

Biodiversity

Our Biodiversity Programme

By enhancing local ecosystems our properties are more attractive places to work, live in and visit, and are thus more attractive to occupiers.

The British Land **Biodiversity Programme**, published in 2005, promotes the consideration of biodiversity at each stage of the property lifecycle.

We manage and enhance biodiversity at our properties through **Biodiversity Action Plans** ('BAPs'). In 2006 we implemented site-specific BAPs for Teesside Shopping Park and Regent's Place and developed them for Meadowhall Shopping Centre and Blythe Valley Park.

Our **Urban Generic BAP** and our **Soft Landscape Generic BAP** can be implemented across the portfolio at properties which do not require their own site-specific BAP. They contain generic measures, for instance relating to providing habitats for birds and bats.

British Land people

Move to York House

An efficient and high quality Head Office that is designed and equipped to meet the needs of our people.

During 2006 we prepared for our Head Office move from Cornwall Terrace, London NW1, to York House, London W1, in Spring 2007.

A **Relocation Committee**, consisting of senior managers and executives, was formed. This Committee **consulted** with employees and experts to ensure that York House meets the needs of our people.

Employees were **updated about progress** through newsletters and a section on the Company's Intranet. We also consulted them on various features of the new offices including printing, faxing and telephone requirements, as well as the chairs and desks that they will be using. During December 2006 **tours** of York House were organised to discuss seating and operational arrangements.

The fit out of the property was guided by the **British Land Sustainability Brief**. Nearly £500,000 was invested in corporate responsibility measures, including installing cycle racks, showers and energy mains metering. A draft Travel Plan for York House was developed in December 2006; it will be published in 2007.

Community – strengthening local ties

Investing in the future

By supporting good causes we enhance our reputation. Supporting local initiatives also builds our relationships with local stakeholders.

In 2006 we invested over £650,000 in good causes, such as **education, the arts and sport**. Our sponsorships included:

- The British Land UK Chess Challenge.
- The British Land National Ski Championships for the 28th consecutive year.
- The British Land British Open and Amateur Championships for Real Tennis for the 13th year.

Our property management teams have responsibility for community funding decisions at our properties. This enables a speedy response and entrusts decision making to those who are most familiar with the needs of their **local communities**. In 2006 local sponsorship included:

- Eastgate Shopping Centre supporting St Luke's Hospice.
- Teesside Shopping Park supporting a multi-use games area.
- Meadowhall Shopping Centre supporting the European Brandenburg Ensemble.

Occupiers and suppliers

Customer satisfaction

The value in our portfolio comes from customers choosing to lease our buildings. We are committed to continuing to develop the ways we work to support our customers' own business needs more effectively.

In 2006, based on occupier feedback, we made a number of changes to improve how we manage our properties:

- We established a **Key Account Programme** involving our senior management for 85 occupiers.
- We published **Our Service Commitment** to occupiers and began using it to manage the performance of our employees and our managing agents.
- Following a **review of our managing agents** we implemented changes to improve service to occupiers, including consolidating our managing agents from 19 to 9, establishing new contract terms and agreeing key performance indicators.
- We reviewed our **service charge management** and introduced a number of changes to ensure that we exceed the standards set out in the new Service Charge Code.
- We reviewed and amended the **licence application process** for our London office portfolio, streamlining the process and reducing bureaucracy for our customers.

We also continued to support customer service through our active involvement in Real Service, a benchmarking group dedicated to helping the real estate industry improve customer service and generate improved performance.

Progress against targets 2006

Assurance by Bureau Veritas*

Below we review the progress we made during 2006 of just a few of our targets set out in our 2005 Corporate Responsibility Report; for a full report on how we have performed please see our online report.

Corporate responsibility management

Consider corporate responsibility issues within investments

- Sustainability Guide for Property Acquisitions launched in October 2006.

British Land people

Ensure staff needs are considered before and after the Head Office move

- Relocation Committee established, information provided in staff newsletters and on the Intranet, staff and external experts consulted and staff tours conducted of York House.

Occupiers and suppliers

Engage with occupiers to build closer relationships

- Heads of Asset Management contacted 85 key occupiers about how we manage our properties. Key Account Programme and Service Commitment developed. Managing agents reviewed. Programme of meetings with occupiers. Further independent consultation with occupiers commissioned for 2007.

Engage with first tier suppliers (consultants and contractors) to raise awareness of environmentally and socially sound goods and services

- Training presentation on corporate responsibility sent to all Head Office employees during December 2006.
- Distribution of letter on corporate responsibility principles, that British Land expects its suppliers to adhere to, piloted with suppliers in 2006.

Regeneration

Contribute to the regeneration of socially deprived areas where we operate

- Retail Foundation Degree established in partnership with Sheffield College and Sheffield Hallam University and to be delivered at The Source at Meadowhall by Sheffield College from 2007.

Community

Manage relations with communities to achieve social and business benefits

- British Land's Head of Internal Audit mentored a senior GP at Fountayne Road Health Centre in Hackney. Broadgate Estate's Technical and Environmental Director mentored the Headteacher at St John the Baptist School in Hackney.

Resource use

Promote efficient use of energy and water

- Members of the Broadgate Environmental Working Group identified carbon dioxide emissions relating to their properties and adopted a Carbon Emission Reduction Charter.

Waste management

Maximise opportunities for waste avoidance and reduction

- 92% of the accepted material at the Meadowhall Shopping Centre Resource Recovery Centre recycled in 2006.

Biodiversity

Safeguard and enhance biodiversity

- At Teesside eight of the ten Biodiversity Action Plan actions were completed, including the creation of two floating islands in a balancing pond. At Regent's Place progress was made on all Biodiversity Action Plan actions with completion scheduled for 2007.

Targets 2007

Assurance by Bureau Veritas*

In line with our corporate responsibility focus areas, we have identified Key Performance Indicators (KPI) to be monitored year on year, and have set objectives and targets for 2007; below are just a selection of the objectives and targets. Please refer to the online Corporate Responsibility Report for the full version.

Corporate responsibility management

Objective: Implement effective corporate responsibility management processes

- Targets:*
- Developments team to implement a management system and certify to the ISO14001 standard.
 - Review our approach to carbon management and build on existing climate change mitigation and adaptation strategies.
 - Develop systems to amalgamate Group-wide data for corporate responsibility reporting.

British Land people

Objective: Ensure effective staff recruitment, retention and performance

- Target:*
- Review Human Resources strategy and Key Performance Indicators.
- KPI:*
- Turnover of staff.
 - Lost days/sickness.
 - % of pre tax underlying profit given to staff volunteering initiatives and sponsorship.

Occupiers and suppliers

Objective: Deliver improved customer satisfaction

- Target:*
- Undertake an occupier survey and achieve 30% improvement in overall satisfaction rating from 2005.

- KPI:*
- Average occupier satisfaction rating (%).

Objective: Engage with first tier suppliers (consultants and contractors) to raise awareness on environmentally and socially sound goods and services

- Target:*
- Distribute Corporate Responsibility System Documentation Guide to all managing agents and development project teams.

- KPI:*
- % of timber from Forest Stewardship Council (FSC) or equivalent certified sustainably managed sources.

Regeneration

Objective: Contribute to the regeneration of socially deprived areas where we operate

- Target:*
- Continue to raise awareness and uptake of the Scottish Vocational Qualification in Retailing which is delivered through the Glasgow Fort Partnership for employees and occupiers at Glasgow Fort. Target 60 participants signed up to the course in 2007.

- KPI:*
- % of construction employment that is drawn from the local community.
 - % of employees at Meadowhall from the local community.

Community

Objective: Manage relations with communities to achieve social and business benefits

- Target:*
- Employees to work with children from two primary schools in Camden on an architecture based project.

- KPI:*
- % of managed properties where British Land actively engages with the community.

Resource use

Objective: Promote efficient use of energy

- Targets:*
- Work with Broadgate occupiers to pilot the inclusion of their energy data within the performance benchmarking process.
 - Complete decentralised low carbon energy feasibility studies at York House and Broadgate.

KPI:

For common (landlord) areas of managed properties:

- CO₂ per m².
- KWh of energy used per m².
- % of energy from Climate Change Levy exempt sources.

For developments:

- % better than Building Regulations Part L2: 2006.

Waste management

Objective: Minimise waste and maximise recycling and the amount of recycled content in materials used

- Target:*
- Work with site-managers and managing agents to improve the sharing and reporting of waste management information and data across our managed portfolio.

- KPI:*
- Average target % of waste to be recycled on developments.
 - Average target % of recycled content of materials by value on developments.
 - % of waste to landfill at Broadgate, Meadowhall and Regent's Place.

Biodiversity

Objective: Safeguard and enhance biodiversity.

- Target:*
- Prepare site-specific Biodiversity Action Plans for Leeds Westside Shopping Park and Oxford Shopping Park.

- KPI:*
- Number of managed properties covered by Biodiversity Action Plans.

*Independent assurance statement by Bureau Veritas. For more details please see the CR Report 2006: www.britishland.com/crReport/2006