the debate. The Directors are able to voice their opinions in a calm and respectful environment, allowing coherent discussion.

The Chairman also arranges informal meetings and events throughout the year to help build constructive relationships between Board members and the senior management team. The Chairman meets with individual Directors outside of formal Board meetings to allow for open, two-way discussion about the effectiveness of the Board, its Committees and its members. The Chairman is therefore able to remain mindful of the views of the individual Directors.

Operation of the Board

Our governance framework set out on page 104 ensures that the Board is able to focus on strategic proposals, major transactions and governance matters which affect the long term success of the business.

Regular Board and Committee meetings are scheduled throughout the year. Ad hoc meetings may be held at short notice when Board-level decisions of a time-critical nature need to be made, or for exceptional business.

Care is taken to ensure that information is circulated in good time before Board and Committee meetings and that papers are presented clearly and with the appropriate level of detail to assist the Board in discharging its duties. The Secretariat assists the Board and Committee Chairs in agreeing the agenda in sufficient time before the meeting to allow for input from key stakeholders and senior executives. Chairs of Committees are also sent

draft papers in advance of circulation to committee members to give time for input.

Papers for scheduled meetings are circulated one week prior to meetings and clearly marked as being 'For Decision', 'For Information' or 'For Discussion'. To enhance the delivery of Board and Committee papers, the Board uses a Board portal and tablets which provide a secure and efficient process for meeting pack distribution.

Under the direction of the Chairman, the General Counsel and Company Secretary facilitates effective information flows between the Board and its Committees, and between senior management and Non-Executive Directors.

Board Committees

Four standing Committees have been operating throughout the year: Audit, Nomination, Remuneration and Corporate Social Responsibility, to which certain powers have been delegated. Membership of each of these Committees is comprised solely of independent Non-Executive Directors. The reports of these four standing Committees are set out in the following pages. The terms of reference of each Committee and the matters reserved for the Board are available on our website at britishland.com/committees.

The Board has delegated authority for the day-to-day management of the business to the Chief Executive. Executive Directors and senior management have been given delegated authority by the Board to make decisions within specified parameters. Decisions outside of these parameters are reserved for the Board, although management will often bring decisions within their delegated authority to the Board for scrutiny and challenge.

Management are supported by three standing Executive Committees:

Executive Committee

The Chief Executive is supported by the Executive Committee in discharging his duties which have been delegated by the Board. Comprised of the senior management team, the Committee's main areas of focus are the formulation and implementation of strategic initiatives, business performance monitoring and evaluating and overseeing culture and stakeholder engagement.

Investment Committee

Principal investment decisions are reserved for the Board, however it has delegated authority to the Investment Committee to make decisions within specified financial parameters. The Investment Committee is chaired by the Head of Strategy, Digital & Technology. Its membership comprises the majority of the Executive Committee including the CEO and CFO. The Investment Committee also reviews investment proposals that fall outside of its delegated authority and provides recommendations to the Board for its consideration.

Risk Committee

The Chief Financial Officer chairs the Risk Committee which comprises all members of the Executive Committee and senior management across the business. The Committee has overall accountability for management of risks across the business in achieving the Company's strategic objectives.

Management Committees

The Board Committees are supported by a number of management committees as detailed in our Governance framework on page 104. Each management committee feeds into the relevant Board Committee on a particular area of focus and implements any Board recommendations throughout the business.

If relevant, new management committees or working groups are established around key areas of focus to report into the Board or management Committees. This year, following the completion of the scenario analyses, we have established a TCFD working group to succeed the former committee that focuses on the new regulations mandating climate disclosures.

A new Information Security Committee was formed at the end of last year to support the Risk Committee in monitoring the effectiveness of the Company's Information Security through Key Risk Indicators and to recommend new security initiatives.

→ Composition, succession and evaluation

Composition, succession and evaluation

Our rigorous and transparent procedures for appointing new Directors are led by the Nomination Committee. Non-Executive Directors are appointed for specified terms and all continuing Directors offer themselves for election or re-election by shareholders at the AGM each year provided the Board, on the recommendation of the Nomination Committee, deems it appropriate that they do so, taking into account various factors including the length of concurrent service. The procedure for appointing new Directors is detailed in the Nomination Committee Report on page 117.

The Nomination Committee is responsible for reviewing the composition of the Board and its Committees and assessing whether the balance of skills, experience, knowledge and diversity is appropriate to enable them to operate effectively. More detail can be found in the Nomination Committee Report on page 117.

As well as leading the procedures for appointments to the Board and its Committees, the Nomination Committee oversees succession planning for the Board and senior management with reference to the Board Diversity and Inclusion Policy. Further details on the work of the Nomination Committee and the Diversity and Inclusion Policy are within its Report on page 118.

The Notice of Meeting for the 2022 Annual General Meeting details the specific reasons that the contribution of each Director seeking election or re-election is and continues to be important to the Company's long term sustainable success. The biographies of each Director on pages 101-103 set out the skills and expertise that each Director brings to the Board.

Following a recommendation from the Nomination Committee, the Board considers that each Non-Executive Director remains independent in accordance with provisions of the Code.

Internal Board evaluation

The internal evaluation of the Board was conducted by the Head of Secretariat circulating questionnaires, seeking quantitative and qualitative feedback and reporting the outcomes to the Board.

In addition to the formal questionnaire, the Chairman met each Non-Executive Director individually during the year to discuss their contribution to the Board and to take their feedback. The Senior Independent Director held a meeting of the Non-Executive Directors without the Chairman to appraise the Chairman's performance and running of the Board.

The internal evaluation concluded that the Board, its Committees and its individual members all continue to operate effectively and with due diligence. It also confirmed that good progress has been made on the recommendations made as a result of the external board effectiveness evaluation in 2021:

- Time had been spent gaining insight into Non-Executive Directors' wider experiences and applied where they could be of assistance to the Board;
- Key measures and KPIs had been introduced to monitor progress against execution of the strategy of the business and are reviewed at every Board meeting;
- Efforts to maintain contact between Non-Executive Directors and the wider Company through speaker events and lunches had continued despite Covid restrictions; and
- Carefully chosen and relevant external speakers were invited to Board meetings.

Specific actions were drawn from the results of the recent internal evaluation, including:

- A review of competitor peer group significant activity was to be included in the regular update to the Board from the Chief Executive;
- Management to provide the Board regularly with more detailed feedback from investor and analyst engagement to build on the process already in place;
- Management succession plans to be brought to the Board as a recurring agenda item; and
- Continue to invite external speakers to Board meetings as appropriate.

We will report on progress in these areas in the 2023 Annual Report. The next Board evaluation will take place in March 2023.





Audit Committee

The Audit Committee is responsible for monitoring the integrity of the financial statements and results announcements of the Company as well as the appointment, remuneration and effectiveness of the external and internal auditors. The detailed report of the Audit Committee is on pages 120-126.

Financial and business reporting

The Board is responsible for preparing the Annual Report and confirms in the Directors' Responsibilities Statement set out on page 157 that it believes that the Annual Report, taken as a whole, is fair, balanced and understandable. The process for reaching this decision is outlined in the report of the Audit Committee on page 122. The basis on which the Company creates and preserves value over the long term is described in the Strategic Report.

Risk management

The Board determines the extent and nature of the risks it is prepared to take in order to achieve the Company's strategic objectives. The Board is assisted in this responsibility by the Audit Committee which, in conjunction with the Risk Committee, makes recommendations in respect of the Group's principal and emerging risks, risk appetite and key risk indicators. Further information on the Group's risk management processes and role of the Board and the Audit Committee can be found on pages 125-126.

The Board has responsibility for the Company's overall approach to risk management and internal control which includes ensuring the design and implementation of appropriate risk management and internal control systems. Oversight of the effectiveness of these systems is delegated to the Audit Committee which undertakes regular reviews to ensure that the Group is identifying, considering and as far as practicable mitigating the risks for the business.

During the course of its review for the year ended 31 March 2022, and to the date of this Report, the Audit Committee has not identified, nor been advised of, a failing or weakness which it has determined to be significant.

Page 123 sets out the confirmations that the Audit Committee made to the Board as part of the risk management and internal control assurance process for the full year.

Internal control over financial reporting

As well as complying with the Code, the Group has adopted the best practice recommendations in the FRC 'Guidance on risk management, internal control and related financial and business reporting' and the Company's internal control framework operates in line with the recommendations set out in the internationally recognised COSO Internal Control Integrated Framework.

Audit, Risk Management & Internal Control

The key risk management and internal control procedures over financial reporting include the following:

Operational risk management framework:

operational reporting processes are in place to mitigate the risk of financial misstatement. Key controls are owned by senior managers who report on compliance on a six-monthly basis to the Risk Committee. All key internal financial controls are reviewed on a two-yearly cycle by internal audit. The risk and control team carry out sample testing;

Financial reporting: our financial reporting process is managed using documented accounting policies and reporting formats supported by detailed instructions and guidance on reporting requirements. This process is subject to oversight and review by both external auditors and the Audit Committee; and

Disclosure Committee: membership comprises the Chief Executive, Chief Financial Officer, Chief Operating Officer, General Counsel and Company Secretary and Head of Secretariat. The Committee regularly reviews draft financial reports and valuation information during the interim and full year reporting process and determines, with external advice from the Company's legal and financial advisers as required, whether inside information exists and the appropriate disclosure requirements.

Going concern and viability statements

Disclosures on our use of the 'going concern' basis of accounting and our viability statement can be found in the Viability Statement on page 97.

Remuneration

The Company's remuneration policies and practices are designed to support our strategy and promote the long term sustainable success of the business. We have a clear strategy, focused on our Campuses and Retail & Fulfilment, which positions our business for growth. Delivering against this strategy creates the inputs for future value creation for all of our stakeholders. In our Directors' Remuneration Report we explain our approach to incentivise and reward employees to deliver value creation whilst also managing the business on a day-to-day basis. We also explain how we create alignment with shareholders and measure our performance over the longer term.

In accordance with the Code, the Remuneration Committee is recommending a new Remuneration Policy for approval at the 2022 AGM. The recommended Remuneration Policy is set out on pages 131-137.

Our current Remuneration Policy was approved by shareholders at the 2019 AGM. The Remuneration Committee is also responsible for establishing remuneration of the members of the Executive Committee.

The Committee is authorised to use discretion in determining remuneration outcomes for Executive Directors and the wider workforce. Further details on the Committee's use of discretion this year can be found in the Directors' Remuneration Report starting on page 127

Key investor relations activities during the year

April 2021

- Peel Hunt Real Estate Conference, including virtual property tour of 100 Liverpool Street

May 2021

- Full Year Results Presentation
- Full Year Results Roadshow

June 2021

- Goldman Sachs European Financials Conference
- Chairman's Investor Meetings
- Morgan Stanley Europe & EMEA Property Conference

July 2021

- Retail investor webinar
- AGM

September 2021

- Goldman Sachs European Real Estate Conference
- BofA Global Real Estate Conference
- Norton Folgate Analyst Site Visit
- Virtual US roadshow

November 2021

- Half Year Results Presentation
- Half Year Results Roadshow
- JP Morgan Best of British Conference

December 2021

- UBS Global Real Estate conference including site visit of 100 Liverpool Street and Norton Folgate

January 2022

- Barclays European Real Estate Conference including site visit of 100 Liverpool Street
- US Private Client Investor Roadshow
- UK Private Client Investor Roadshow

February 2022

- Canada Water Analyst and Investor Site Visit

March 2022

- Citi Annual Global CEO Property Conference
- BofA Real Estate CEO Conference

APPLIED GOVERNANCE

The Board meets regularly with people from across British Land and interacts with a range of advisers including corporate brokers and valuers to implement our strategic priorities.

Our key focus areas:

Campuses

Board focus areas:

- Realising the potential of our Campuses through:
- Active capital recycling through disposals and the formation of joint ventures to focus on London Campuses
 - Investment in innovation Campuses outside London
 - Replenishment of long term development pipeline to redeploy recycled capital

Key Decisions:

- Establishment of Canada Water joint venture
- Approval of 1 Broadgate and Canada Water Phase 1 development
- Unconditional exchange on Paddington joint venture



Retail & Fulfilment

Board focus areas:

- Targeting the opportunities in Retail & Fulfilment by:
- Assembling a pipeline in London urban logistics
 - Focusing on retail parks to unlock value from the growth of online
 - Analysis of retail landscape and navigating occupier insolvency

Key Decisions:

- Acquisition of Hannah Close, Wembley
- Logistics strategy deep dive
- Acquisition of 100% of units in Hercules Unit Trust

Delivered by our people and underpinned by our commitment to sustainability

Board focus areas:

- Progress on our 2030 Sustainability Strategy and pathway to Net Zero by prioritising the re-use of existing buildings where possible and challenging ourselves to reduce embodied carbon in new builds
- Focus on diversity and inclusion at all levels of the business

- Supporting workforce wellbeing, informed by our workforce engagement surveys

Key Decisions:

- Development of 2 Finsbury Avenue
- Publication of Diversity, Equality & Inclusion Strategy
- Board sustainability deep dive



Helping people thrive

We seek to ensure the Company is a first-class employer, builds and manages first-class buildings for its communities and occupiers and delivers this in a sustainable way.

I am pleased to present the report of the CSR Committee for the year ended 31 March 2022.

The Committee was set up three years ago to assist the Board in overseeing its engagement with employees and other

stakeholders and to monitor the Company's wider contribution to society and the environment. In November 2021, Mark Aedy joined the Committee as Irvinder Goodhew stepped down to join the Remuneration Committee. I would like to thank Irvinder for her meaningful contribution throughout her tenure.

This report sets out in detail the activity undertaken by the Committee during the year ended 31 March 2022.

Committee composition

The Committee is composed solely of independent Non-Executive Directors. Attendance at Committee meetings during the year is set out in the following table:

Director	Position	Date of Committee appointment	Attendance
Alastair Hughes	Chairman	1 Apr 2019	3/3
Lynn Gladden	Member	1 Apr 2019	3/3
Mark Aedy ¹	Member	17 Nov 2021	1/1
Irvinder Goodhew ¹	Member	1 Oct 2020	2/2

1. Mark Aedy joined the Committee following Irvinder Goodhew's departure from the Committee on 17 November 2021. Mark attended an additional Committee meeting in October, before he joined as a member.

Members of the senior management team, including the Chief Executive Officer, Chief Financial Officer, General Counsel and Company Secretary, Chief Operating Officer and Head of Secretariat are invited to each Committee meeting. Other members such as the Head of Developments, Head of Environmental Sustainability, Head of Social Sustainability and Head of Employee Relations are invited to attend the section of the meetings relevant to their work.

Committee effectiveness

The Committee's effectiveness was reviewed as part of the wider internal Board evaluation which concluded that the Committee had operated effectively. The Committee reviewed and updated its terms of reference during the year, which are available at britishland.com/committees. The changes made were to define responsibilities between the Committee and the Remuneration Committee.

Committee responsibilities

The Committee continues to operate a three-pillar approach to fulfil our primary roles of being a first-class employer, building and managing first-class buildings and environments for our communities and occupiers, and delivering this in a sustainable way for both our communities and the environment. As a Committee, we make sure that our key stakeholders are at the core of every discussion and decision made in order to create Places People Prefer.

Over the past three years the Committee's responsibilities have expanded to include greater oversight of the Company's environmental and social activities. To reflect this expansion we are changing our name to the Environmental Social Governance Committee and will report under this name going forward. Our responsibilities are listed below.

Understanding our impact on the community and environment:

- Oversee the Transition Vehicle
- Oversee the Community Investment Fund
- Understand the impact of our operations on the community and environment, including monitoring the execution of the 2030 Sustainability Strategy
- Understand our charitable activities

Build and manage first-class buildings:

- Oversee and monitor our Health & Safety systems
- Monitor the processes and mechanisms for building relationships with customers, suppliers and other key stakeholders

Understanding the views of employees:

- Assess and monitor our culture to ensure it aligns with our purpose, values and strategy
- Engage with the workforce on behalf of the Board
- Review workforce engagement mechanisms, including considering their outputs and assessing their effectiveness
- Monitor the development of gender and ethnic diversity of the senior management pipeline, including monitoring the execution of the 2030 Diversity, Equality & Inclusion Strategy

Key areas of focus for the year ended 31 March 2022

This year we concentrated on British Land's efforts in diversity, equality and inclusion, progress against our sustainability strategy and our construction and supply chain pressures.

Diversity, equality and inclusion

We have built on our Race Equality Framework and Diversity & Inclusion Framework, that were established last year in response to feedback from our people, to create the Diversity, Equality & Inclusion Strategy. This was the product of the outstanding effort of various groups across the business with **collaboration and building for the future** at its core – two key pillars of our Company values. The Committee was involved in the development of the strategy, specifically by challenging management to create a framework that had quantifiable outcomes. The full strategy can be found at britishland.com/diversity-equality-inclusion.

The DE&I strategy is based on five pillars that underpin our mission to deliver Places People Prefer in a way that addresses the interconnected nature of diversity. The pillars are people and culture; recruitment and career progression; our leadership; our industry and supplier networks; and our places and communities. We require all suppliers to adopt our Diversity, Equality & Inclusion Supplier Charter to ensure our supply chains align with our values. Following the success of using 'blind CVs' for junior roles – which means at the point candidates are selected for interviews by line managers, indicators as to ethnicity and gender have been removed – this year we have used blind CVs in the recruitment process for all levels where we can. Looking forward, we will introduce our 'reverse mentoring' programme between leaders and ethnic minority colleagues.

We are proud to publish such an authentic and clear strategy that we can report and measure progress against. We hope that it helps us be a leading force for change in our industry.

Last year we set a target to reduce our gender and ethnicity median pay gaps by 2% year on year. This year we published our ethnicity pay gap data for the second year meaning that we can compare the data for the first time. It is encouraging to see that we have reduced the gender pay gap by 8.4% to 19.2% and ethnicity pay gap by 8.1% to 19.2%. We were also pleased to come 15th in the 2021 FTSE Women Leaders Review for Women on Boards and in Leadership.

Progress against our sustainability strategy

Good progress has been made on the Sustainability Strategy. Net Zero audits were completed during the year at 29 assets that cover 90% of landlord procured energy consumption. The information collated will be invaluable in improving the energy efficiency of our spaces and reaching our target of reducing operational carbon emissions by 75% in respect of our managed portfolio. The Sustainability Committee, comprised of senior managers from across the business, monitors the progress of the sustainability targets owned by Executive Committee members and which cascade through the business.

Building on the research undertaken last year into the key local issues at our places, this year we have identified ways in which we will work with local communities to address those issues where we can have the greatest impact.

Construction and supply chain pressures

The Committee remain assured that the construction and health and safety teams have operated with vigilance during a period of volatility and challenging external factors. Supply chain and inflationary pressures have been actively managed through early procurement, quick decision making, and

redistributing materials already in our possession. We continue to demonstrate best in class construction and health and safety practices alongside our commitment to sustainable developments. For example, during the design stage of 2 Finsbury Avenue the management team challenged the design team to make design and procurement changes to reduce carbon to a market leading level for a high rise building.

Fulfilling our responsibilities Understanding our impact on the community and environment

There are two threads of the Sustainability Strategy: the wider environment and the specific communities surrounding our properties.

Community

Our Place Based approach is central to the Society pillar of our 2030 Sustainability Strategy. During the year the Committee challenged the team to define and articulate the activities of the Place Based approach to help us better communicate and amplify its impact. As a result, we have a clear outline of the approach for twenty four places.

We oversee the Community Investment Fund which supports our Place Based approach by providing funding to charities, social enterprises and community organisations operating in our places. A total of £1.4m was spent in the year ended 31 March 2022. This year we also launched Campus Community Funds at Paddington Central and Broadgate in addition to the existing fund at Regent's Place.

Environment

Achieving net zero carbon on new developments is a key component of the strategy and we continue to monitor and challenge the management team to achieve the lowest possible embodied carbon for our buildings, before offsetting the remaining carbon as a last resort.



Case Study: Paddington Central

Our Place Based approach is delivered through our Local Charter which provides a framework of four key focus areas: employment, education, connection and local business.

Paddington's Place Based theme is inclusive and accessible opportunities, and together with our customers, suppliers and community partners we focus on creating inclusive and accessible skills, training and employment opportunities that bring mutual benefits to both Paddington Central and people locally.

Our Paddington Central Campus runs employment programmes such as Bright Lights, which links the site with local and diverse talent whilst supporting under/unemployed people to access employment opportunities; education initiatives like Young Readers Programme aid local schoolchildren in growing their love of literacy; the Paddington Central Community Fund connects Paddington Central businesses to local causes; and affordable space on site supports capacity-building for non-profits e.g. space donation to Care4Calais for a distribution unit.



**Network Case Study:
BL Pride Committee**

The BL Pride Committee is one of the longest running of our Employee Networks and is chaired by Paul Edwards, Head of Legal. He says: "The BL Pride Committee works to raise the profile of LGBT+ issues and encourage British Land employees to be good allies. Through various activities including hosting social events, organising training sessions, charity fundraising and inputting into BL policies, we aim to create a culture of acceptance both within the company and

in the wider industry. Events such as our Corporate Queer Exhibition at Broadgate in September 2021 aim to demonstrate that we have visible senior LGBT+ leaders at British Land and that employees can bring their whole selves to work. It has been heart-warming for me to hear from colleagues who are out publicly in their work lives for the first time in their role at BL. The opportunity to present to the CSR committee sends a clear message that Diversity & Inclusion is valued at all levels of the business."

Following the success of our first net zero development at 100 Liverpool Street, which achieved a Green Building of the Year award, we have now offset 1 Triton Square and St Anne's. In total 22,000 tonnes of carbon were offset at the two developments. This year we also maintained a 5 star GRESB rating meaning that we continue to be in the top quintile of participating real estate companies for sustainability performance globally. See pages 38-39 for further information.

The Transition Vehicle is crucial to improve the operational performance of our portfolio. The Vehicle was created in 2021 to finance sustainable initiatives on our standing portfolio and offset carbon on new developments, and currently holds £15.6m ready to be deployed. Energy efficient interventions on our standing portfolio are being identified through our Net Zero audits. We will monitor where funding is directed over the coming years and report on specific initiatives within future Annual Reports. So far, we have been improving the energy efficiency of the standing portfolio to strengthen their EPC ratings; one example being the installation of air source pumps at 10 Exchange Square and 338 Euston Road.

Engaging with our occupiers, both current and future, has demonstrated that robust environmental credentials are vital to them which has heightened our focus on sustainable buildings which in turn supports leasing, enabling us to let space more quickly and achieve higher rents. To help tackle this we will be introducing sustainability clauses in our leases. This is a great example of how engagement with our stakeholders is driving change in how we run our business. Read more about our environmental leadership on page 38.

Build and manage first-class buildings

The Committee took time to understand management's approach to health and safety and was impressed with the rigour and detail of the systems in place to ensure our buildings and practices are safe.

During the year we received reports that showed how we are mitigating the inflationary pressures experienced by the construction industry, driven by material supply constraints, labour shortages and energy price rises. The impact of these external factors on our decision making, procurement routes and contractor selection were brought to our attention and challenged appropriately. We were assured that they were approached with high levels of awareness and diligence.

Understanding the views of employees

Previously, we have provided a separate Workforce Engagement Statement. From this year, as the Committee is responsible for workforce engagement and in practice, it forms one of the three main responsibilities of the Committee, we have integrated the Workforce Engagement Statement so that it forms part of the CSR Committee Report.

The Committee is well placed to receive updates on the below engagement methods. This holistic oversight emphasises the benefit of having the Committee as our chosen workforce engagement method.

How we engage

BL employee networks

As seen on pages 35-37, our employee-led networks are integral to creating and maintaining an open dialogue to keep management informed on social issues impacting our staff. By working with our

Board, Executive Committee and CSR Committee, our networks effect real change within the business, informing on policy and initiatives to ensure our people remain at the heart of everything we do. Non-Executive Directors are directly influenced by our grassroots networks and the feedback received acts as a litmus test for the health of our culture.

As well as regular meetings with the CEO, our network chairs are invited to present at the Executive and CSR Committees. We find these updates invaluable as they give us direct contact with some of the most passionate people in the business. Each network is encouraged to give feedback as to how we can bolster their efforts at Board level. The networks informed us that senior attendance at network events was hugely important and since, these members have made a concerted effort to be more involved which illustrates how our values flow through the entire business.

Internal communication

Strong communication played an essential role in the transition back into our offices. As pandemic restrictions were lifted, regular emails to employees kept them updated on working arrangements and Executive Committee members discussed any major policy changes with their teams to understand how employees were feeling which was fed back to the CSR Committee.

Following the successful return to our offices, monthly all staff meetings resumed led by an Executive Committee member in a hybrid format, allowing staff to choose to join physically or via video link.

Director engagement

Following the pandemic we were glad to reintroduce our regular programme of Non Executive Director breakfasts and lunches with senior employees.

Following the success of the “In Conversation with Lynn Gladden” event hosted by our women’s network, equitaBLe, Irvinder Goodhew joined the network for a virtual Q&A attended by over 100 staff members, where she spoke candidly about her career and the challenges she has faced. The session was recorded and able to be accessed by colleagues who could not attend the live event.

Last year the Board endorsed a proposal for Non-Executive Directors and Executive Committee members to mentor highly performing talent within the business and under this scheme several Non-Executive Directors now mentor senior employees across the business.

Financial awareness

At the half and full year, our Chief Executive Officer, Chief Financial Officer and Head of Real Estate present the financial results to our employees and answer questions.

Ownership

Our Company-wide Share Incentive Plan and Save As You Earn Schemes continued to operate throughout the pandemic. In 2020, we suspended the annual free share award, part of the Share Incentive Plan, but having understood from employees in our engagement survey the high value they put on the annual Free Share award and given the strong financial performance of the Company, we will be resuming this aspect of the scheme from 2022.

Employee surveys

In February we conducted our annual employee engagement survey which was the first full survey since 2019 because we relied on more regular, pulse surveys during the pandemic. We continue to enjoy

good results, particularly in cultural areas that take a long time to build, such as belief in our social purpose and commitment to diversity. Of note, 83% of staff surveyed reported that they have confidence in the leaders at British Land, and 88% reported that they felt British Land’s commitment to social responsibility is genuine.

We also saw improvement in some of our weaker scores versus 2019; confidence in collaboration and communication was up by 8% following measures to address this, such as more internal communication and establishing the British Land Leadership Team. However, employees did voice concerns about compensation, workload and career progression which have been seen across the labour market generally following the pandemic and more recently with the cost of living crisis.

We also took time to delve into the survey results through a diversity lens. Overall, the concerns mentioned above were shared by all socioeconomic groups. A breakdown of the results by gender, ethnic group and sexual orientation was shared with the relevant networks so they can use the data to inform their goals and activities.

The results of the survey were presented to employees and areas of concern were addressed openly. Individual teams were asked to discuss their team-specific results compared to the wider Company, and their feedback will be used to form an action plan in the immediate and long term.

From April to June 2021 we held wellbeing focussed pulse surveys which showed that nearly 90% of colleagues consistently felt supported by British Land during the pandemic and over 80% thought senior

leaders demonstrated that employee wellbeing was important. These surveys helped us understand employees’ sentiment and respond in the most effective way to make sure that our people felt looked after during this disruptive period.

Key areas of focus for the coming year

This has been a productive year in collating the right data and using it to inform our decision making. We will continue to provide oversight of our Sustainability Strategy and progress against our net zero carbon targets. We will also report on the projects that the Transition Vehicle will support in the 2023 Annual Report.

Diversity will remain a focal point for the Committee to ensure there are processes in place to facilitate a diverse pipeline of talent for the future. Importantly, we will monitor progress against the new Diversity, Equality and Inclusion strategy, gender and ethnicity pay gap, and race equality objectives. We hope that together these objectives will add to the good work already carried out in enabling our people to bring their whole selves to work, which is a foundation of our culture at British Land. We will also maintain best in class construction and health and safety whilst steering the business through the challenges of the macro environment.



Alastair Hughes

Chairman of the CSR Committee



Network Case Study: BL NextGen

The NextGen Network is our newest employee network and is chaired by Joseph Bass and Gafar Fashola, Canada Water Administrator Apprentices and Patricia Rus, Investment Associate. “We started our network in response to previous staff survey results indicating that junior employees felt they lacked meaningful ways to connect with colleagues. In addition, retention of junior staff at British Land and in the wider industry is a challenge: 25 – 29 year-olds are some of the most job-mobile employees and made up the highest percentage of British Land leavers. We wanted to create a forum for junior professionals to share ideas, develop skills and widen their networks to develop their careers.

In the first six months of operation, over 40 people signed up for our Buddy Programme, which provides new starters with a ‘buddy’ for their first six months of employment to ease integration into the company. We also launched our Teach In sessions which aim to give colleagues better insight into different areas of the business and the wider real estate industry. Also, we have collaborated with both the British Property Federation and Real Estate Balance on events for our Network members. It is important to us to keep young professionals at British Land connected across the property industry to ensure we attract the best talent.”



and experience on the Board to ensure that succession plans maintain the correct balance of skills and experience to deliver the strategy over the coming years.

There were minimal changes to the Board during the year under review. Following the selection process as detailed in the 2021 Annual Report, Bhavesh Mistry joined the Board as Chief Financial Officer on 19 July 2021. Following the departure of William Jackson, the Committee determined the skill set required and following a rigorous selection and appointment process, Mark Aedy was appointed as a Non-Executive Director on 1 September 2021.

Nicholas Macpherson, having served on the Board since December 2016, has decided not to offer himself for re-election and will stand down at the conclusion of the AGM. I want to thank him for his input and valuable contribution.

All of the Committee activities set out in this Report were conducted within the context of our unwavering commitment to improving inclusion and diversity across British Land. Assisted by the work of the CSR Committee in ensuring a diverse pipeline for succession, consideration was given to the benefits of diversity in its widest sense including gender, social and ethnic backgrounds and personal strengths, particularly in view of the Company's purpose and strategy. We are proud of the tangible impact British Land's diversity policies and initiatives are having both at Board level and in the wider business, and we report on this progress both in this Report and in the People and Culture section of the Strategic Report.

Looking ahead, the Committee is focussed on the long term succession of the Board. As Directors approach their nine-year limits, the Committee has an opportunity to consider more broadly the skill set and diversity of the Board as a whole. I hope you find the following report interesting and illustrative of our focus on ensuring that the Board and its Committees remain well equipped with the skills and capabilities needed to drive the future success of British Land.

Tim Score
Chairman of the Nomination Committee

Ensuring a balanced and diverse Board

The Nomination Committee supports the Board on composition, succession and diversity matters.

I am pleased to present the report of the Nomination Committee for the year ended 31 March 2022.

The Nomination Committee continues to play a key role in supporting British Land's long term sustainable success.

The development and execution of our long term strategic objectives, embedding of our culture and values and promotion of the interests of our stakeholders are all dependent upon effective leadership at both Board and executive level. It is the Committee's responsibility to maintain an appropriate combination of skills and capabilities amongst the Directors. Long term succession planning at Board and executive level remains a key priority of the Committee. We regularly consider the skills

Committee composition and governance

The Committee has five members. As at the 31 March 2022 year end the Committee comprised: Tim Score, Preben Prebensen, Alastair Hughes, Laura Wade-Gery and Irvinder Goodhew.

Details of the Committee's membership and attendance at meetings during the year are set out in the table below.

Director	Position	Date of Committee appointment	Attendance
Tim Score	Chairman	1 Apr 2017	4/4
Alastair Hughes	Member	29 July 2020	4/4
Irvinder Goodhew	Member	18 Nov 2020	4/4
Laura Wade-Gery ¹	Member	18 Nov 2020	3/4
Preben Prebensen	Member	19 July 2019	4/4

1. Laura Wade-Gery missed one Nomination Committee meeting in May 2021 due to illness.

Key areas of focus during the year

Director search and selection

As explained in the introduction Mark Aedy was appointed as Director on 1 September 2021.

Mark is currently a Managing Director and Head of Moelis & Company EMEA & Asia Investment Banking. Prior to 2009, Mark was on the Global Executive Committee of Corporate & Investment Banking at Bank of America Merrill Lynch and before that Head of Investment Banking EMEA at Merrill Lynch. Aside from his executive career, Mark holds various non-profit and public sector board roles, including Senior Independent Director of the Royal Marsden NHS Foundation Trust and is a Trustee of The HALO Trust.

The search process was conducted in accordance with the Board Diversity and Inclusion Policy and the Selection and Appointment Process, which are both explained later in this report. Russell Reynolds Associates, the executive search firm appointed, has no other relationship to the Company or individual Directors. The firm has adopted the Voluntary Code of Conduct for Executive Search Firms on gender diversity and best practice.

Board and Committee composition reviews and appointments

During the year the Committee reviewed the broader composition and balance of the Board and its Committees, their alignment with the Company's strategic objectives, and the need for progressive refreshing of the Board. The Committee recommended the appointment of Mark Aedy to the CSR Committee in the place of Irvinder Goodhew. Mark brings a wealth of financial

Investment experience and knowledge to the Committee. Following the meaningful contribution that Irvinder Goodhew brought to the CSR Committee since her appointment in 2020, Irvinder has been appointed to the Remuneration Committee. Both changes took effect from 17 November 2021.

Laura-Wade Gery and Lynn Gladden completed their second three-year terms in May 2021. In making recommendations for reappointments, the Committee considered their performance and ability to contribute effectively to Board discussions and to challenge the performance of management.

The Committee is satisfied that, following the Board and Committee composition changes described above as well as the internally facilitated Board effectiveness evaluation, the Board and its Committees continue to maintain an appropriate balance of skills and experience required to fulfil their roles effectively.

Independence and re-election

The independence of all Non-Executive Directors is reviewed by the Committee annually, with reference to their independence of character and judgement and whether any circumstances or relationships exist which could affect their judgement. Having regard to all such considerations, the Board is of the view that the Non-Executive Directors each remain independent, notwithstanding their periods of tenure.

Prior to recommending the reappointment of serving Directors to the Board, the Committee also considers the time commitment required and whether each reappointment would be in the best interests of the Company. Detailed consideration is given to each Director's contribution to the Board and its

Committees, together with the overall balance of knowledge, skills, experience and diversity.

Following its review, the Committee is of the opinion that each Non-Executive Director continues to demonstrate commitment to his or her role as a member of the Board and its Committees, discharges his or her duties effectively and that each makes a valuable contribution to the leadership of the Company for the benefit of all stakeholders.

Accordingly, the Committee recommended to the Board that all serving Directors (except Nicholas Macpherson who is standing down at the conclusion of the AGM) be put forward for election or re-election at the 2022 AGM.

Biographies for each Director can be found on pages 101-103.

Succession planning

The Committee is responsible for reviewing the succession plans for the Board, including the Chief Executive. We recognise that successful succession planning includes nurturing our own talent pool and giving opportunities to those who are capable of growing into more senior roles.

The succession plans for the Executive Directors are prepared on both shorter and longer term bases while those for Non-Executive Directors reflect the need to refresh the Board regularly. Such plans take account of the tenure of individual members. The Committee's review of Executive Director succession plans includes consideration of the process for talent development within the organisation to create a pipeline to the Board.



Role brief

The Committee works only with external search agencies which have adopted the Voluntary Code of Conduct for Executive Search Firms on gender diversity and best practice. The Committee and agency work together to develop a comprehensive role brief and person specification, aligned to the Group's values and culture. This brief contains clear criteria against which prospective candidates can be objectively assessed.

Longlist review

The external search agency is challenged to use the objective criteria for the role to produce a longlist of high quality candidates from a broad range of potential sources of talent. This process supports creation of a diverse longlist. The Nomination Committee selects candidates from this list to be invited for interview.

Interview

A formal, multi-stage interview process is used to assess the candidates. For each appointment the choice of interviewer is customised to the specific requirements of the role. All interview candidates are subject to a rigorous referencing process.

Review and recommendation

The Committee ensures that, prior to making any recommendation to the Board, any potential conflicts and the significant time commitments of prospective Directors have been satisfactorily reviewed.

The Chief Executive prepares succession plans for senior management for consideration by the Committee with the rest of the Board invited to be involved as appropriate. The Committee notes that the remit of the CSR Committee includes consideration of the extent to which the business is developing a diverse pipeline for succession to senior management roles.

A number of issues that would normally be dealt with by the Committee were discussed with the full Board.

Selection and appointment process

The Committee oversees the selection and appointment process for Board appointment which is summarised on the previous page.

Board Diversity and Inclusion Policy

The Board's Diversity and Inclusion Policy has remained unchanged during the year. The Board is mindful that the FCA has recently finalised changes to the Listing Rules to enhance the level of diversity expected at Board and senior management level. The Company will consider the amendments made by the FCA and incorporate them into the policy as appropriate.

The current policy recognises the benefits of diversity in its broadest sense and sets out the Board's ambitions and objectives regarding diversity at Board and senior management level. The Policy notes that appointments will continue to be made on merit against a set of objective criteria, which are developed in consideration of the skills, experience, independence and knowledge which the Board as a whole requires to be effective. The Policy also describes the Board's firm belief that in order to be effective a board must properly

reflect the environment in which it operates and that diversity in the boardroom has a positive effect on the quality of decision making. Aligned to this, the Policy has a number of specific quantitative and qualitative policy objectives in support of Board-level diversity and inclusion, including the following commitments:

Performance against objectives and updating objectives:

The objectives from the Policy in force for the year ended 31 March 2022 included:

- the intention to maintain a balance such that at least 35% of the Board are women.
- the intention to maintain at least two Directors from an ethnic minority background.
- to maintain the improved gender balance of its leadership teams and senior management. Senior management is defined as the Executive Committee and employees in the British Land Leadership Team.
- to ensure that there is clear Board-level accountability for diversity and inclusion for the wider workforce.

The Committee is pleased to confirm that these objectives have been met. As at 31 March 2022 the gender diversity of the Board and senior management was 36% and 37% women respectively, although Executive Committee composition has decreased from 42% to 33% women. Clear accountability for diversity and inclusion is delivered through the CSR Committee, which monitors progress on diversity and inclusion objectives and relevant initiatives within British Land.

The Policy can be found on our website britishland.com/committees.

Induction, Board training and development

Each new Director is invited to meet the General Counsel and Company Secretary and Head of Secretariat to discuss their induction needs in detail, following which the programme is tailored specifically to their requirements and adapted to reflect their existing knowledge and experience.

Each induction programme would ordinarily include:

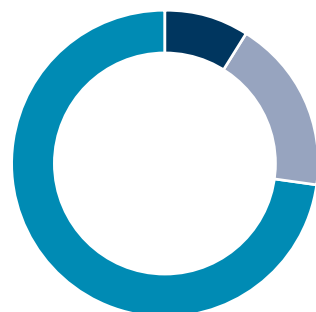
1. meetings with the Chairman, Executive Directors, Committee Chair, external auditor or remuneration consultants (as appropriate);
2. information on the corporate strategy, the investment strategy, the financial position and tax matters (including details of the Company's REIT status);
3. an overview of the property portfolio provided by members of the senior management team;
4. visits to key assets;
5. details of Board and Committee procedures and Directors' responsibilities;
6. details of the investor relations programme; and
7. information on the Company's approach to sustainability.

The Committee also has responsibility for the Board's training and professional development needs. Directors receive training and presentations during the course of the year to keep their knowledge current and enhance their experience.

Average Board member age over a four-year period¹

2022	57 years old
2021	56 years old
2020	56 years old
2019	55 years old

Composition²



Chairman	1
Executive Directors	2
Non-Executive Directors	8

Tenure²



0-3 years	3
3-6 years	3
6-9 years	3

1. As at AGM date of 12 July 2022.

2. As at 31 March 2022.

Key areas of focus for the coming year

As well as the regular cycle of matters that the Committee schedules for consideration each year, we are planning over the next 12 months to continue to focus on succession planning both for the Board and at senior management level, and will continue to develop a strong talent pipeline and associated leadership programmes.

The Committee, led by the Senior Independent Director, will begin to consider succession planning for the Chairman as Tim Score approaches his ninth year as a Director of the Company. The Committee will consider the appropriate time for the Company to transition to a new Chairman and report as appropriate against the requirements of the Code in the 2023 Annual Report.

Board and Committee effectiveness

The process followed for the internally facilitated Board effectiveness evaluation conducted during the year is described in the Governance Review on page 108.

The Committee's effectiveness during the year was evaluated as part of the internal Board evaluation which concluded that the Committee operated effectively.

Board composition review

The Committee annually reviews the structure, size and composition of the Board. This review considers the skills and qualities required by the Board and its Committees as a whole in light of the Group's long term strategy, external environment and the need to allow for progressive refreshing of the Board. The review identifies the specific skills required by new appointees and guides the Committee's long term approach to appointments and succession planning.

The Committee also reviewed its terms of reference during the year and no changes were recommended. The terms are available on our website britishland.com/committees.



“The induction process at British Land is comprehensive, transparent and engaging across all levels of seniority. It significantly enhanced my ability to understand rapidly the opportunities the Company has and the challenges it faces. As a result, I was well informed and enabled to contribute from the outset.”

Mark Aedy

Non-Executive Director

Mark Aedy's induction programme commenced shortly after his appointment. Mark met with the Chairman, CEO, CFO and Chairs of each Board Committee to understand fully the strategic direction of the Company as well as specific areas of focus. Executive Committee members then met with Mark to provide an overview of their respective areas of the business, such as Development, Investment, Canada Water and Real Estate. Mark also received technical briefings from other Executive Committee members such as the HR Director, General Counsel and Company Secretary and Chief Operating Officer on company culture, Directors' duties and our investor relations programme.

In order to gain an in-depth insight into the work of our people, Mark met with several senior managers and subject matter experts across the business. The Group Treasurer and Head of Capital Markets provided an overview of the Group's financing and cash management arrangements. The Property Finance Director and Head of Financial Planning and Analysis detailed the Group's budgeting, capital planning and valuation processes and the Director of Group Finance and Head of Tax outlined the Group's financial reporting framework. In addition, Mark met with the Director of Operations, Head of Storey, Head of Planning and Heads of Leasing for an in-depth view of the operational side of the business.

Finally, in order to see our strategy in action, Mark was taken to visit our Campuses at Broadgate and Regent's Park as well as our 53-acre development at Canada Water.



Committee composition and governance

The Committee continues to be composed solely of independent Non-Executive Directors with sufficient financial experience, commercial acumen and sector knowledge to fulfil their responsibilities.

Members' attendance at Committee meetings is set out in the following table:

Director	Position	Date of Committee appointment	Attendance
Loraine Woodhouse	Chair	31 Mar 2021	3/3
Alastair Hughes	Member	1 Jan 2018	3/3
Nicholas Macpherson	Member	1 Apr 2017	3/3
Preben Prebensen	Member	1 Jan 2021	3/3

For the purposes of the Code and FCA Handbook, the Board is satisfied that the Committee as a whole has competence relevant to the real estate sector, and I am deemed to meet the specific requirement of having recent and relevant accounting experience. Further information about members' qualifications can be found in the directors' biographies on pages 101-103.

The Committee meets privately with both external and internal auditors after each scheduled meeting and continues to be satisfied that neither is being unduly influenced by management. As Committee Chair, I additionally hold regular meetings with the Chief Executive Officer, Chief Financial Officer and other members of management to obtain a good understanding of key issues affecting

Monitoring quality and integrity

The year ended 31 March 2022 was my first year as Chair of the Audit Committee which monitors the quality and integrity of the financial reporting and valuation process. Throughout the year we have also paid particular attention to our risk management and internal control processes and procedures, as well as our other main areas of responsibility.

I am pleased to present the report of the Audit Committee for the year ended 31 March 2022. I hope that you find it useful in understanding our work.

2021-2022 Calendar

The calendar below gives an overview of the key matters considered by the Committee during the year.

The key shows the main areas that the Committee focused on and can be used to see how we have spent our time during the year.

- Investment and development property valuations
- Financial reporting and Fair, Balanced and Understandable assessment
- Risk Management and Internal Controls
- External Audit and Internal Audit

May 21

- Valuation reports, effectiveness and rotation
- 2021 draft annual report and accounts and preliminary announcement
- Fair, balanced and understandable assessment
- Going concern and viability assessments
- Assessment of principal and emerging risks, key risk indicators and risk appetite
- Internal controls effectiveness
- Internal audit update
- Information security update
- External audit report
- Sustainability assurance report
- Corporate Governance Code review
- Auditor reappointment and subsidiary auditor approval
- Non-audit services policy recommendation

July 21

AGM

Authority for the Directors to determine the auditor's remuneration and the reappointment of the external auditor were approved by shareholders

the Group and am thereby able to identify those matters which require meaningful discussion at Committee meetings. I also meet the external audit partner, internal audit partner and representatives from each of the valuers privately to discuss any matters they wish to raise or concerns they may have.

Committee effectiveness

The Committee's effectiveness was reviewed as part of the wider internal Board evaluation which concluded that the Committee continued to operate effectively.

The Committee reviews its terms of reference on an annual basis. Following an extensive update during the year ended 31 March 2019 to reflect the adoption of the Code, this year we made minor changes to the terms of reference in line with best practice, but no substantive changes were made.

The current terms of reference were effective from 17 March 2022 and are available on our website at britishland.com/committees.



Loraine Woodhouse

Chair of the Audit Committee

Responsibilities and Key Areas of Focus

Priorities	Description
Financial reporting	Monitoring the integrity of the Company's financial statements and any formal announcements relating to financial performance, and considering significant financial reporting issues, judgements and estimates. Considering the appropriateness of the accounting treatment of significant transactions, including asset acquisitions and disposals, and the viability and going concern statements.
Fair, Balanced and Understandable assessment	Assessing whether the Annual Report is fair, balanced and understandable.
External Audit	Oversight and remuneration of the external auditor, assessing effectiveness, independence, and making recommendations to the Board on the appointment of, and policy for non-audit services provided by, the external auditor.
Internal Audit	Monitoring and reviewing the internal audit plan, reports on the work of the internal auditor, and reviewing its effectiveness, including its resourcing.
Risk management and internal controls	Reviewing the system of internal control and risk management. Reviewing the process for identification and mitigation of principal and emerging risks, assessment of risk appetite and key risk indicators, and challenging management actions where appropriate.
Investment and development property valuations	Considering the valuation process, assumptions and judgements made by the valuers and the outcomes. Monitoring the effectiveness of the Company's valuers and the proportion of the portfolio for which each valuer has responsibility.

November 21

- Valuer report, effectiveness and appointment policy update
- 2022 half year results and draft preliminary announcement
- Key financial reporting judgements
- Going concern assessment
- External audit review
- Risk management update
- Information security update
- BEIS corporate governance reforms
- Internal audit update
- Internal controls effectiveness
- External audit plan, fees and engagement

March 22

- Assessment of principal and emerging risks, key risk indicators and risk appetite
- Annual fraud and anti-bribery and corruption update
- Whistleblowing report
- Data privacy compliance update
- BEIS proposed corporate governance reforms
- Internal audit report
- Financial reporting judgements
- Going concern and viability assessments
- Annual tax update including tax planning and risk relating to tax
- TCFD update, including reflecting the risk of climate change in our financial reporting
- Effectiveness of Audit Committee, internal and external auditors

Focus for the coming year:

- Processes by which the Board identifies, assesses, monitors, manages and mitigates risk, particularly in the context of a high inflationary environment;
- Monitor key risk areas, particularly those scheduled for review by Internal Audit including, but not limited to, key financial, operational and IT controls, the Company's strategy, software development life cycles, sustainability and Canada Water;
- Continue to prepare and put in place policies and procedures for the FRC reporting and BEIS reforms; and
- Consider the impact of the evolving review of investment valuation standards undertaken by RICS on the valuation processes of the Group.

Financial Reporting

The Committee continues to review the content and tone of the preliminary results, Annual Report and half year results and make recommendations to the Board regarding their accuracy and appropriateness. Drafts of the Annual Report are reviewed by the Committee as a whole prior to formal consideration by the Board, with sufficient time provided for feedback.

The Committee reviewed the key messaging included in the Annual Report and half year results, paying particular attention to those matters considered to be important to the Group by virtue of their size, complexity, level of judgement required and potential impact on the financial statements and wider business model.

The Committee has satisfied itself that the controls over the accuracy and consistency of the information presented in the Annual Report are robust. The Committee reviewed

the procedure undertaken to enable the Board to provide the fair, balanced and understandable confirmation to shareholders.

Meetings were held between the Director of Group Finance, Chief Operating Officer, Company Secretary and General Counsel, Head of Secretariat, IR/Corporate Sustainability Lead and other senior employees to review the Annual Report and challenge the content and layout of it. A report summarising their findings and amendments was presented to the Committee which then recommended to the Board that the Annual Report presented a fair, balanced and understandable overview of the business of the Group and that it provided stakeholders with the necessary information to assess the Group's position, performance, business model and strategy.

The Committee continues to play a key role in assessing whether the Annual Report is fair, balanced and understandable which is described in further detail below.

Case Study – BEIS Corporate Governance reforms

The BEIS Corporate Governance reforms are expected to be introduced in 2023/2024. We welcome the reforms as a positive change to the regulatory environment. In anticipation of significant changes, we have conducted preliminary internal and external readiness assessments and impact assessments.

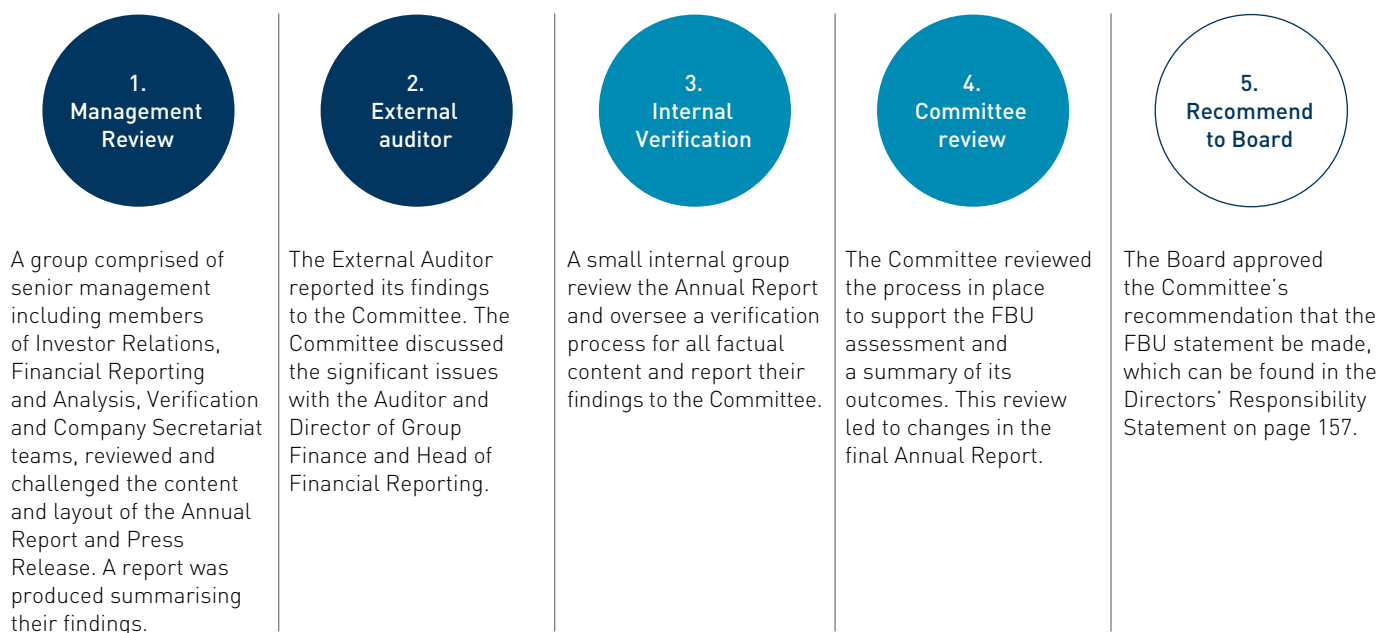
We have a roadmap to ensure that we dedicate sufficient time and resource over the next few years so that we are in a good position when the reforms take effect.

As part of its standard review in respect of public and large private companies' accounts and reports, the FRC wrote to the Company and provided a number of minor suggestions that have been addressed where relevant and appropriate in the 2022 Annual Report and Accounts. The FRC clarified that this did not amount to substantive correspondence and no formal response was required from the Company.

Fair, balanced and understandable (FBU) reporting

The Committee considers annually whether, in its opinion, the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and whether it provides the information necessary for stakeholders to assess the Company's position, performance, business model and strategy.

The following process is followed by the Committee in making its assessment:



The significant issues considered by the Committee in relation to the financial statements and broader work it has undertaken during the year ended 31 March 2022, and the actions taken to address these issues, are set out in the following table:

Significant issues considered	How these issues were addressed	Outcome
Going concern and viability statement	<p>The Committee reviewed management's analysis supporting the preparation of the financial statements on a going concern basis. This included consideration of forecast cash flows, availability of committed debt facilities and expected covenant headroom.</p> <p>The Committee also reviewed management's assessment of whether the Group's long term viability appropriately reflects the prospects of the Group and covers an appropriate period of time. This included consideration of whether the assessment adequately reflected the Group's risk appetite and principal risks as disclosed on pages 88-96; whether the period covered by the statement was reasonable given the strategy of the Group and the environment in which it operates; and whether the assumptions and sensitivities identified, and stress tested, represented severe but plausible scenarios in the context of solvency or liquidity.</p> <p>The Committee received a report from the external auditor on the results of the testing undertaken on management's analysis in both cases.</p>	<p>The Committee satisfied itself that the going concern basis of preparation remained appropriate. In doing so, the Committee requested that a reverse stress test for a higher inflationary environment be conducted. The Committee agreed with management's assessment and recommended the viability statement to the Board. The viability statement, which includes our going concern statement and further details on this assessment, is set out on page 97.</p>
Provisioning	<p>The Committee considered management's approach in determining appropriate provisioning levels for rental arrears and tenant incentives, including those that remain related to the Covid-19 pandemic period, challenging assumptions and methodology where appropriate. The Committee also received a report from the external auditor.</p>	<p>The Committee was satisfied that the provisioning approach was appropriate and proportionate for the Group.</p>
Accounting for significant transactions	<p>The accounting treatment of significant property acquisitions, disposals, financing and leasing transactions is a recurring risk for the Group with non-standard accounting entries required, and in some cases management judgement applied. The Committee reviewed management papers on key financial reporting matters, including those for significant transactions, as well as the external auditor's findings on these matters. In particular, the Committee considered the accounting treatment of the formation of a joint venture with AustralianSuper in respect of Canada Water. The external auditor separately reviewed management's judgements in relation to these transactions and determined that the approach was appropriate.</p>	<p>The Committee was satisfied that the accounting treatment and related financial disclosure of significant transactions was appropriate.</p>
Valuation of property portfolio	<p>The valuation of investment and development properties conducted by external valuers is inherently subjective as it is undertaken on the basis of assumptions made by the valuers which may not prove to be accurate. The outcome of the valuation is significant to the Group in terms of investment decisions, results and remuneration. The external valuers presented their reports to the Committee prior to the half year and full year results, providing an overview of the UK property market and summarising the performance of the Group's assets. Significant judgements made in preparing these valuations were highlighted.</p>	<p>The Committee analysed the reports and reviewed the valuation outcomes, challenging assumptions made where appropriate. The Committee challenged the valuers on the distinction between shopping centres and retail parks and the valuation assumptions made in respect of the former with relatively little market evidence. The Committee also challenged the valuers on the methodology applied in respect of Canada Water, given the disposal of 50% of the Company's interest to AustralianSuper and the risk associated with large scale development projects. The Committee was satisfied with the valuation process and the effectiveness of the Company's valuers. The Committee approved the relevant valuation disclosures to be included in the Annual Report.</p>
Taxation provisions	<p>The Committee reviewed the appropriateness of taxation provisions made and released by the Group during the period. They considered papers prepared by management and discussed the views of the external auditors to obtain assurance that amounts held were commensurate with the associated risks.</p>	<p>The Committee was satisfied that the taxation provisions were appropriate. 'Our Approach to Tax' is available at britishland.com/governance.</p>
Risk appetite and Principal Risks	<p>The Committee received reports from management which included a review of Key Risk Indicators in the context of our risk appetite and updates on our operational risk.</p>	<p>During the year we have refreshed our principal risks in response to how our strategy and markets are evolving. The Committee resolved that management's assessment of the principal risks and risk appetite be recommended to the Board.</p>
Assessment of internal controls	<p>This year we have operated in the context of the proposed BEIS corporate governance reforms and continually seeking to upgrade our internal control environment. Management provided biannual confirmation of the effectiveness of internal controls.</p>	<p>The Committee approved proposals made by management to improve the risk and control processes and monitoring. This included additional internal controls testing that was put in place for the internal control declarations from March 2022.</p>
TCFD	<p>The Committee reviewed management's progress on ensuring compliance with the TCFD requirements for this year's Annual Report and Accounts. They considered changes proposed to both the strategic report and financial statements, the process followed by management and the physical and transition risk analysis work undertaken by Willis Towers Watson in the year.</p>	<p>The Committee steered the underlying principles of the disclosure in conjunction with management, reviewing the disclosure over a period of time ahead of the final recommendation of the Annual Report and Accounts for approval by the Board. The Committee satisfied itself that the Group's resulting TCFD disclosure was appropriate.</p>

External Audit

PricewaterhouseCoopers LLP (PwC) was appointed as the Group's external auditor for the 2015 Annual Report following a formal competitive tender process. Given the continuing effectiveness of PwC in their role as external auditor, the Committee believes it is in the best interests of shareholders for PwC to remain in role for the following financial year and for a competitive tender process to be completed during 2024 ahead of the 2025 year end audit.

The year under review is Sandra Dowling's third year as engagement partner following a mandatory rotation at the conclusion of the 2019 audit. The Committee will ensure that future rotations are undertaken as required by legislation to the extent that this is not undertaken earlier by PwC.

The Committee is responsible for overseeing the relationship with the external auditor and for considering their terms of engagement, remuneration, effectiveness, independence and continued objectivity. The Committee annually reviews the audit requirements of the Group, for the business and in the context of the external environment, placing great importance on ensuring a high quality, effective external audit process.

BDO LLP provides audit services to a number of wholly owned subsidiary and joint venture companies.

Fees and non-audit services

The Committee discussed the audit fee for the 2022 Annual Report with the external auditor and approved the proposed fee on behalf of the Board.

In addition, the Group has adopted a policy for the provision of non-audit services by the external auditor in accordance with the FRC's 2019 Revised Ethical Standard. The policy helps to safeguard the external auditor's independence and objectivity. The policy allows the external auditor to provide the following non-audit services to British Land where they are considered to be the most appropriate provider for:

- audit related services: including formal reporting relating to borrowings, shareholder and other circulars and work in respect of acquisitions and disposals. In some circumstances, the external auditor is required to carry out the work because of their office. In other circumstances, selection would depend on which firm was best suited to provide the services required.

In addition, the following protocols apply to non-audit fees:

- total non-audit fees are limited to 70% of the audit fees in any one year. Additionally, the ratio of audit to non-audit fees is calculated in line with the methodology set out in the FRC's 2019 Revised Ethical Standard;
- Committee approval is required where there might be questions as to whether the external auditor has a conflict of interest; and
- the Audit Committee Chair is required to approve in advance each additional project or incremental fee between £25,000 and £100,000, and Committee approval is required for any additional projects over £100,000.

Total fees for non-audit services amounted to £0.03m, which represents 5% of the total Group audit fees payable for the year ended 31 March 2022. Details of all fees charged by the external auditor during the year are set out on page 182.

The Committee is satisfied that the Company has complied with the provisions of the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Processes and Audit Committee Responsibilities) Order 2014, published by the Competition and Markets Authority on 26 September 2014.

Effectiveness

Assessment of the annual evaluation of the external auditor's performance was undertaken by way of a questionnaire completed by key stakeholders across the Group, including senior members of the Finance team. The review took into account the quality of planning, delivery and execution of the audit (including the audit of subsidiary companies), the technical competence and strategic knowledge of the audit team and the effectiveness of reporting and communication between the audit team and management.

PwC also provide the Committee with an annual report on its independence, objectivity and compliance with statutory, regulatory and ethical standards. For the year ended 31 March 2022, as for the prior year, the external auditor confirmed that it continued to maintain appropriate internal safeguards to ensure its independence and objectivity.

The Committee concluded that the quality of the external auditor's work, and the level of challenge, knowledge and competence of the audit team, had been maintained at an appropriate standard during the year.

The Committee therefore recommended to the Board that a resolution to reappoint PwC as external auditor of the Company be put to shareholders at the 2022 AGM.

Internal Audit

The role of Internal Audit is to act as an independent and objective assurance function, designed to improve the effectiveness of the governance, risk management and internal controls framework in mitigating the key risks of British Land. Ernst & Young LLP (EY) continue to provide Internal Audit services to British Land and attended all Committee meetings to present their audit findings alongside the status of management actions.

During the year, the Committee reviewed, made suggested amends to and approved the annual Internal Audit plan, including consideration of the plan's alignment to the principal risks of the Group and its joint ventures. Internal audits completed during the year included those in relation to key financial controls, financial reporting system upgrades, health and safety processes, insurance, cyber security, and the Group's purchase to pay system. Overall, no significant control issues were identified although several process and control improvements were proposed, with follow up audits scheduled where necessary.

Effectiveness

The annual effectiveness review of the internal auditor included consideration of the Internal Audit charter which defines EY's role and responsibilities, review of the quality of the audit work undertaken and the skills and competence of the audit teams. Key stakeholders across the Group, including Committee members, Head of Secretariat, Head of Financial Reporting and other senior employees, completed a questionnaire to assess the effectiveness of the internal auditor. The Committee concluded that EY continued to discharge its duties as internal auditor effectively and should continue in the role for the year commencing 1 April 2022.

Feedback to inform the Committee's review of the effectiveness of the Internal and External Audit

Internal Audit/External Auditor	Management	Audit Committee
<ul style="list-style-type: none"> – Assessed audit resource and expertise. – Reviewed the quality of audit work, skills and competence of the audit teams. – Considered feedback from PwC in relation to the external audit process. – Considered feedback from EY in relation to their performance during the year. – Reviewed EYs confirmations relating to the internal audit including their independence, composition, interaction with external auditor, Committee and Board. – Assessed the Internal Audit Plan. 	<ul style="list-style-type: none"> – Reviewed the work carried out by the Risk Committee. – Reviewed the questionnaires completed by key stakeholders regarding the Committee, external and internal auditors' effectiveness. – Received assurance that the provision of information to the external auditor complied with the relevant disclosure processes. 	<ul style="list-style-type: none"> – Considered the views from members, the Finance team and regular attendees of the Audit Committee. – Assessed the output from the Committee evaluation and surveys conducted during this process. – Reviewed the external audit reports provided to the Committee during the year, with a specific focus on the demonstration of professional scepticism and challenge of management assumptions. – Assessed progress against the previous year's focus areas.
<p>Outcome</p> <p>Following a review of the outputs from each source outlined above, the Committee concluded the internal and external auditors continued to operate effectively. Considering the previous year's objectives and progress made during the year, key areas of focus for the internal audit and external audit functions for the upcoming year were: to increase the allocation of time allotted to update the Committee on the internal audit program, provide more information on industry trends the Company should have on its radar, work with management to improve the response time to conclude accounting issues, and provide further external advice and input into our overall risk management and internal controls processes.</p>		

Investment and development property valuations

The external valuation of British Land's property portfolio is a key determinant of the Group's balance sheet, its performance and the remuneration of the Executive Directors and senior management. The Committee is committed to the rigorous monitoring and review of the effectiveness of its valuers as well as the valuation process itself. The Group's valuers are CBRE, Knight Frank, Jones Lang LaSalle (JLL) and Cushman & Wakefield.

The Committee reviews the effectiveness of the external valuers bi-annually, focusing on a quantitative analysis of capital values, yield benchmarking, availability of comparable market evidence and major outliers to subsector movements, with an annual qualitative review of the level of service received from each valuer.

The valuers attend Committee meetings at which the full and half year valuations are discussed, presenting their reports which include details of the valuation process, market conditions and any significant judgements made. The external auditor reviews the valuations and valuation process, having had full access to the valuers to determine that due process had been followed and appropriate information used, before separately reporting its findings to the Committee. The valuation process is also subject to regular review by Internal Audit. The Group's valuers and external auditor have confirmed to the Committee that the process undertaken by British Land to accommodate the valuation of its real estate portfolio is best in class. British Land has fixed fee arrangements in place with the valuers in relation to the valuation of wholly-owned assets, in line with the recommendations of the Carsberg Committee Report. Copies of the valuation certificates of CBRE, Knight Frank, JLL and Cushman & Wakefield can be found on our website at britishland.com/reports.

Risk management and internal controls

A detailed summary of the Group's risk framework as well as additional information on our systems of internal control is set out in the 'managing risk in delivering our strategy' section on pages 84-87. The Board has delegated responsibility for overseeing the effectiveness of the Group's risk management and internal control systems to the Committee. An overarching view of the internal controls system, and the role of the Board and Committee, is set out overleaf. The Committee has oversight of the activities of the executive Risk Committee, receiving minutes of all Risk Committee meetings and discussing any significant matters raised.

At the full and half year, the Committee reviewed the Group's principal and emerging risks including consideration of how risk exposures have changed during the period. Both external and internal risks are reviewed and their effect on the Company's strategic aims considered. The assessment of emerging risks includes a bottom-up review of all business units and a deep dive by the Risk Committee. The Audit Committee made a recommendation to the Board regarding the identification and assessment of principal and emerging risks. The Board accepted the Committee's recommendation.

Half yearly, in conjunction with the internal auditor, management reports to the Committee on the effectiveness of internal controls, highlighting control issues identified through the exceptions reporting process. Risk areas identified are considered for incorporation in the Internal Audit plan and the findings of internal audits are taken into account when identifying and evaluating risks within the business. Key observations and management actions are reported to, and debated by, the Committee. For the year ended 31 March 2022, the Committee has not identified, nor been advised of, a failing or weakness which it has deemed to be significant. During the year we have undertaken work to understand how we can maintain and enhance our information systems and cyber security controls, further detail can be found in the case study.

At the request of the Remuneration Committee, the Committee considers annually the level of risk taken by management and whether this affects the performance of the Company. The Remuneration Committee takes this confirmation into account when determining incentive awards granted to the Executive

Directors and senior management. Taking into account reports received on internal key controls and risk management, and the results of the internal audit reviews, the Committee concluded that for the year ended 31 March 2022 there was no evidence of excessive risk taking by management which ought to be taken into account by the Remuneration Committee when determining incentive awards.

The Group’s whistleblowing arrangements enable all staff, including temporary and agency staff, suppliers and occupiers, to report any suspected wrongdoing. These arrangements, which are monitored by the General Counsel and Company Secretary and reviewed by the Committee annually, include an independent and confidential whistleblowing service provided by a third party. The Committee received a summary of all whistleblowing reports received during the year and concluded that the response to each report by management was appropriate. The whistleblowing reports were also relayed to the Board by the Committee Chair.

Case Study: Cyber Security

Vulnerability monitoring is a key part of our cyber risk mitigation strategy as the majority of security incidents, breaches and hacks are caused by the exploitation of known software vulnerabilities. We understand that there is a significant risk of being targeted and we believe that as a business we should be vigilant.

We tasked a specialist team to undertake complex vulnerability analysis and remediation. During the year, we have completed our corporate vulnerability remediation programme which included penetration testing, supplier risk assessments, group wide cyber awareness training, and ongoing vulnerability monitoring. We also introduced a technology key risk indicator dashboard to ensure there is consistent oversight at Board level as well as a new ‘Operational and Compliance’ principal risk which encompasses information systems and cyber security.

System of Internal Control

The elements that make up the system of control are:

Governance Framework: Structured with three lines of defence, the governance structure enables the efficient prioritisation of key risks and actions to mitigate risk. An illustration of the governance framework can be found on page 104.

Strategic Risk Management: A holistic view ensures that risk management is underpinned by our strategic objectives, taking into consideration our priorities and the external environment.

Operational Risk Management: Each business unit is supported to manage its own risk to ensure that potential risks are identified and mitigated at an early stage. This embeds the responsibility of risk

management at a business unit level. Further detail can be found on page 84.

Assurance Framework: An element of internal control that is independent of business functions and Executive Committee and Board members.

Standards and Quality Framework: The overarching standards and codes that the Company and its employees adhere to in performing its duties.

Governance	Strategic Risk Management	Operational Risk Management	Assurance	Standards and Quality Framework
Board, Audit Committee and CSR Committee	Determine strategic action points and risk appetite Set strategic and financial goals Assess the extent and nature of principal risks	Review effectiveness of risk management and internal control systems	External audit Internal audit	Group policies and ethical standard e.g. Whistleblowing policy, Risk Management Policy, Internal Control framework aligns with COSO Internal Control Integrated Framework, FRC Guidance
Executive Committee and Risk Committee	Identify principal risks Monitor key risk indicators	Aggregation of risk exposure and adequacy of risk mitigation Going concern and viability statement	Group Compliance Group Health & Safety Business leads report on key controls biannually	
Business units and Risk and Control team	Execute strategic actions	Risk register Day to day responsibility for internal controls	Risk and control team oversee the business unit process including sample testing	Business unit policies, procedures, processes and systems



from the third forced national lockdown and as the year progressed there were periods of mandated working from home as well as general uncertainties around variants of concern and vaccine roll outs. Notwithstanding these pressures brought about by the second year of the Covid-19 pandemic, we're pleased with how the business and our people have performed during the year. The financial performance of the Company, as outlined in the strategic report, was driven by management's efforts to pivot the Company towards growth. Underlying profit for the year was up by £50m to £251m and we saw positive Total Accounting Return of 14.8%, the highest for seven years. Rental collections, a key driver of operational performance, were back to near-pre-Covid levels this year as a result of a concerted programme of collections working in conjunction with our customers. We saw positive valuation growth from our property portfolio in aggregate of 6.8% or £699m. A full review of the performance of the Company during the year is contained within the strategic report from page 62.

Aligning incentive with strategy

Our Remuneration Policy aligns management incentives with our strategy.

Dear Shareholders

During the year under review the Committee has focussed on three main areas: developing the 2022 Directors' Remuneration Policy and consulting with shareholders; rewarding management and the wider workforce appropriately for the Company's strong financial performance; and reviewing the wider systems of reward and recognition across our business to ensure British Land remains a first-class employer.

Directors' Remuneration Policy

The Directors' Remuneration Policy that is currently in force was approved by shareholders in 2019 and expires at the 2022 AGM. The Committee has worked throughout the year to design the Policy which is described in detail on pages 128-134 and will be tabled for shareholder approval at the AGM this year. The Committee has worked with management and our remuneration consultants to produce a policy that we believe will incentivise Executive Directors to perform in such a way that drives positive outcomes for the business, our broader stakeholders and crucially, our shareholders.

We are not proposing any changes to the quantum of incentives that our Executive Directors will receive under the Policy, however we are proposing a revised framework of performance conditions, most pertinently in connection with the Long Term Incentive Plan, to align more directly positive management action with positive reward outcome. In addition, we have proposed the addition of performance conditions that specifically measure management's progress in achieving the ambitious goals within our 2030 Sustainability Strategy, to reduce the levels of operational and embodied carbon within our developments.

As Committee Chair, I have led the programme of consultation with major shareholders and have been pleased with the level of engagement that our proposal received. I would like to thank all our shareholders that engaged in the process. We have taken your feedback very seriously and have, as a result, made meaningful changes to the Policy which I hope you will support at our 2022 AGM.

Company Performance & Bonus

The Company has returned to growth in 2022 and we are pleased to see management action resulting in positive outcomes for the business. At the start of the financial year the UK was emerging

When determining remuneration outcomes, the Remuneration Committee considered the strong company performance, the macroenvironment and the conditions that our stakeholders and the wider market have experienced during the year. We assessed the outcome of performance against the financial metrics in general and the individual strategic objectives set for each Executive Director under the Annual Incentive Plan. The achieved performance resulted in a bonus of c.137% of salary earned in the year for our Executive Directors against a maximum opportunity of 150% of salary. This reflected the strong performance and execution of the new strategy of the Company.

The Committee considers the levels that have been awarded appropriately reflect the efforts of the Executive Directors, incentivise future performance and balance the impact of the year under review on our shareholders and wider stakeholders.

Reward and Recognition

The Committee has worked with the CSR Committee towards the end of the year following feedback via workforce engagement mechanisms around the structures of reward and recognition that exist within British Land against the backdrop of an emerging cost of living crisis.

Management is leading a programme of initiatives which are targeted in particular at the most junior and lower paid members of British Land's staff who are those hardest hit by the cost of living crisis. The Committee is overseeing management's efforts in this regard and was pleased to approve the re-introduction of Free Share Awards under the Share Incentive Plan during the year and an extension of the same awards which will now be made to all employees of the Group. The Committee has also confirmed that Executive Directors will not receive salary increases for the year ahead, whilst management have proposed a progressive pay increase for the wider workforce with larger percentage increases in salary being given to the lowest paid. The Committee will continue to work with management and the CSR Committee to ensure the remuneration of the workforce is aligned to the culture and strategic direction of the Company.

Remuneration in respect of the year commencing 1 April 2022

Salaries

The Committee reviewed salaries for the Executive Directors during the year and concluded that no changes were necessary.

The Non-Executive Directors' and the Chairman's fee levels also remain unchanged.

Annual Incentives & Long Term Incentives

The quantum of awards will remain unchanged under the proposed 2022 Policy. Executive Directors are eligible for a maximum bonus of 150% of salary and maximum Long Term Incentive Award of up to 300%. The Committee does not intend to grant LTIP awards above 250% of salary.

Pensions

We are committed to ensuring that pension contributions across our workforce are equitable. Executive Directors receive the same pension benefit rate applicable to the majority of the wider workforce at 15% of salary.

Gender and ethnicity pay gap

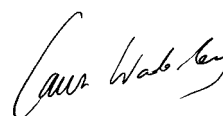
Our work to narrow the gender pay gap since 2017 continued during the year. The latest gender pay gap for the 5 April 2022 snapshot shows a reduction in the median pay gap of 8.4% to 19.2% from 27.6% for British Land. Broadgate Estates, a subsidiary company, has also achieved a reduction in the median pay gap from 32.9% to 29.3%. More information can be found at britishland.com/gender-pay-gap.

Our work to narrow the pay gap between white and BAME employees has continued during the year. 2021 was the first time we published our ethnicity pay gap data. As at the 5 April 2022 snapshot, the pay gap has reduced from 27.3% in 2021 to 19.2% in 2022 for British Land and from 32.7% to 29.4% for Broadgate Estates.

Recommendation

British Land is committed to listening carefully to shareholder feedback and to applying best practice to its remuneration policies and approach. We hope that you will continue to support our approach to remuneration and will vote in favour of this Report and the proposed Directors' Remuneration Policy at the 2022 AGM.

Yours sincerely,



Laura Wade-Gery

Chair of the Remuneration Committee

New 2022 Remuneration Policy Summary

Introduction

Our Remuneration Policy always aims to align with the long term business strategy, culture and values of the Company. The new 2022 Remuneration Policy as outlined on the following pages, subject to shareholder approval, will take effect from the date of the AGM on 12 July 2022. Payments to Directors can only be made if they are consistent with a shareholder approved Policy or amendment to a Policy.

How the Policy is reviewed

The Directors' Remuneration Policy is determined by the Remuneration Committee. The Committee receives information on market practice, business strategy and stakeholder views from management and its independent advisors. Remuneration proposals are developed by management and its independent advisors based on discussions with the Committee and are subsequently refined and agreed based on feedback provided.

The Executive Directors do not participate in the approval of the Policy and are not present when proposals impacting their own remuneration are decided, other than to provide relevant business and employee context to discussions with the Committee which takes note of any potential conflict of interest.

Impact of stakeholder views on Policy review

In drawing up the Remuneration Policy, the Committee actively sought and took into account views expressed by shareholders. The Company engaged with its shareholders via consultation meetings with investor bodies, and by writing to its largest shareholders, offering each a meeting to discuss remuneration proposals and setting out the proposed approach. In response to the feedback on our initial proposal, we amended our approach and again wrote to our major shareholders setting out clearly what adjustments we had made in response to feedback. The views expressed were supportive of increasing the focus on ESG metrics provided these were quantitative

and stretching and for a greater proportion of the LTIP financial metrics (but not all) to be based on absolute performance rather than being assessed on a relative basis. The Committee agreed for ESG metrics to be introduced into the AIP and LTIP and for 25% of the LTIP to remain assessed relative to sector benchmarks.

The Committee also took into account views of the workforce on remuneration in general expressed via opinion surveys, Executive Director remuneration panels and through direct engagement with LTIP participants.

Each year the Committee takes into account the pay and employment conditions of employees in the Group. This year the Committee noted the general increase in salary levels proposed for all employees and levels of incentive payments proposed which take account of the impact of both individual and the Company's performance, before setting the remuneration of the Executive Directors.

Key changes from the 2019 Policy

The 2019 Policy was largely considered to have operated effectively and there are only relatively minor changes proposed.

Under the 2022 Policy, at least 60% of the AIP and 75% of the LTIP respectively, will be assessed against financial metrics. From this year, the Policy will be operated with measures that introduce a material element aligned to our 2030 Sustainability Strategy and more closely align long term

performance measurement with management action whilst maintaining a suitable level of relativity.

There are no changes to the remuneration opportunity for Executive Directors under the Policy with the maximum opportunity under the Annual Incentive Plan and the Long Term Incentive Plan remaining at 150% of salary and 300% of salary respectively. Salary increases are

normally in line with the workforce and pension contributions for Executive Directors are in line with the rate applicable to the majority of the workforce, 15%.

Operational and factual details have been updated, for example details specific to former Directors have been updated and non-policy operational matters have been moved to implementation sections.

Current AIP operation under 2019 policy

Quantitative Measures (70%)	
Total Property Return vs MSCI (weighted by sector)	20%
Annual Profitability	30%
Strategic Objective: Balance Sheet Resilience	20%
Strategic Measures/Personal Objectives/Customer (30%)	
<ul style="list-style-type: none"> - Realising the potential of our campuses - Progressing value accretive development - Targeting the opportunities in Retail & Fulfilment - Active capital recycling - People and sustainability 	30%

Revised AIP operation under New 2022 Policy

Quantitative Financial Measures (60%)	
Total Property Return vs MSCI (weighted by sector)	20%
Annual Profitability	30%
Development Profit	10%
Quantitative Environmental Measures (20%)	
The Global Real Estate ESG Benchmark (GRESB) Improvement in EPC ratings across estate	20%
Strategic Measures/Personal Objectives/Customer (20%)	
<ul style="list-style-type: none"> - Realising the potential of our campuses - Progressing value accretive development - Targeting the opportunities in Retail & Fulfilment - Active capital recycling - People 	20%

Current LTIP operation under 2019 policy

Quantitative Measures (100%)	
Total Property Return (Relative)	TPR sector weighted IPD benchmark 0%-1% pa 40%
Total Accounting Return (Relative)	TAR is measured relative to a market capitalisation weighted index of FTSE 350 companies that use EPRA accounting 20%
Total Shareholder Return	50% is relative to the performance of FTSE100 50% is relative to a market capitalisation weighted index of the FTSE350 property companies that use EPRA accounting 40%
Zero vesting below Threshold, 20% vesting at Threshold and full vesting at Maximum	

Revised LTIP operation under New 2022 Policy

Quantitative Measures (100%)	
Total Property Return (Relative)	TPR sector weighted IPD benchmark 0%-1%pa 25%
Total Accounting Return (Absolute)	TAR is measured as an absolute target with zero vesting below 4%pa, 20% at 4%pa increasing on a straight-line basis to full vesting for 10%pa (measured at the end of year 3 and compared to the year preceding LTIP grant) 50%
ESG: Operational Carbon Reduction (CO ₂ e per sqm)	25%
Operational Energy Reduction	
Zero vesting below Threshold, 20% vesting at Threshold and full vesting at Maximum	

Alignment with Provision 40 of the UK Corporate Governance Code

Principles	Alignment with the British Land Remuneration Policy
Clarity – remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce	<ul style="list-style-type: none"> – The Policy provides for clearly defined remuneration elements consisting of salary, pension and benefits, and participation in the AIP and LTIP incentive schemes. – The Policy is cascaded through the workforce and can be effectively communicated to Directors and when engaging with shareholders and the workforce. – AIP and LTIP performance conditions are clearly linked to the business strategy.
Simplicity – remuneration structures should avoid complexity and their rationale and operation should be easy to understand	<ul style="list-style-type: none"> – The Policy has been simplified over time to avoid undue complexity. During the 2021/22 review, the use of performance conditions and targets has been reviewed with the proposed changes providing a clearer line of sight and simplifying the assessment by providing a greater proportion based on the Company's absolute performance which is impacted directly by management action, rather than assessed against market benchmarks. – The incentives have also been simplified over time with alternative structures including performance options and matching shares being removed from the Directors' policy in prior reviews.
Risk – remuneration arrangements should ensure reputational and other risks from excessive rewards, and behavioural risks that can arise from target-based incentive plans, are identified and mitigated	<ul style="list-style-type: none"> – The Policy is designed to provide appropriate payouts for different levels of performance. When setting performance targets the Committee consider the link between pay and performance, testing targets against historic and future performance. – The Policy includes safeguards to ensure that there is a robust link between pay and performance, including the discretion of the Committee to reduce formulaic payouts under the AIP and LTIP should they feel it appropriate. In addition, malus and clawback provisions provide the ability to recover payments in certain serious circumstances.
Predictability – the range of possible values of rewards to individual directors and any other limits or discretions should be identified and explained at the time of approving the policy	<ul style="list-style-type: none"> – The Policy provides that under the AIP and LTIP there are clearly defined levels of performance required for threshold, target and maximum payouts. – Discretions available to the Committee are identified in the Policy and these will only be used where appropriate, and the use clearly disclosed in the Annual Remuneration Report.
Proportionality – the link between individual awards, the delivery of strategy and the long term performance of the company should be clear. Outcomes should not reward poor performance	<ul style="list-style-type: none"> – Participation in the AIP and LTIP provide alignment between Directors' remuneration and delivery of the Company's strategy and longer term performance. – The AIP provides a focus on annual targets which drive long term success. A portion of the AIP is delivered in shares to provide alignment over the longer term. – The LTIP provides a focus on longer term targets including assessments against financial and non-financial performance conditions. – The Policy has safeguards (e.g. performance measures, discretion, recovery provisions) to ensure that there are no inappropriate payments for poor performance.
Alignment with culture – incentive schemes should drive behaviours consistent with company purpose, values and strategy	<ul style="list-style-type: none"> – The AIP and LTIP drive behaviours consistent with the British Land's purpose, values and strategy. – In particular, the AIP includes a portion based on strategic/personal/customer measures. The AIP and LTIP are also aligned with the ESG strategy with distinct proportions measured against quantitative ESG targets. – The cascade of the Policy down the organisation means that employees are incentivised in line with our values to work together today ("be smarter together"; "listen and understand") to promote the long term success of the company ("build for the future").

Executive Directors' New 2022 Remuneration Policy

Fixed remuneration

Operation (and strategic purpose)	Maximum opportunity	Performance conditions
<p>Basic salary (To attract, motivate and retain talented Executive Directors.)</p> <p>The level of basic salary is set taking into account the scope and responsibilities of the role and the level of remuneration paid at companies of broadly similar size.</p> <p>Basic salaries are normally reviewed annually by the Remuneration Committee, with increases usually taking effect on 1 April for the subsequent year. Employment conditions and salary increases throughout the Group are taken into account when basic salaries are reviewed.</p> <p>Changes in the scope of an Executive Director's role may result in a review of salary.</p>	<p>The maximum level of basic salary will not be greater than the current salary as increased, typically in line with the market and general salary increases throughout the Group.</p> <p>If an individual is appointed at a lower salary, for example, to reflect inexperience as a listed company Director, larger increases may be awarded over future years as they prove their capability.</p>	<p>Not applicable.</p>
<p>Car allowance, benefits and all-employee share schemes</p> <p>To provide a car allowance and set of benefits which support the Executive Director and encourage participation in the all-employee share schemes.</p> <p>A car allowance may be paid or a company car may be provided to Executive Directors.</p> <p>Executive Directors are eligible to receive other taxable and non-taxable benefits, that may include:</p> <ul style="list-style-type: none"> - private medical insurance (covering the Director and family) - life assurance cover - permanent health insurance - access to independent actuarial, financial and legal advice when necessary - gym membership, subsidised by the Company - annual medical checks - relevant professional subscription fees - other benefits on substantially the same basis as other employees. <p>Executive Directors are eligible to participate in British Land's Share Incentive Plan (SIP), Sharesave Scheme and any other future plans on the same basis as other eligible employees.</p> <p>The Company provides Directors' and Officers' Liability Insurance and may provide an indemnity to the fullest extent permitted by the Companies Act.</p>	<p>The maximum car allowance is £20,000 per annum.</p> <p>The maximum cost of other taxable and non-taxable benefits permitted under the Policy is the amount required to continue providing benefits at a similar level year-on-year.</p> <p>The maximum opportunities under the SIP, Sharesave Scheme and any subsequent plans are set by the rules of the schemes and may be determined by statutory limits.</p>	<p>Not applicable.</p>

Fixed remuneration continued

Changes from the 2019 Policy are highlighted

Operation (and strategic purpose)	Maximum opportunity	Performance conditions
Pension or pension allowance (To provide an appropriate level of pension in retirement for Executive Directors.)		
Executive Directors may receive pension benefits through a defined contribution scheme or cash allowance in lieu of pension contributions. Cash allowances in lieu of pension contributions would typically be paid at the same level of salary as Company contributions under the defined contribution arrangement. Unless already a member of the legacy defined benefit scheme, Directors will not be able to participate in it.	Employer pension contributions to Executive Directors under the defined contribution arrangement and cash allowances in lieu of pension are made at a fixed percentage of salary, no higher than the rate available to the majority of the workforce, which is currently 15% of salary.	Not applicable.

Variable remuneration

Operation (and strategic purpose)	Maximum opportunity	Performance conditions
Annual Incentive (To reward performance against quantitative and strategic objectives that are set annually.)		
Annual Incentive awards may be granted to Executive Directors each year, with the level of award reflecting strategic aims of the Company. Objectives are set by the Board and measures set by the Remuneration Committee. Awards are granted following the financial year end, when actual performance over that year is measured. A portion of the Annual Incentive Award is paid in cash and the remaining portion (net of tax) is used to purchase British Land shares on behalf of the Executive Director (Annual Incentive Shares). Currently one third of any Annual Incentive Award will be required to be used to purchase Annual Incentive Shares. Annual Incentive Shares must be held for three years from the date of grant of the Annual Incentive award before they may be transferred or sold, regardless of whether or not the individual remains an employee of British Land throughout this period. Executive Directors are entitled to the dividends paid in respect of the Annual Incentive Shares during the holding period. The Annual Incentive award (cash and shares) may be clawed back during the three-year period following determination of the award in certain circumstances. These are set out on page 137.	The maximum level of Annual Incentive which may be granted is equivalent to 150% of basic salary.	The objectives are set by the main Board and the measures by the Remuneration Committee normally at the beginning of the financial year over which performance will be assessed and following the end of the financial year when performance can be determined. At least 60% of the Annual Incentive will be based on financial performance conditions, with the remainder based on non-financial/strategic performance conditions. No more than 25% of any part of the award will be earned for threshold performance. Up to half of the maximum potential award is payable for target performance that is in line with expectations. If the stretch target is met the maximum potential award will be earned. The Committee has the discretion to adjust the outturn to ensure it reflects underlying performance. No further performance conditions are attached to the Annual Incentive Shares during the holding period.

Variable remuneration continued

Operation (and strategic purpose)	Maximum opportunity	Performance conditions
<p>Long Term Incentive Plan (LTIP) (To link the level of reward to Company performance against specified long term measures, promoting and rewarding activities that support our strategy and create sustainable long term value for shareholders.)</p> <p>LTIP awards may be granted annually by the Remuneration Committee to Executive Directors. Awards are in the form of performance shares (conditional rights to receive shares).</p> <p>LTIP awards typically vest after three years. The number of performance shares vesting is dependent on the degree to which performance conditions attached to the LTIP have been met over this three-year performance period. The Committee has the discretion to adjust the outturn to ensure it reflects underlying performance. A payment equivalent to the dividends accrued on vesting performance shares is paid at the point of vesting normally in shares but in exceptional circumstances cash.</p> <p>On vesting, sufficient performance shares may be sold to cover an individual's liability to income tax and National Insurance contributions and related costs of sale. The remaining performance shares must be held for two years following vesting before they are permitted to be transferred or sold, regardless of whether or not the individual remains an employee of British Land throughout this period.</p> <p>LTIP awards may be forfeited and/or clawed back from the date of grant until three years after the determination of the vesting level of an award in certain circumstances. These are set out on page 137. If it is discovered that an LTIP award was granted or vested on the basis of materially misstated accounts or other data the Committee may require some or all of the performance shares to be forfeited or clawed back during the five-year period following the grant date.</p>	<p>The maximum value (using the share price at the time of award multiplied by the number of shares) of an LTIP award which may be granted is equivalent to 300% of basic salary.</p>	<p>The LTIP performance conditions are chosen to reward performance that is aligned with British Land's strategy. At least 75% of the award will be based on financial related performance conditions, with the remainder based on non-financial/strategic performance conditions.</p> <p>Within these limits, the relative weighting of the performance conditions may be varied by the Committee to ensure the LTIP best supports British Land's strategy and to meet investor preferences.</p> <p>For relative metrics, the Committee may amend the comparator groups during the performance period if there is a corporate event affecting any member of the group. The Committee may also amend a target or performance benchmark if a different target or benchmark is deemed more appropriate.</p> <p>Performance conditions are challenging, requiring significant outperformance for 100% of the LTIP award to vest. No more than 20% of the award will vest if the minimum performance threshold is achieved; performance below the minimum threshold for a performance condition will result in the LTIP award in respect of that condition lapsing.</p>
<p>Policy on shareholdings of Executive Directors (To encourage Executive Directors to build and maintain a shareholding in the Company, including post-cessation of employment)</p> <p>The Company has a policy that Executive Directors will be required to build and retain a level of shareholding in the Company, including post-cessation of employment.</p> <p>The application of this will be contained from time to time in the Annual Report on Remuneration and is currently 225% of salary for the CEO and 200% of salary for the CFO with this level being required to be held for two years following cessation. The Committee retains discretion to operate the shareholding requirement as appropriate in specific circumstances.</p>	<p>The Policy requirement is that the Executive Directors are expected to build up a shareholding of at least 200% of salary (in practice the operation may be higher).</p>	<p>Not applicable.</p>

Non-Executive Directors' New 2022 Remuneration Policy

Operation (and strategic purpose)	Maximum opportunity	Performance conditions
Chairman's fee		
(To attract and retain an individual with the appropriate degree of expertise and experience.)		
The Chairman's annual fee is set by the Remuneration Committee and reviewed annually. The level of the Chairman's annual fee is set taking into account fees paid at companies of broadly similar size.	Typically increases, if required, will be in line with market.	Not applicable.
Non-Executive Directors' fees		
(To attract and retain Non-Executive Directors with the appropriate degree of expertise and experience.)		
Remuneration of the Non-Executive Directors is a matter for the Executive Directors and Chairman, and fees are reviewed annually. Non-Executive Directors receive a basic annual fee plus additional fees if they are members of a Committee, and if they hold the position of Senior Independent Director, Chair of a Committee, perform additional roles or have a greater time commitment. The Company's Policy is to deliver a total fee at a level in line with similar positions.	The maximum aggregate amount of basic fees payable to all Non-Executive Directors shall not exceed the limit set in the Company's Articles of Association, which is currently £900,000. Basic fees do not include the Chairman's fee or fees for being Senior Independent Director, member or Chair of a Committee.	Not applicable.
Other arrangements for the Chairman and the Non-Executive Directors		
(To support the Directors in the fulfilment of their duties.)		
The Company may reimburse expenses reasonably incurred by the Chairman and the Non-Executive Directors in fulfilment of the Company's business, together with any taxes thereon. The Company provides the Chairman and the Non-Executive Directors with Directors' and Officers' Liability Insurance and may provide an indemnity to the fullest extent permitted by the Companies Act.	The maximum reimbursement is expenses reasonably incurred, together with any taxes thereon. The maximum value of the Directors' and Officers' Liability Insurance and the Company's indemnity is the cost at the relevant time.	Not applicable.

Notes to the New 2022 Remuneration Policy table

Remuneration Policy for other employees

Salary reviews across the Group are carried out on the same basis as salary reviews for the Executive Directors; consideration is given to the individual's role, duties, experience and performance, along with consideration of typical salary levels of employees in similar roles in comparable companies, where the data is available.

Employees are entitled to taxable and non-taxable benefits including pension contributions, with executives being entitled to substantially the same benefits as the Executive Directors.

The Company's all-employee share schemes (the Share Incentive Plan and the Sharesave Scheme) are also open to eligible employees.

The Company operates annual incentive arrangements throughout the business which are cascaded from the AIP objectives, tailored where appropriate to the specific functions and individuals.

Senior employees may also participate in the LTIP and/or Restricted Share award schemes.

Choice of performance measures

At least 60% of the Annual Incentive will be based on financial performance conditions, with the remainder based on non-financial/strategic performance conditions. The specific performance conditions are determined in line with the strategic priorities.

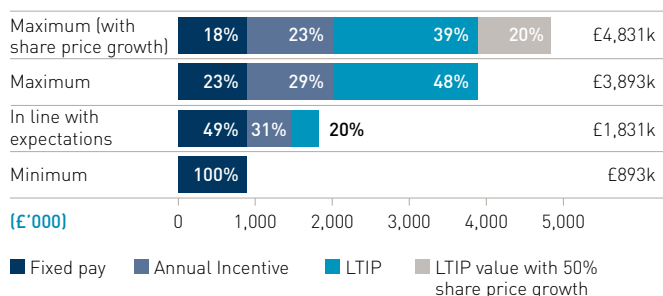
At least 75% of an LTIP award will be based on financial related performance conditions, with the remainder based on non-financial/strategic performance conditions. The LTIP performance conditions are chosen to reward performance that is aligned with British Land's strategy.

The AIP and LTIP targets are set taking into account the business plan and investor expectations, with the Committee ensuring there is a robust and appropriate link between payouts and performance.

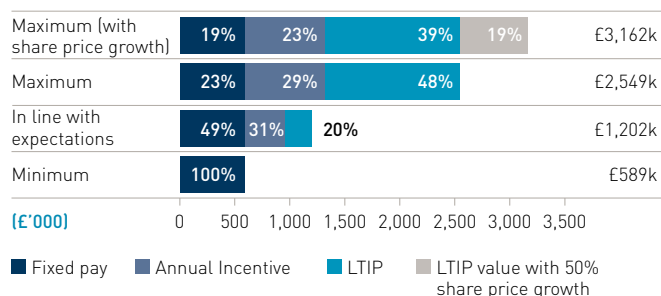
Illustration of application of the New 2022 Remuneration Policy

The bar charts below illustrate the levels of remuneration receivable by the Executive Directors in the first year of operation of the proposed Remuneration Policy for varying levels of performance.

Chief Executive



Chief Financial Officer



1. Calculated using (a) salaries for the year ending 31 March 2023; (b) benefit values for the year ending 31 March 2022; and (c) pension policy as applicable for the year ending 31 March 2023 i.e. 15% of salary.

Assumptions:

Minimum: Fixed pay only consisting of salary, pension and benefits. No payouts under the AIP or LTIP.

In line with expectations: Fixed pay plus 50% of maximum under the AIP and threshold vesting at 20% of maximum under the LTIP.

Maximum: Fixed pay plus 100% of maximum under the AIP and LTIP.

Maximum with share price growth: As for the "Maximum" scenario but illustrating the impact of a 50% share price increase on the LTIP.

Approach to recruitment remuneration

Executive Directors

Basic salary is set at a level appropriate to recruit a suitable candidate, taking into account external market competitiveness and internal equity. The level of basic salary may initially be positioned below the mid-market of the chosen comparator group, with the intention of increasing it to around the mid-market of the comparator group after an initial period of satisfactory service.

Individuals will be able to receive a contribution to a pension plan, or cash in lieu thereof, and the Company contribution will not be greater than the rate available to the majority of the workforce (currently 15% of salary).

Where a recruit is forfeiting incentive awards granted by his or her existing employer, compensation in the form of a restricted share plan (RSP) award or otherwise may be made (in accordance with Listing Rule 9.4.2), the maximum value of which will be that which the Committee, in its reasonable opinion, considers to be equal to the value of remuneration forfeited.

The vesting of the award may be subject to additional performance measures being met over the same period. The Committee will determine the most relevant measures to use at the time of award, bearing in mind the responsibilities of the individual being appointed and the Company's strategic priorities at the time.

The Company's Policy is to give notice periods of no longer than 12 months.

Chairman and Non-Executive Directors

On recruitment, the Chairman will be offered an annual fee in accordance with the Policy. The level of the annual fee may initially be positioned below the mid-market level, with the intention of increasing it to around the mid-market level of the comparator group after an initial period of satisfactory service. Non-Executive Directors will be offered Non-Executive Directors' fees in accordance with the Policy.

Appointment of internal candidates

If an existing employee of the Group is appointed as an Executive Director, Chairman or Non-Executive Director, any obligation or commitment entered into with that individual prior to his or her appointment can be honoured in accordance with the terms of those obligations or commitments, even where they differ from the terms of the Policy.

Policy on loss of office

Executive Directors

The Executive Directors' service contracts can be lawfully terminated by either party giving 12 months' notice, or by the Company making a lump sum payment in lieu of notice (PILON) equal to the Executive Director's base salary for the notice period. Additionally, when the Company makes a PILON, it may either pay a lump sum equal to the value of any benefits for the notice period or continue to provide benefits until the notice period expires or the Executive Director starts new employment (whichever is the earlier). These lawful termination mechanisms do not prevent the Company, in appropriate circumstances, from

terminating an Executive Director's employment in breach of his or her service contract and seeking to apply mitigation in determining the damages payable. Where this is achievable in negotiation with the outgoing Director, settlement arrangements are structured so that the termination payment is paid in instalments and the instalments are reduced by an amount equal to any earnings received from the outgoing Director's new employment, consultancy or other paid work.

For departing Executive Directors and Executive Directors that have left British Land the Committee may agree to cash commutation of pension benefits under the defined benefit scheme (including EFRBS benefits) and other pension arrangements entered into prior to the adoption of the 2022 Remuneration Policy. Any commutation would take into account valuations provided by independent actuarial advisers so as to be undertaken on a basis considered by the Committee to be cost neutral to the Company.

The circumstances of the loss of office dictate whether the individual is treated as a good leaver or otherwise, in accordance with the Company's Policy. The Committee uses its discretion to form a view taking into account the circumstances. Good leavers typically receive pro-rata Annual Incentive and long term incentive awards, subject to performance measurement, and other leavers forfeit their entitlements. In the event of a change of control the rules of the share plans generally provide for accelerated vesting of awards, subject (where applicable) to time apportionment and achievement of performance targets.

Details of the Executive Directors' service contracts and notice periods are given in the table below:

Director:	Length of service contract	Date of service contract	Normal notice period to be given by either party
Simon Carter	12 months	18 November 2020	12 months
Bhavesh Mistry	12 months	19 July 2021	12 months

Chairman and Non-Executive Directors

The letters of appointment of Non-Executive Directors are subject to renewal on a triennial basis. In accordance with the UK Corporate Governance Code, all Directors stand for election or re-election by the Company's shareholders on an annual basis. The Directors' service contracts and letters of appointment are available for inspection during normal business hours at the Company's registered office and at the Annual General Meeting. The unexpired terms of the Chairman's and Non-Executive Directors' letters of appointment are shown below:

Director:	Original date of appointment	Effective date of appointment in most recent letter of appointment	Unexpired term at 31 March 2022 (months)
Tim Score (Chairman)	20 March 2014	19 July 2019	3
Preben Prebensen (SID)	1 September 2017	1 September 2020	28
Mark Aedy	1 September 2021	1 September 2021	40
Lynn Gladden	20 March 2015	24 May 2021	28
Irvinder Goodhew	1 October 2020	1 October 2020	28
Alastair Hughes	1 January 2018	1 January 2021	28
Nicholas Macpherson	19 December 2016	19 December 2019	16
Laura Wade-Gery	13 May 2015	24 May 2021	28
Loraine Woodhouse	1 March 2021	1 March 2021	28

Although the Chairman's and Non-Executive Directors' appointments are for fixed terms, their appointments may be terminated immediately without notice if they are not reappointed by shareholders or if they are removed from the Board under the Company's Articles of Association or if they resign and do not offer themselves for re-election. In addition, their appointments may be terminated by either the individual or the Company giving three months' written notice of termination (or, for the current Chairman, six months' written notice of termination). Despite these terms of appointment, neither the Chairman nor the Non-Executive Directors are entitled to any compensation (other than accrued and unpaid fees and expenses for the period up to the termination) for loss of office save that the Chairman and Non-Executive Directors may be entitled, in certain limited circumstances, such as corporate transactions, to receive payment in lieu of their notice period where the Company has terminated their appointment with immediate effect.

Malus and Clawback

In relation to both Annual Incentive Plan and LTIP awards under this Policy, malus and clawback provisions will apply in the following circumstances:

- discovery of a material misstatement resulting in an adjustment in the audited accounts of the Group
- the assessment of any performance condition was based on error, or inaccurate or misleading information
- the discovery that any information used to determine cash or share awards was based on error, or inaccurate or misleading information
- action or conduct of a participant which amounts to fraud or gross misconduct
- corporate failure
- events or the behaviour of a participant have led to the censure of a Group company by a regulatory authority or have had a significant detrimental impact on the reputation of the Group.

Discretion

The Committee has discretion in several areas of Policy as set out in this Report. The Remuneration Committee may also exercise operational and administrative discretions under relevant plan rules approved by shareholders as set out in those rules. In addition, the Committee has discretion to amend the Policy with regard to minor or administrative matters where it would be, in the opinion of the Committee, disproportionate to seek or await shareholder approval.

In addition, the Committee retains the discretion to override the formulaic outcomes of incentive schemes. The purpose of this discretion is to ensure that the incentive scheme outcomes are consistent with overall Company performance and the long term experience of shareholders.

Pre-existing obligations and commitments

It is a provision of this Policy that the Company can honour all pre-existing obligations and commitments that were entered into prior to this 2022 Remuneration Policy taking effect. The terms of those pre-existing obligations and commitments may differ from the terms of the Remuneration Policy and may include (without limitation) obligations and commitments under service contracts, long term incentive schemes (including previous Long Term Incentive Plans), pension and benefit plans.

How we intend to apply our new 2022 Remuneration Policy during the year commencing 1 April 2022

The following pages set out how the Committee intends to apply the 2022 Remuneration Policy during the coming year, subject to shareholder approval.

Executive Directors' remuneration

Basic salaries

The Executive Directors' salaries for the year beginning 1 April 2022 will remain at their levels on appointment into their current roles (Simon Carter on 18 November 2020 and Bhavesh Mistry 19 July 2021). For context, the average increase provided to the wider employee population on 1 April 2022 was 7%.

Director:	Basic salary £000
Simon Carter	750
Bhavesh Mistry	490

Pension and benefits

Both Executive Directors will receive a 15% of salary pension contribution/allowance. Benefits will be provided in line with the policy and include a car allowance and private medical insurance.

Annual Incentive awards

The maximum bonus opportunity for Executive Directors remains unchanged at 150% of salary. The performance measures for the Annual Incentive awards have been revised to provide closer alignment to our strategy under our new CEO and CFO and, in particular, reflect more fully our sustainability agenda. This is set out in the table below.

The detailed targets that the Committee sets are considered to be commercially sensitive and as such the specific targets and performance against them will be disclosed in the 2023 Remuneration Report.

In assessing how the Executive Directors perform during the year commencing 1 April 2022, the Committee will take into account their performance against all of the measures and make an assessment in the round to ensure that performance warrants the level of award determined by the table below.

This year, once again, the Committee will assess performance in the context of the wider stakeholder experience and overall corporate outcome. Discretion may be exercised by the Committee and, if this is the case, a full explanation will be set out in next year's Report.

As disclosed previously, the Committee agreed that for Annual Incentive awards, the sector weighted MSCI March Annual Universe benchmark (which includes sales, acquisitions and developments and so takes into account active asset management as well as a more representative peer group) would be most suitable.

In line with current practice, two-thirds of any amount earned will be paid in cash with the remaining one-third (net of tax) used to purchase shares which must be held for a further three years.

Measure	Target	Weighting	
Quantitative Financial Measures: 60% reward weighting	Annual profitability	Financial budget targets for profitability 0% payout for meeting a threshold level rising to 100% payout for at least matching a stretch level	30%
	Total Property Return vs MSCI (weighted by sector)	Total Property Return outperformance target 17% payout for matching the MSCI benchmark index rising to 100% payout for outperforming by 1.25%	20%
	Development profit	Financial budget targets for development profit 0% payout for meeting a threshold level rising to 100% payout for at least matching a stretch level	10%
Quantitative Environmental Measures: 20% reward weighting	The Global Real Estate ESG Benchmark (GRESB)	Benchmark score targets for GRESB rating. 0% payout for meeting a threshold score rising to 50% payout for matching the score that achieves a 5 star rating and rising to 100% payout for at least matching a stretch level score	20%
	EPC rating across estate	A&B rating across the estate. 0% payout for meeting a threshold level, rising to 100% payout for at least matching a stretch level	
Strategic/personal/customer objectives measures 20% reward weighting	<ul style="list-style-type: none"> ● Realising the potential of Campuses ● Progressing value accretive developments ● Targeting opportunities in Retail & Fulfilment ● Active capital recycling ● People 	<p>Commercially sensitive so these will be fully disclosed and explained in next year's Report</p>	20%

Long term incentive awards

LTIP awards will be granted to Executive Directors during the year commencing 1 April 2022, after the conclusion of the 2022 AGM. The size and timing of the award will be determined by the Committee at a later date and disclosed in an RNS announcement. Full details will be included in next year's Annual Report.

Subject to shareholder approval, the performance measures that are intended to apply to the 2022 LTIP award are as below. These performance measures will be assessed over a period of three years. A two year post-vesting holding period applies to any shares vesting.

Measure	Link to strategy	Measured relative to	Weighting
Total Accounting Return (TAR) The growth in British Land's EPRA Net Tangible Asset Value (NAV) per share plus dividends per share paid over the LTIP performance period.	The TAR measure is designed to link reward to performance at the net property level that takes account of gearing and our distributions to shareholders.	TAR performance will be assessed against targets set in the context of the business plan and investor expectations over the long term. Threshold: 4% per annum Maximum: 10% per annum	50%
Total Property Return (TPR) The change in capital value, less any capital expenditure incurred, plus net income. TPR is expressed as a percentage of capital employed over the LTIP performance period and is calculated by MSCI.	The TPR measure is designed to link reward to strong performance at the gross property level.	TPR performance will be assessed against the performance of an MSCI sector weighted benchmark. Threshold: Equal to Index Maximum: Index +1.00% per annum	25%
Environmental, Social, Governance (ESG) – Operational Carbon Reduction (CO ₂ e per sqm) – Operational Energy Reduction	The ESG measure is designed to link reward to delivering our 2030 ESG commitments measured against a 2019 baseline.	ESG performance will be assessed against targets set in line with achieving our sustainability vision. Operational Carbon Reduction Threshold: 10% reduction Intermediate: 20% reduction Maximum: 30% reduction Operational Energy Reduction Threshold: 7% reduction Intermediate: 10.5% reduction Maximum: 14% reduction	25%

No vesting below threshold performance with 20% of the proportion attached to that measure vesting for threshold performance. There will be straight-line vesting between threshold and intermediate (if applicable) and stretch performance targets.

The Committee retains the discretion to override the formulaic outcomes of incentive schemes. The purpose of this discretion is to ensure that the incentive scheme outcomes are consistent with overall Company performance and the experience of our stakeholders.

Non-Executive Directors' fees

Fees paid to the Chairman and Non-Executive Directors are positioned around mid-market with the aim of attracting individuals with the appropriate degree of expertise and experience. The fee structure set out below is unchanged since being applied in 2019. The Chairs of Committees also receive a membership fee.

Chairman's all inclusive annual fee	£375,000
Non-Executive Director's annual fee	£64,000
Senior Independent Director's annual fee	£10,000
Audit or Remuneration Committee Chair's annual fee	£20,000
Audit or Remuneration Committee member's annual fee	£8,000
CSR Committee Chair's annual fee	£14,000
Nomination or CSR Committee member's annual fee	£5,000

REMUNERATION AT A GLANCE

How we align rewards to delivering our strategy

To deliver on this strategy, we have developed four priorities:



People & Sustainability

As set out in the Strategic Report, we have a clearly defined business model which underpins our key areas of focus: Campuses and Retail & Fulfilment.

Delivering against these areas lays the foundation for future value creation. We take a long term approach to running our business; our focus is to deliver positive outcomes for all of our stakeholders on a long term, sustainable basis which can mean that actions taken in any one year take time to deliver value.

We have developed a best in class platform, including a broad range of skills across our business, which will support the delivery of our strategy. Read more on pages 18-27.

Our remuneration philosophy is to incentivise and reward employees across the Group. We set objectives for our Executive Directors which are cascaded throughout the business, with Executive Committee sponsors, so that they are integrated within the day-to-day management of the business.

In determining what the best measures of performance are for incentivising our employees, the Committee strikes a balance between the short term and longer term goals that it sets. The short term goals are a mixture of the delivery of objectives linked to our priorities and annual financial performance.

This creates an alignment with shareholders ensuring that the level of annual bonus is not out of line with the performance of the business in the financial year.

Over the longer term, we measure our performance against selected market benchmarks. We only deliver rewards where the business at least matches those benchmarks and we share a small percentage of any outperformance. We tailor these benchmarks to be as relevant as possible to the composition of our business but we recognise that there may inevitably be a degree of mismatch.

The chart below illustrates the alignment between (i) what we are focusing on doing (our strategic objectives), (ii) what we measure and report on and (iii) what we reward Executive Directors for delivering.

Our new 2022 Remuneration Policy

	1 year performance	3 year performance
Annual profitability	- Profit targets	
Development Profit	- Targets for Development Profit	
Property valuation changes	- Relative Total Property Return outperformance	- Relative Total Property Return outperformance
Total Accounting Return		- Absolute Total Accounting Return performance against a target range
Environmental Measures	- EPC ratings across estate - GRESB Real Estate benchmark	- Operational carbon reduction - Operational energy reduction
Realising the potential of our Campuses	- Strategic/personal/customer objectives to deliver our priorities	
Progressing value accretive developments		
Targeting opportunities in Retail & Fulfilment		
Active capital recycling		
People		

Summary of the current 2019 Remuneration Policy and how we applied it

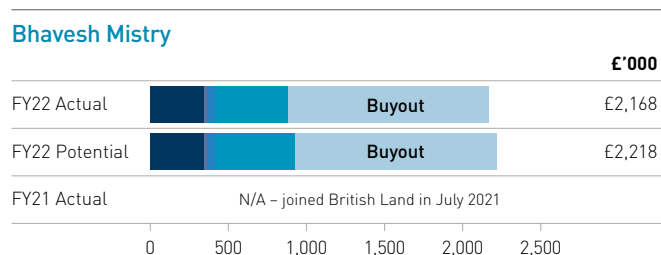
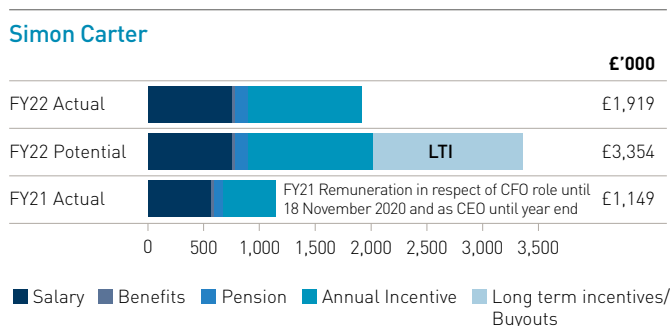
The Remuneration Policy was approved by shareholders on 19 July 2019. The Policy will apply until the AGM in July 2022. The Remuneration Policy is set out in full in the 2019 Annual Report and is available on our website britishland.com/committees.

Element of remuneration	Link to strategy	Framework
Fixed	Basic salary	Attracts and retains expert people with the appropriate degree of expertise and experience to deliver agreed strategy
	Benefits	Reviewed annually and increases typically in line with the market and general salary increases throughout the Group
	Pension contribution	Benefits are restricted to a maximum of £20,000 per annum for car allowance and the amount required to continue providing agreed benefits at a similar level year on year
Variable	Annual Incentive	Defined contribution arrangements – cash allowances in lieu of pension are made to the CEO and CFO at 15% of salary
	Long term incentive	Performance measures related to British Land's strategic focus and the Executive Directors' individual area of responsibility are set by the Committee at the beginning of the financial year
		Maximum opportunity is 150% of basic salary. 2/3 rd is paid in cash with the remaining 1/3 rd (net of tax) used to purchase shares on behalf of the Executive Director (Annual Incentive Shares) which must be held for a further three years whether or not the Executive Director remains an employee of British Land
		LTIP grants were set at 250% last year in the form of performance shares, within the maximum value of an LTIP award of 300% of salary
		Total Property Return (TPR) links reward to gross property performance
		Total Accounting Return (TAR) links reward to net property performance and shareholder distributions
		Total Shareholder Return (TSR) directly correlates reward with shareholder returns

Executive Directors' remuneration

The tables below show the 2022 actual remuneration under the current 2019 Remuneration Policy against potential opportunity for the year ended 31 March 2022 and prior year 2021 actual remuneration for each Executive Director. The figures for Bhavesh Mistry's actual and potential 2022 remuneration are pro-rated to reflect part service during the year and include the value of awards granted upon appointment to replace pre-existing incentives from his previous employer as detailed on page 146.

Full disclosure of the single total figure of remuneration for each of the Directors is set out in the table on page 142.



How we applied our current Remuneration Policy during the year ended 31 March 2022

The following pages set out how we implemented the Directors' Remuneration Policy during the year ended 31 March 2022 and the remuneration received by each of the Directors.

Single total figure of remuneration (audited)

The following tables detail all elements of remuneration receivable by British Land's Executive Directors in respect of the year ended 31 March 2022 and show comparative figures for the year ended 31 March 2021.

	Salary	Taxable benefits	Pension or pension allowance	Other items in the nature of remuneration ⁴	Annual Incentives ¹	Long term incentives ²	Total	Fixed remuneration	Variable remuneration ⁴
	2022 £000	2022 £000	2022 £000	2022 £000	2022 £000	2022 £000	2022 £000	2022 £000	2022 £0
Executive Directors									
Simon Carter	750	20	113	11	1,026	0	1,919	893	1,026
Bhavesh Mistry ³	346	14	52	1,292	469	0	2,172	415	1,757

1. Estimated outcomes. 2022 Annual Incentive outcomes are subject to the publication of final MSCI results.

2. Forecast outcomes. 2022 Long Term Incentive outcomes are subject to confirmation of final vesting levels in June 2022.

3. Bhavesh Mistry was appointed as a Director on 19 July 2021. Amounts paid are time apportioned accordingly.

4. £1,288,044 of the amount paid to Bhavesh Mistry represents awards made to Bhavesh under the Company's Long Term Incentive Plan to replace pre-existing awards from his previous employer that lapsed when he left to join the Company. These are regarded as variable remuneration. Full details of the grants that are included in this amount are described in detail on page 146.

	Salary ¹	Taxable benefits	Pension or pension allowance	Other items in the nature of remuneration	Annual Incentives ²	Long term incentives ²	Total	Fixed remuneration	Variable remuneration
	2021 £000	2021 £000	2021 £000	2021 £000	2021 £000	2021 £000	2021 £000	2021 £000	2021 £000
Simon Carter	557	20	89	10	473	0	1,149	676	473

1. As described within the 2021 Annual Report, Simon Carter's salary reflects the period from 1 April 2020 to 17 November 2020 as CFO for which he was paid a pro-rated salary based on a full year equivalent of £500,000 and from the period from 18 November 2020 to 31 March 2021 as CEO for which he was paid a pro-rated salary based on a full year equivalent of £750,000. Additionally, as previously disclosed, the full Board waived an amount equal to 20% of their respective fees and salaries for the four months from April to July 2020 in response to the Covid-19 pandemic.

2. Confirmed outcomes. Actual Annual Incentive and Long Term Incentive outcomes are confirmed after publication of the Annual Report each year. Forecast estimated figures were published in the 2021 Report; the actual outcomes, which were unchanged from the estimated figures, are reflected in the table above.

Notes to the single total figure of remuneration table (audited)

Fixed pay

Taxable benefit

Taxable benefits include car allowance for Simon Carter of £16,700 and for Bhavesh Mistry of £11,766 and private medical insurance.

Other items in the nature of remuneration

In addition to the joining awards made to Bhavesh Mistry as described in footnote 4 to the single figure table, other items in the nature of remuneration include: life assurance, permanent health insurance, annual medical check-ups, professional subscriptions, the value of shares awarded under the all-employee Share Incentive Plan and any notional gain on exercise for Sharesave options that matured during the year, if any.

Pensions

Simon Carter is a member of the Defined Contribution Scheme and utilises his Annual Pension Allowances; the remaining amount of his pension is paid in cash, for him to make his own arrangements for retirement. Simon Carter is also a deferred member of the British Land Defined Benefit Pension Scheme in respect of his employment with British Land earlier in his career. The table below details the defined benefit pensions accrued at 31 March 2022. Bhavesh Mistry does not participate in any British Land pension plan. Instead he receives a cash allowance in lieu of pension to make his own arrangements for retirement.

Executive Director	Defined benefit pension accrued at 31 March 2022 £000	Normal retirement age
Simon Carter	40	60

There are no additional benefits that will become receivable by a Director in the event that a Director retires early.

Annual Incentives FY22 (audited)

The level of Annual Incentive award is determined by the Committee based on British Land's performance and Executive Directors' performance against quantitative and strategic targets during the year. For the year ended 31 March 2022 the Committee's assessment and outcomes against these criteria (before exercising any discretion) are set out below. Quantitative measures are a direct assessment of the Company's financial performance and in the very long term business we operate are a reflection of many of the decisions taken in prior years. The delivery of strategic objectives positions the future performance of the business so payouts under this part of the Annual Incentive Plan will not necessarily correlate with payouts under the quantitative measures in any year. The level of bonus calculated by applying the criteria below generated an outcome of c.137% of salary for the two Executive Directors against a maximum opportunity of 150%.

The Quantitative measure	Weighting	Performance in line with minimum expectations (0% Payout except TPR of 17% Payout)	Performance in line with expectations	Performance in line with maximum expectations (100% Payout)	Final outcome (% of max)	Final outcome (% of salary)	Performance range
Net Asset Value changes	20%						
Total Property Return vs MSCI Benchmark ¹	20%	-310bps	0bps	+125bps	20.00%	30.00%	17% payout for matching the MSCI Benchmark rising to 100% payout for outperforming by 125bps
Annual Profitability	30%						
Underlying Profit	30%	£200m	£202m	£210m	30.00%	45.00%	0% payout for meeting a threshold level rising to 100% payout
Balance Sheet Resilience	30%						
Refinancing <i>Assessed by comparing forecast net debt to the finance we have in place</i>	10%	24 months		36 months	10.00%	15.00%	0% payout for meeting a threshold level rising to 100% payout for at least matching a stretch level
Liquidity <i>Based on available facilities and cash</i>	10%	£1.0bn		£1.5bn	10.00%	15.00%	0% payout for meeting a threshold level rising to 100% payout for at least matching a stretch level
Sub-total	70%				70.00%	105.00%	

- The above chart is a forecast of the 2022 TPR outcomes which will depend on performance against MSCI figures that will only become available after the publication of this Report and as such, represent an estimate of the final figures.
- £1.5bn is the average liquidity available throughout the year. (As at 31 March 2022 available liquidity was £1.3bn).

Simon Carter

Measure	Weighting	Outcome	% award	Final outcome [% of max]	Final outcome [% of salary]
Active Capital recycling	5.00%	Over £1bn of sales and two new joint ventures created; completed on 50:50 Canada Water JV sale and exchanged on sale of 75% stake in majority of assets at Paddington Campus in April 2022.	4.17%	21.17%	31.75%
Evolve our offer driving leasing and operational outperformance	3.00%	3.9m sq ft of total leasing completed in FY22 and Storey occupancy increased to 86%.	3.00%		
Targeting Opportunities in Retail & Fulfilment	5.00%	Invested in Retail parks, purchasing the minority interest in HUT and completing on a further £201m Retail Park purchases. Made significant progress on investing in logistics and have rapidly assembled a £1.3bn development pipeline focused on London.	3.00%		
Realising the Potential of Campuses	5.00%	Acquired £102m of assets outside of London aligned to growth and innovation. Plans in place to grow exposure to innovation occupiers at our Campuses. Completed lettings to innovation tenants at Regent's Place and Broadgate.	2.67%		
Progressing value accretive development	5.00%	1 Broadgate now fully let (or placed under option) following pre-lets to JLL and A&O. Maintained momentum with Campus developments, with 91% of costs on committed schemes now contracted.	3.33%		
People & Sustainability	7.00%	DE&I strategy approved by CSR Committee; 8.4% reduction in median gender pay gap (to 19.2%) and 8.1% reduction to median ethnicity pay gap (to 19.2%) as at 5 th April 2022. Engagement survey conducted with score of 69%. Delivered 18 Place Based initiatives in FY22. Net Zero carbon audits completed, and plans incorporated into the business planning process. EPC modelling across managed assets being completed and aligned with net zero pathways; embodied carbon 632kgCO ₂ /m ² on office development pipeline.	5.00%		

Bhavesh Mistry

Measure	Weighting	Outcome	% award	Final outcome [% of max]	Final outcome [% of salary]
Active Capital Recycling	8.00%	Fitch rating of A affirmed for unsecured credit. Strong engagement with Investors and Analysts across the year including events at Norton Folgate and Canada Water.	5.33%	21.00%	31.50%
Evolve our offer, driving leasing and operational outperformance	12.00%	Strong rent collection levels achieved with 97% Rent and 98% Service charge collected in FY22 Revised business planning process implemented and embedded over the year.	7.00%		
People & Sustainability	10.00%	DE&I strategy approved by CSR Committee; 8.4% reduction in median gender pay gap (to 19.2%) and 8.1% reduction to median ethnicity pay gap (to 19.2%) as at 5 th April 2022. Engagement survey conducted with score of 69%. Delivered 18 Place Based initiatives in FY22. Net Zero carbon audits completed, and plans incorporated into the business planning process. EPC modelling across managed assets being completed and aligned with net zero pathways; embodied carbon 632kgCO ₂ /m ² on office development pipeline. Maintained GRESB 5 star rating.	8.67%		

Total Payout	Final outcome [% of max]	Final outcome [% of salary]
Simon Carter	91.17%	136.75%
Bhavesh Mistry	91.00%	136.50%
(pro-rated applies from start date of 19 th July 2021 ¹)	63.82%	95.74% ¹

1. Bhavesh Mistry's final bonus outcome has been pro-rated to take into account his start date of 19 July 2021.

One third of the annual bonus (after tax has been paid) is used to purchase shares which are then held for three years by the Executive Director.

2021 comparative: In June 2021, the Committee confirmed that the underperformance of TPR compared to the IPD benchmark was -310bps in line with the estimate made for the purposes of the single total figure of remuneration table in the 2021 Annual Report.

Long term incentives (audited)

The information in the long term incentives column in the single total figure of remuneration table (see page 142) relates to vesting of awards granted under the following schemes, including, where applicable, dividend equivalent payments on those awards. The below note outlines forecasts of the 2022 long term incentive outcomes. The actual outcomes will only become available after the publication of this Report.

Long Term Incentive Plan

The awards granted to Executive Directors on 23 July 2019, and which will vest on 25 July 2022, were subject to three performance conditions over the three-year period to 31 March 2021. The first condition (40% of the award) measured British Land's Total Property Returns (TPR) relative to the funds in the sector weighted MSCI Annual Universe (the Benchmark) previously the IPD UK Annual Property Index; the second (20% of the award) measured Total Accounting Return (TAR) relative to a comparator group of British Land and 15 other property companies; while the third (40% of the award) measured Total Shareholder Return (TSR), half of which was measured against the FTSE 100 and the other half measured against the comparator group of British Land and 15 other property companies.

The TPR element is expected to lapse, based on British Land's adjusted TPR of -1.6% per annum when compared to the Benchmark of 0.4% per annum. The TAR element is also expected to lapse based on British Land's TAR of -4.6% per annum compared to 2.2% per annum for the property company median. The actual vesting of the TPR and TAR elements can only be calculated once results have been published by MSCI and all the companies within the comparator group respectively. The actual percentage vesting will be confirmed by the Committee in due course and details provided in the 2023 Remuneration Report. Korn Ferry has confirmed that the TSR element of the award will lapse as British Land's TSR performance over the period was 1.9% compared to a median of 17.9% and 23.4% for the FTSE 100 and Property companies comparator groups respectively.

Executive Director	Performance shares or options	Number of performance shares awarded	Estimated value of award on vesting £000	Estimated dividend equivalent and interest £000	Increase in value as a result of share price movement between grant and vesting £000
Simon Carter	Shares	233,383	nil	nil	nil

2021 comparative: As set out in the 2021 Annual Report, the 2018 LTIP awards lapsed in full on 26 June 2021 as expected.

Share scheme interests awarded during the year (audited)

Long Term Incentive Plan

The total face value of LTIP awards made to Executive Directors for the year ended 31 March 2022 was equivalent to 250% of basic salary at grant.

The share price used to determine the face value of performance shares, and thereby the number of performance shares awarded, is the average over the three dealing days immediately prior to the day of award. The share price for determining the number of performance shares awarded to Simon Carter was 496.47p and for Bhavesh Mistry, whose award was made after he joined the Company, was 512.67p. The performance conditions attached to these awards are set out in the Remuneration Policy approved by shareholders in July 2019 and summarised below.

Performance against the LTIP measures will be assessed over a period of three years. If performance against a measure is equal to the index, 20% of the proportion attached to that measure will vest and if performance is below index the proportion attached to that measure will lapse. 100% of the proportion of each element of award attached to each measure will vest if British Land's performance is at a stretch level. Those stretch levels are TPR 1.00% per annum, TAR 2.00% per annum, TSR (Real Estate) 3.00% per annum and TSR (FTSE 100) 5.00% per annum. There will be straight-line vesting between index and stretch performance for each measure. Following a change in the EPRA definition of NAV, TAR is now being measured using EPRA Net Tangible Asset Value per share.

The performance measures and weightings of the 2021 grant were the same as applied to the 2019 grant described above.

Performance shares

Executive Director	Grant date	Number of performance shares granted	Face value £000	End of performance period	Vesting date	Percentage vesting on achievement of minimum performance threshold %
Simon Carter	22/06/2021	377,666	1,875	31/03/2024	22/06/2024	20%
Bhavesh Mistry	02/08/2021	238,945	1,225	31/03/2024	02/08/2024	20%

Bhavesh Mistry Joining Grant

On 19 July 2021, being the date of Bhavesh Mistry's appointment as Chief Financial Officer, the Company made the below listed grants of performance shares to replace awards that lapsed at the end of his previous employment in order to join the Company. The vesting dates and performance conditions that apply to the grants replicate those that applied to each of the awards that Bhavesh forfeited. Under the terms of the grant, the net shareholding following the settlement of tax, national insurance and dealing fees must be held for two years following vesting. Malus and clawback provisions apply.

In addition to the awards listed below, the Company made a grant of 43,580 ordinary shares to Bhavesh in order to replace the cash element of bonus payments that he lost at the end of his previous employment. The shares had a face value of £217,256 representing the net value of the award following the payment of tax and national insurance and must be held for two years. The gross value of the award, included within the single figure table on page 142 is £409,918.

The face value of all of the awards was calculated based on a share price of 498.50p, being the MMQ for British Land shares the working day immediately preceding Bhavesh's start date, Friday, 16 July 2021.

Award no.	Number of performance shares granted	Face value E000	Vesting date	Performance Conditions
1	60,944	304	09/10/2021	Subject to remaining in employment at the date of vesting.
2	9,403	47	20/06/2022	Subject to remaining in employment at the date of vesting.
3	19,612	98	20/06/2022	Subject to remaining in employment at the date of vesting.
4	44,273	221	29/05/2023	Subject to remaining in employment at the date of vesting.
5	28,209	141	27/05/2024	Subject to remaining in employment at the date of vesting.
6	9,403	47	26/05/2025	Subject to remaining in employment at the date of vesting.
7	6,057	30	28/03/2022	The performance conditions and performance period that apply to the grant mirror those made by Tesco plc at the date of the original grant on 16 July 2018 which replicated performance conditions and performance periods that applied to the original grant made by Whitbread plc as disclosed in the Whitbread plc Annual Report & Accounts. The performance period ended on 28 February 2022.
8	124,948	623	20/06/2022	The performance conditions and performance period that apply to the grant mirror those made by Tesco plc at the date of the original grant on 20 June 2019, as disclosed in the Tesco plc Annual Report & Accounts. The performance period ended on 28 February 2022.
9	121,787	607	03/07/2023	The performance conditions and performance period that apply to the grant are the same as those set by the British Land Remuneration Committee in respect of the British Land 2020 LTIP Grant as set out in the 2020 British Land Annual Report and Accounts and on page 139 of this report.

In addition to the gross value of the award of 43,580 shares referenced above (£409,918), awards 1 to 6 in the above table are included within the single figure table under 'other items in the nature of remuneration' at a face value upon grant of £856,652. Award 7, was subject to performance conditions and vested at 66.3% on 28 March 2022. 4,015 shares were subsequently released to Bhavesh, who then sold 1,893 shares at a price of 534.85p to settle tax and national insurance contributions and dealing fees. The gross value of the proportion of the award that vested (£21,474) is included within the single figure table under 'other items in the nature of remuneration'.

Awards 8 and 9 are subject to performance conditions. Measurement of the performance conditions for Award 8 will be included within the Tesco plc 2022 Annual Report. The value of the proportion of Award 8 that vests on 20 June 2022, will be reported within the 2023 British Land single figure table. Award 9 is subject to the same performance conditions as the LTIP awards made to British Land Executive Directors in 2020, the estimated outcome of which will be reported in the 2023 single figure table.

Directors' shareholdings and share interests (audited)

The table below shows the Directors' shareholdings, including shares held by connected persons, as at year end or, if earlier, the date of retirement from the Board.

Although there are no shareholding guidelines for Non-Executive Directors, they are each encouraged to hold shares in British Land. The Company facilitates this by offering Non-Executive Directors the ability to purchase shares quarterly using their post-tax fees. During the year ended 31 March 2022, Mark Aedy, Irvinder Goodhew and Tim Score have each received shares in full or part satisfaction of their fees.

Director	Outstanding scheme interests as at 31 March 2022				Shares held		Total of all share plan awards and shareholdings as at 31 March 2022
	Unvested share plan awards (subject to performance measures)	Unvested share plan awards (not subject to performance measures)	Vested but unexercised share plan awards	Total shares subject to outstanding share plan awards	As at 1 April 2021	As at 31 March 2022	
Simon Carter	883,861	7,299	0	891,160	171,798	227,728	1,118,888
Bhavesh Mistry ¹	485,680	111,014	0	596,694	0	78,001	674,695
Tim Score (Chair)					80,905	100,526	100,526
Mark Aedy ¹					0	3,616	3,616
Lynn Gladden					18,339	18,339	18,339
Irvinder Goodhew					2,593	11,662	11,662
Alastair Hughes					7,371	7,371	7,371
Nicholas Macpherson					5,600	5,600	5,600
Preben Prebensen					20,000	20,000	20,000
Laura Wade-Gery					9,585	9,585	9,585
Lorraine Woodhouse					4,036	8,760	8,760

1. Bhavesh Mistry and Mark Aedy were appointed to the Board on 19 July 2021 and 1 September 2021 respectively.

In addition, on 5 April 2022, the following Non-Executive Directors were allotted shares at a price of 532.54 pence per share in full or part satisfaction of their fees:

Non-Executive Director	Shares allotted
Tim Score	4,694
Irvinder Goodhew	1,916
Mark Aedy	1,544

Acquisitions of ordinary shares after the year end

The Executive Directors have purchased or been granted the following fully paid ordinary British Land shares under the terms of the partnership, matching and dividend elements of the Share Incentive Plan:

Executive Director	Date of purchase or award	Purchase price	Partnership shares	Matching shares	Dividend shares
Simon Carter	14/04/22	518.37p	29	58	–
	16/05/22	505.68p	30	60	–
Bhavesh Mistry	14/04/22	518.37p	29	58	–
	16/05/22	505.68p	30	60	–

Other than as set out above, there have been no further changes since 31 March 2022.

Shareholding guidelines

The shareholding guidelines (as a percentage of salary) for Executive Directors are 200% for the Chief Financial Officer and 225% for the Chief Executive. In addition, Executive Directors are required to retain shares equal to the level of this guideline (or if they have not reached the guideline, the shares that count at that time) for the two years following their departure. There is no set timescale for Executive Directors to reach the prescribed guideline but they are expected to retain net shares received on the vesting of long term incentive awards until the target is achieved. Shares that count towards the holding guideline are those which are unfettered and beneficially owned by the Executive Directors and their connected persons, conditional shares and all vested awards count towards the requirement on a net of tax basis. All other awards that are still the subject of a performance assessment and any share options do not count.

The guideline shareholdings for the year ending 31 March 2022 are shown below based on a VWAP for 31 March 2022 of 533p:

Executive Director	Guideline as percentage of basic salary	Guideline holding	Holding counting toward guidelines at 31 March 2022	% of Salary Held (Based on 31 March 2022 Shareholding)
Simon Carter	225%	316,601	227,728	162%
Bhavesh Mistry	200%	183,863	78,001	85%

Unvested share awards (subject to performance)

Executive Director	Date of grant	Number outstanding at 31 March 2022	Subject to performance measures	End of performance period	Vesting date	
Simon Carter	LTIP performance shares	23/07/19	233,383	Yes	31/03/22	23/07/22
	LTIP performance shares	22/06/20	272,812	Yes	31/03/23	22/06/23
	LTIP performance shares	22/06/21	377,666	Yes	31/03/24	22/06/24
Bhavesh Mistry	LTIP performance shares	19/07/21	124,948	Yes	28/02/22	20/06/22
	LTIP performance shares	19/07/21	121,787	Yes	31/03/23	03/07/23
	LTIP performance shares	02/08/21	238,945	Yes	31/03/24	02/08/24

Unvested share awards (not subject to performance)

Executive Director	Date of grant	Number outstanding at 31 March 2022	Subject to performance measures	Vesting date	
Bhavesh Mistry	LTIP performance shares	19/07/21	9,403	No	20/06/22
	LTIP performance shares	19/07/21	19,612	No	20/06/22
	LTIP performance shares	19/07/21	44,273	No	29/05/23
	LTIP performance shares	19/07/21	28,209	No	27/05/24
	LTIP performance shares	19/07/21	9,403	No	26/05/25

Unvested option awards (not available to be exercised)

Executive Director	Date of grant	Number outstanding at 31 March 2022	Option price pence	Subject to performance measures	End of performance period	Date becomes exercisable	Exercisable until	
Simon Carter	Sharesave options	18/06/19	4,137	435	No	N/A	01/09/22	28/02/23

Other disclosures

Service contracts

All Executive Directors have rolling service contracts with the Company which have notice periods of 12 months on either side.

Director	Date of service contract	Normal notice period to be given by Company
Simon Carter	18/11/20	12 months
Bhavesh Mistry	19/07/21	12 months

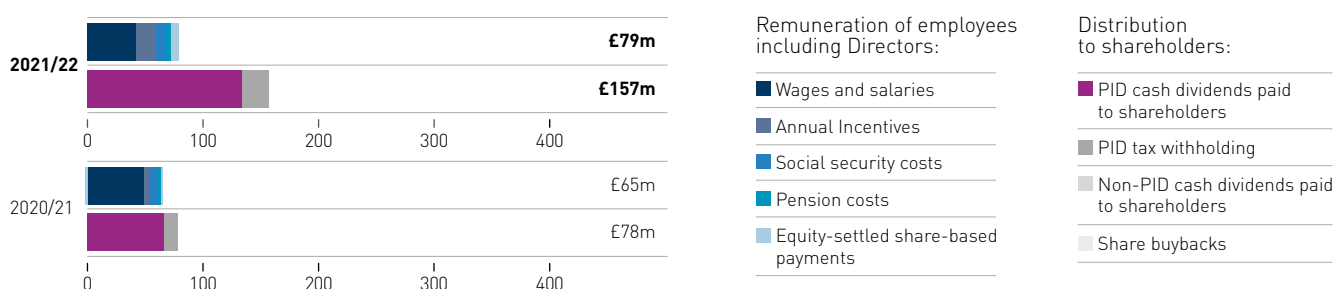
In accordance with the Code, all continuing Executive and Non-Executive Directors stand for election or re-election by the Company's shareholders on an annual basis. The Directors' service contracts are available for inspection during normal business hours at the Company's registered office and at the Annual General Meeting. The Company may terminate an Executive Director's appointment with immediate effect without notice or payment in lieu of notice under certain circumstances, prescribed within the Executive Director's service contract.

Executive Directors' external appointments

Executive Directors may take up one non-executive directorship at another FTSE company, subject to British Land Board approval. The Executive Directors do not currently hold any paid external appointments.

Relative importance of spend on pay

The graph below shows the amount spent on the remuneration for all employees (including Executive Directors) relative to the amount spent on distributions to shareholders for the years to 31 March 2022 and 31 March 2021. Remuneration of employees increased by 21.5% relative to the prior year. This is largely attributable to improved company performance resulting in larger bonus payments across the business. Distributions to shareholders during the year increased by 102% relative to the prior year. This increase represents a full year of paying dividends as opposed to the previous year where the Board took a decision to temporarily suspend dividend payments during the initial outbreak of the Covid-19 pandemic.



Total shareholder return and Chief Executive's remuneration

The graph below shows British Land's total shareholder return for the 10 years from 1 April 2012 to 31 March 2022 against that of the FTSE All-Share Real Estate Investment Trusts (REIT) Total Return Index for the same period. The graph shows how the total return on a £100 investment in the Company made on 1 April 2012 would have changed over the 10-year period, compared with the total return on a £100 investment in the FTSE All-Share REIT Total Return Index. This index has been selected as a suitable comparator because it is the index in which British Land's shares are classified.

The table below sets out the total remuneration of the Chief Executive over the same period as the Total Shareholder Return graph.

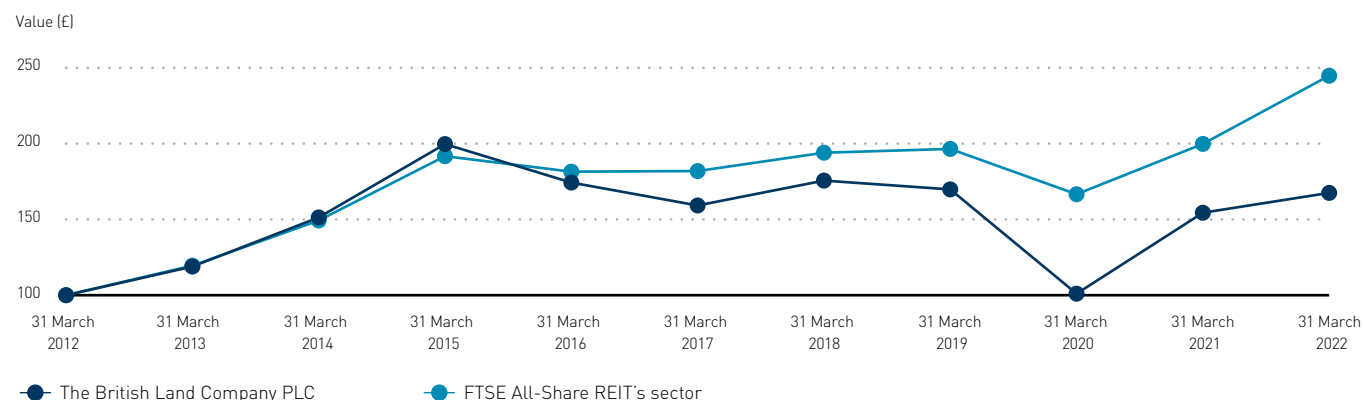
The Annual Incentive awards against maximum opportunity and LTIP vesting percentages represent the year end awards and forecast vesting outcome for the Chief Executive. The quantum of Annual Incentive awards granted each year and long term incentive vesting rates are given as a percentage of the maximum opportunity available.

Chief Executive	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21 ¹	2021/22 ²
Chief Executive's single total figure of remuneration (£000)	4,810	5,398	6,551	3,623	1,938	2,279	1,653	1,534	1,644	1,919
Annual Incentive awards against maximum opportunity (%)	75	90	96	67	33	63	36	28	53	91
Long term incentive awards vesting rate against maximum opportunity (%)	63	98	93	54	15	16	0	0	0	0

1. Confirmed outcome.
2. Forecast outcome.

Total shareholder return

The graph below shows British Land's total shareholder return for the 10 years to 31 March 2022, which assumes that £100 was invested on 1 April 2012. The Company chose the FTSE All-Share REIT's sector as an appropriate comparator for this graph because British Land has been a constituent of that index throughout the period.



CEO pay ratio

The 2021/22 CEO pay ratio, prepared in line with Method A of the reporting regulations, is set out below, along with historic data. In line with the method used last year, this method is considered to be the most comparable approach to the Single Figure calculation used for the CEO. The pay data is based on employees as at 31 March 2022 and has been analysed on a full-time equivalent basis, with pay for individuals working part-time increased pro-rata to the hours worked. Employees on maternity/paternity leave have been included in the analysis.

The table below shows the movement in median ratio since 2019/20. The median ratio has increased in 2021/22 due to the higher bonus payout for the CEO. The median ratio is considered to be consistent with the pay and progression policies within British Land as the remuneration policy for the CEO is set based on the same principles as the policy for the wider employee population. As such, salaries for all employees are set to reflect the scope and responsibilities of their role and take into account pay levels in the external market. The majority of staff are also eligible to receive a bonus, and whilst variable pay represents a larger proportion of the CEO's package, in all cases, there is a strong link between payouts and the performance of both the Company and the individual. The Committee Chair has provided an explanation of the relationship between reward and performance on page 127.

CEO pay ratio	2019/20	2020/21 ¹	2021/22
Method	C	A	A
CEO single figure (£000)	1,534	1,644	1,919
Upper quartile	14:1	16:1	17:1
Median	22:1	23:1	26:1
Lower quartile	33:1	35:1	38:1

1. The 2020/21 single total figure of remuneration represents a blended amount calculated by reference to the amounts paid to Chris Grigg and Simon Carter for the respective periods that they served as Chief Executive during the year.

The salary and total pay for the individuals identified at the Lower quartile, Median and Upper Quartile positions in 2021/22 are set out over the page. Having reviewed the pay levels of these individuals it is felt that these are representative of the structure and quantum of pay at these points in the distribution of employees' pay.

2021/22 Employee pay	Salary	Total pay
Upper quartile	84,150	113,761
Median	65,000	74,750
Lower quartile	38,641	50,813

Directors' remuneration compared to remuneration of British Land employees

The table below shows the percentage changes in different elements of the Directors' remuneration relative to the previous financial year and the average percentage changes in those elements of remuneration for employees of the listed parent company The British Land Company PLC. Positive changes in the fees paid to Non-Executive Directors are attributable to fees paid in respect of additional Committee or Board responsibilities during the course of the year, rather than an increase in the level of fees paid. In addition, from April to July 2020, Directors waived 20% of their respective fees and salaries in response to the Covid-19 pandemic which reduces the full year figure for 2021. The increase in employee salaries was due to inflationary and promotional increases during the year. Similarly, the increase in annual incentive reflects a higher company multiplier in 2022 compared to 2021 as a result of stronger corporate performance against the targets. The salary increase for Simon Carter is due to his promotion to CEO during 2020/21, he did not receive a salary increase in 2021/22. Similarly, the increase in annual bonus for Simon Carter is due to the higher opportunity in 2021/22 as a result of being in the CEO role for the full year and also due to the higher bonus payout as set out on page 142. The reduction in taxable benefits will be largely driven by a reduction in the company's private medical insurance premium.

Bhavesh Mistry, Mark Aedy, Irvinder Goodhew and Loraine Woodhouse are not included in the table below as they were either appointed during the year under review or the previous year and therefore do not have two full years' worth of fees to compare. They have not received an increase in salary or fees during the year beyond those attributable to changes in Committee responsibilities for Non-Executive Directors. Bhavesh's pay arrangements are unchanged since his appointment on 19 July 2021 and are explained fully on page 142.

Remuneration element	2022 vs 2021			2021 vs 2020		
	Base salary/fees % change	Benefits % change	Annual bonus % change	Base salary/fees % change	Benefits % change	Annual bonus % change
Simon Carter	35%	-2.8%	117%	n/a	n/a	n/a
Tim Score	7%	0%	n/a	20%	0%	n/a
Lynn Gladden	7%	100%	n/a	-6%	0%	n/a
Alastair Hughes	9%	0%	n/a	-3%	0%	n/a
Nicholas Macpherson	7%	0%	n/a	-7%	0%	n/a
Preben Prebensen	12%	0%	n/a	12%	0%	n/a
Laura Wade-Gery	13%	0%	n/a	0%	0%	n/a
Average employees	6%	-7%	50%	2%	1%	n/a

The Committee reviews, takes advice and seeks information from both its independent adviser and the Human Resources department on pay relatively within the wider market and the Company throughout the year. The CEO pay ratio, ethnicity and gender pay ratio help to inform the Committee in its assessment of whether the level and structure of pay within the Company is appropriate. The Committee is satisfied with the current Policy and feels the opportunity and alignment are appropriate at the current time.

Non-Executive Directors' remuneration (audited)

The table below shows the fees paid to our Non-Executive Directors for the years ended 31 March 2021 and 31 March 2020:

	Fees ¹		Taxable benefits ²		Total	
	2022 £000	2021 ⁵ £000	2022 £000	2021 £000	2022 £000	2021 £000
Chairman and Non-Executive Directors						
Tim Score (Chair) ³	375	350	0	0	375	350
Mark Aedy ⁴	39	–	0	–	39	–
Lynn Gladden	77	72	2	0	79	72
Irvinder Goodhew	75	36	0	0	75	36
Alastair Hughes	96	88	0	0	96	88
Nicholas Macpherson	72	67	0	0	72	67
Preben Prebensen	95	85	0	0	95	85
Laura Wade-Gery	97	86	0	0	97	86
Lorraine Woodhouse	92	6	0	0	92	6

1. Fees include the basic fee of £64,000 paid to each Non-Executive Director with exception of the Chair.
2. Taxable benefits include the expenses incurred by Non-Executive Directors. The Company provides the tax gross up on these benefits and the figures shown above are the grossed up values. There is no variable element to the Non-Executive Directors' fees.
3. Tim Score was appointed Chair in July 2019.
4. Mark Aedy was appointed on 1 September 2021.
5. All the directors' fees for 2021 reflect the impact of having waived 20% of their fees for four months during the year.

Remuneration Committee membership

As at 31 March 2022, and throughout the year under review, the Committee was comprised wholly of independent Non-Executive Directors. The members of the Committee, together with attendance at Committee meetings, are set out in the table below:

Director	Position	Date of appointment (to the Committee)	Attendance
Laura Wade-Gery	Chair	13 May 2015	6/6
Lynn Gladden	Member	20 March 2015	6/6
Irvinder Goodhew	Member	17 November 2021	2/2
Preben Prebensen	Member	1 September 2017	6/6

During the year ended 31 March 2022, Committee meetings were also part attended by Tim Score (Chairman), Simon Carter (Chief Executive Officer), Bhavesh Mistry (Chief Financial Officer), Brona McKeown (General Counsel and Company Secretary), Kelly Barry (Reward Director) and Gavin Bergin (Head of Secretariat) other than for any item relating to their own remuneration. A representative from Korn Ferry also routinely attends Committee meetings.

The Committee Chair holds regular meetings with the Chairman, Chief Executive and HR Director to discuss all aspects of remuneration within British Land. She also meets the Committee's independent remuneration advisers, Korn Ferry, prior to each substantive meeting to discuss matters of governance, Remuneration Policy and any concerns they may have.

How the Committee discharged its responsibilities during the year

The Committee's role and responsibilities have remained unchanged during the year (having been amended in March 2019 to incorporate changes to the Code) and are set out in full in its terms of reference which can be found on the Company's website britishland.com/committees. The Committee's key areas of responsibility are:

- the development of the 2022 Directors' Remuneration Policy to be presented for shareholder approval at the 2022 AGM, including policy design, stakeholder engagement and consultation with major shareholders;
- in developing the performance conditions relating to the Company's 2030 Sustainability Strategy within the proposed 2022 Directors' Remuneration Policy, the Committee received in-depth technical briefings from subject matter experts from the business;
- reviewing the Remuneration Policy and strategy for members of the Executive Committee and other members of executive management, whilst having regard to pay and employment conditions across the Group;
- determining the total individual remuneration package of each Executive Director, Executive Committee member and other members of management;
- monitoring performance against conditions attached to all annual and long term incentive awards to Executive Directors, Executive Committee and other members of management and approving the vesting and payment outcomes of these arrangements; and
- selecting, appointing and setting the terms of reference of any independent remuneration consultants.

In addition to the Committee's key areas of responsibility, during the year ended 31 March 2022, the Committee also considered the following matters:

- reviewing and recommending to the Board the Remuneration Report to be presented for shareholder approval;
- remuneration of the Executive Directors and members of the Executive Committee including achievement of corporate and individual performance; and pay and Annual Incentive awards below Board-level;
- the extent to which performance measures have been met and, where appropriate, approving the vesting of Annual Incentive and long term incentive awards;
- granting discretionary share awards; reviewing and setting performance measures for Annual Incentive awards and Long Term incentives;
- reviewing the Committee's terms of reference;
- feedback from the HR Director and Remuneration Consultants following consultation with a workforce panel set up to discuss Executive remuneration;
- the Committee was made aware of the results of engagement surveys and any general themes that are impacting employees. All-employee communications were sent from Executive Committee members, including the CEO, relating to wider Company remuneration;
- considering gender and ethnicity pay gap reporting requirements; and
- receiving updates and training on corporate governance and remuneration matters from the independent remuneration consultant.

The Committee's terms of reference have been reviewed by the Committee during the year and changes were made to define responsibilities between the CSR Committee and the Remuneration Committee and provide for one joint meeting per year as appropriate.

Remuneration consultants

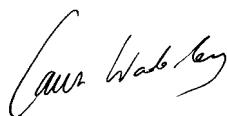
Korn Ferry was appointed as independent remuneration adviser by the Committee on 21 March 2017 following a competitive tender process. Korn Ferry is a member of the Remuneration Consultants Group and adheres to that group's Code of Conduct. The Committee assesses the advice given by its advisers to satisfy itself that it is objective and independent. The advisers have private discussions with the Committee Chair at least once a year in accordance with the Code of Conduct. Fees, which are charged on a time and materials basis, were £146,480 (excluding VAT). Korn Ferry also provided general remuneration advice to the Company during the year.

Voting at the Annual General Meeting

The table below shows the voting outcomes of the resolutions put to shareholders regarding the Directors' Remuneration Report at the AGM in July 2021 and Remuneration Policy at the AGM in July 2019.

Resolution	Votes for	% for	Votes against	% against	Total votes cast	Votes withheld
Directors' Remuneration Report (2021)	612,435,184	98.61	8,657,032	1.39	621,092,216	1,307,558
Directors' Remuneration Policy (2019)	699,935,009	98.30	12,073,236	1.70	712,008,245	840,435

This Remuneration Report was approved by the Board on 17 May 2022.



Laura Wade-Gery

Chair of the Remuneration Committee

Directors' Report and additional disclosures

The Directors present their Report on the affairs of the Group, together with the audited financial statements and the report of the auditor for the year ended 31 March 2022. The Directors' Report also encompasses the entirety of our Corporate Governance Report from pages 99-157 and Other Information section from pages 239-248 for the purpose of section 463 of the Companies Act 2006 (the 'Act'). The Directors' Report and Strategic Report together constitute the Management Report for the year ended 31 March 2022 for the purpose of Disclosure and Transparency Rule 4.1.8R. Information that is relevant to this Report, and which is incorporated by reference and including information required in accordance with the Act and or Listing Rule 9.8.4R, can be located in the following sections:

Information	Section in Annual Report	Page
Future developments of the business of the Company	Strategic Report	18 to 27
Risk factors and principal risks	Strategic Report	84 to 96
Financial instruments – risk management objectives and policies	Strategic Report	81 to 83
Dividends	Strategic Report	79
Sustainability governance	Strategic Report	49 to 50
Greenhouse gas emissions, energy consumption and efficiency	Strategic Report	58 to 59
Viability and going concern statements	Strategic Report	97
Governance arrangements	Governance	104 to 109
Employment policies and employee involvement	Strategic Report	35 to 37
Capitalised interest	Financial Statements	182 to 187
Additional unaudited financial information	Other Information unaudited	239 to 244

Annual General Meeting (AGM)

The 2022 AGM will be held at 9:30am on 12 July 2022 at 100 Liverpool Street, EC2M 2RH.

A separate circular, comprising a letter from the Chairman of the Board, Notice of Meeting and explanatory notes on the resolutions being proposed, has been circulated to shareholders and is available on our website britishland.com/agm.

Articles of Association

The Company's Articles of Association (Articles) may only be amended by special resolution at a general meeting of shareholders. Subject to applicable law and the Company's Articles, the Directors may exercise all powers of the Company.

The Articles are available on the Company's website britishland.com/governance.

Board of Directors

The names and biographical details of the Directors and details of the Board Committees of which they are members are set out on pages 101-103 and incorporated into this Report by reference. Changes to the Directors during the year and up to the date of this Report are set out on page 116. The Company's current Articles require any new Director to stand for election at the next AGM following their appointment. However, in accordance with the Code and the Company's current practice, all continuing Directors offer

themselves for election or re-election, as required, at the AGM.

Details of the Directors' interests in the shares of the Company and any awards granted to the Executive Directors under any of the Company's all-employee or executive share schemes are given in the Directors' Remuneration Report on page 147. The service agreements of the Executive Directors and the letters of appointment of the Non-Executive Directors are also summarised in the Directors' Remuneration Report and are available for inspection at the Company's registered office.

The appointment and replacement of Directors is governed by the Company's Articles, the Code, the Companies Act 2006 and any related legislation. The Board may appoint any person to be a Director so long as the total number of Directors does not exceed the limit prescribed in the Articles. The Articles provide that the Company may by ordinary resolution at a general meeting appoint any person to act as a Director, provided that notice is given of the resolution identifying the proposed person by name and that the Company receives written confirmation of that person's willingness to act as Director if he or she has not been recommended by the Board. The Articles also empower the Board to appoint as a Director any person who is willing to act as such. The maximum possible number of Directors under the Articles is 20. In addition to any power

of removal conferred by the Companies Act 2006, the Articles provide that the Company may by ordinary resolution (and without the need for any special notice) remove any Director from office. The Articles also set out the circumstances in which a person shall cease to be a Director.

The Articles require that at each annual general meeting each person who is a Director on a specific date selected by the Board shall retire from office. The date selected shall be not more than 14 days before, and no later than, the date of the notice of annual general meeting. A Director who retires at an annual general meeting shall be eligible for reappointment by the shareholders.

Directors' interests in contracts and conflicts of interest

No contract existed during the year in relation to the Company's business in which any Director was materially interested.

The Company's procedures for managing conflicts of interest by the Directors are set out on page 106. Provisions are also contained in the Company's Articles which allow the Directors to authorise potential conflicts of interest.

Directors' liability insurance and indemnity

The Company maintains appropriate Directors' and Officers' liability insurance

cover in respect of any potential legal action brought against its Directors.

The Company has also indemnified each Director to the extent permitted by law against any liability incurred in relation to acts or omissions arising in the ordinary course of their duties. The indemnity arrangements for all directors of the Company are qualifying indemnity provisions under the Act and were in force throughout the year and are in force at the date of the Report.

Share capital

The Company has one class of shares, being ordinary shares of 25p each, all of which are fully paid. The rights and obligations attached to the Company's shares are set out in the Articles. There are no restrictions on voting rights or the transfer of shares except in relation to Real Estate Investment Trust restrictions.

The Directors were granted authority at the 2021 AGM to allot relevant securities up to a nominal amount of £77,227,088 as well as an additional authority to allot shares to the same value on a rights issue. This authority will apply until the conclusion of the 2022 AGM or the close of business on 30 September 2022, whichever is the sooner. At this year's AGM, shareholders will be asked to renew the authority to allot relevant securities.

The Directors were granted authority at the 2021 AGM to allot shares in the Company and to grant rights to subscribe for, or convert any security into, shares in the Company up to a maximum aggregate nominal amount of £11,584,063, as well as an additional authority to allot shares up to the same amount on a rights issue only. This authority will apply until the conclusion of the 2022 AGM. At the 2022 AGM, shareholders will be asked to renew the allotment authority.

At the 2021 AGM a special resolution was also passed to permit the Directors to allot shares for cash on a non-pre-emptive basis both in connection with a rights issue or similar pre-emptive issue and, otherwise than in connection with any such issue, up to a maximum nominal amount of £11,584,063. A further special resolution was passed to permit the Directors to allot shares for cash on a non-pre-emptive basis up to the same amount for use only in connection with an acquisition or a specified capital investment. At this year's AGM, shareholders will be asked to renew such powers.

The Company continued to hold 11,266,245 ordinary shares in treasury during the whole of the year ended 31 March 2022 and to the date of this Report.

Further details relating to share capital, including movements during the year, are set out in Note 20 to the financial statements on pages 213-215.

Rights under an employee share scheme

Employee Benefit Trusts (EBTs) operate in connection with some of the Company's employee share plans. The trustees of the EBTs may exercise all rights attached to the Company's ordinary shares in accordance with their fiduciary duties other than as specifically restricted in the documents which govern the relevant employee share plan.

Waiver of dividends

Blest Limited acts as trustee (Trustee) of the Company's discretionary Employee Share Trust (EST). The EST holds and, from time to time, purchases British Land ordinary shares in the market, for the benefit of employees, including to satisfy outstanding awards under the Company's various executive employee share plans. A dividend waiver is in place from the Trustee in respect of all dividends payable by the Company on shares which it holds in trust.

Substantial interests

All notifications made to British Land under the Disclosure and Transparency Rules

(DTR 5) are published on a Regulatory Information Service and made available on the Investors section of our website.

As at 31 March 2022, the Company had been notified of the interests noted at the bottom of this page in its ordinary shares in accordance with DTR 5. The information provided is correct at the date of notification.

Change of control

The Group's unsecured borrowing arrangements include provisions that may enable each of the lenders or bondholders to request repayment or have a put at par within a certain period following a change of control of the Company. In the case of the Sterling bond this arises if the change of control also results in a rating downgrade to below investment grade.

There are no agreements between the Company and its Executive Directors or employees providing for compensation for loss of office or employment that occurs specifically because of a takeover, merger or amalgamation with the exception of provisions in the Company's share plans which could result in options and awards vesting or becoming exercisable on a change of control. All appointment letters for Non-Executive Directors will, as they are renewed, contain a provision that allows payment of their notice period in certain limited circumstances, such as corporate transactions, where the Company has terminated their appointment with immediate effect.

	Interests in ordinary shares	Percentage holding disclosed %
BlackRock, Inc.	97,459,024	10.5
Brookfield Asset Management Inc.	55,038,184	5.94
Norges Bank	74,998,396	8.09
APG Asset Management N.V.	48,072,042	5.19
Invesco Ltd.	45,871,686	4.95

Since the year end, and up to 17 May 2022, the Company had been notified of the following interests in its ordinary shares in accordance with DTR 5. The information provided is correct at the date of notification:

	Interests in ordinary shares	Percentage holding disclosed %
BlackRock, Inc.	100,400,771	10.8
Brookfield Asset Management, Inc.	29,409,577	3.17

Payments policy

We recognise the importance of good supplier relationships to the overall success of our business. We manage dealings with suppliers in a fair, consistent and transparent manner. For more information please visit the Suppliers section of our website at britishland.com/suppliers.

Events after the balance sheet date

Details of subsequent events, if any, can be found in Note 26 on page 218.

Political donations and expenditure

The Company did not make any political donations or incur any expenditure during the year (2021: nil).

Inclusive culture

British Land employees are committed to promoting an inclusive, positive and collaborative culture. In 2021 we launched our Diversity, Equality and Inclusion Strategy to set out our commitments and goals to make British Land the most inclusive organisation it can be. We treat everyone equally irrespective of age, sex, sexual orientation, race, colour, nationality, ethnic origin, religion, religious or other philosophical belief, disability, gender identity, gender reassignment, marital or civil partner status, or pregnancy or maternity. As stated in our Equal Opportunities Policy, British Land treats 'all colleagues and job applicants with equality. We do not discriminate against job applicants, employees, workers or contractors because of any protected characteristic. This applies to all opportunities provided by the Company including, but not limited to, job applications, recruitment and interviews, training and development, role enrichment, conditions of work, salary and performance review'. The Company ensures that our policies are accessible to all employees, making reasonable adjustment when required.

Through its policies and more specifically the Equal Opportunities, Disability and Workplace Adjustment and Recruitment policies, the Company ensures that entry into, and progression within, the Company is based solely on personal ability and competence to meet set job criteria. Should an employee, worker or contractor become disabled in the course of their employment/engagement, the Company aims to ensure that reasonable steps are taken to accommodate their disability by making reasonable adjustments to their existing employment/engagement.

Community investment

Our financial community investment during the year totalled £1,813,909 (2021: £1,475,171). Of this, £1.4m came from the Community Investment Fund which is managed by the Community Investment Committee and overseen by the CSR Committee.

The Company also supports employee fundraising and payroll giving which are included in the figures above. For the year ended 31 March 2022 this covered:

- 50% uplift of British Land staff payroll giving contributions (capped at £5,000 per person and £50,000 per annum for the whole organisation); and
- A staff matched funding pledge, matching money raised for community organisations by British Land staff up to £500 per person per year.

Our community investment is guided by our Local Charter, working with local partners to make a lasting positive difference:

- connecting with local communities
- supporting educational initiatives for local people
- supporting local training and jobs
- supporting local businesses
- contributing to local people's wellbeing and enjoyment

Through our community investment and Local Charter activity, we connect with communities where we operate, make positive local contributions, help people fulfil their potential, help businesses grow, and promote wellbeing and enjoyment. This all supports our strategy to create Places People Prefer.

Auditor and disclosure of information

Each of the Directors at the date of approval of this Report confirms that:

- so far as the Director is aware, there is no relevant audit information that has not been brought to the attention of the auditor
- the Director has taken all steps that he/she should have taken to make himself/herself aware of any relevant audit information and to establish that the Company's auditor was aware of that information

PwC has indicated its willingness to remain in office and, on the recommendation of the Audit Committee, a resolution to reappoint PwC as the Company's auditor will be proposed at the 2022 AGM.

The Directors' Report was approved by the Board on 17 May 2022 and signed on its behalf by:



Brona McKeown

General Counsel and Company Secretary

The British Land Company PLC
Company number: 621920

Directors' Responsibilities Statement

The Directors' Responsibilities Statement below has been prepared in connection with the Annual Report and financial statements for the year ended 31 March 2022. Certain parts of the Annual Report and financial statements have not been included in this announcement as set out in Note 1 to the financial information.

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group financial statements in accordance with UK-adopted international accounting standards and the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group and Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed for the group financial statements and United Kingdom Accounting Standards, comprising FRS 101 have been followed for the company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

The Directors consider that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's and Company's position and performance, business model and strategy.


Each of the Directors, whose names and functions are listed in Corporate Governance report on pages 101-103, confirms that, to the best of their knowledge:

- the Group financial statements, which have been prepared in accordance with UK-adopted international accounting standards and IFRSs issued by IASB, give a true and fair view of the assets, liabilities, financial position and profit of the Group;
- the Company financial statements, which have been prepared in accordance with United Kingdom Accounting Standards, comprising FRS 101, give a true and fair view of the assets, liabilities and financial position of the company and profit of the Company; and
- the Annual Report and Accounts includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that it faces.

In the case of each director in office at the date the Directors' report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Group's and Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's and Company's auditors are aware of that information.

By order of the Board.



Bhavesh Mistry
Chief Financial Officer

17 May 2022