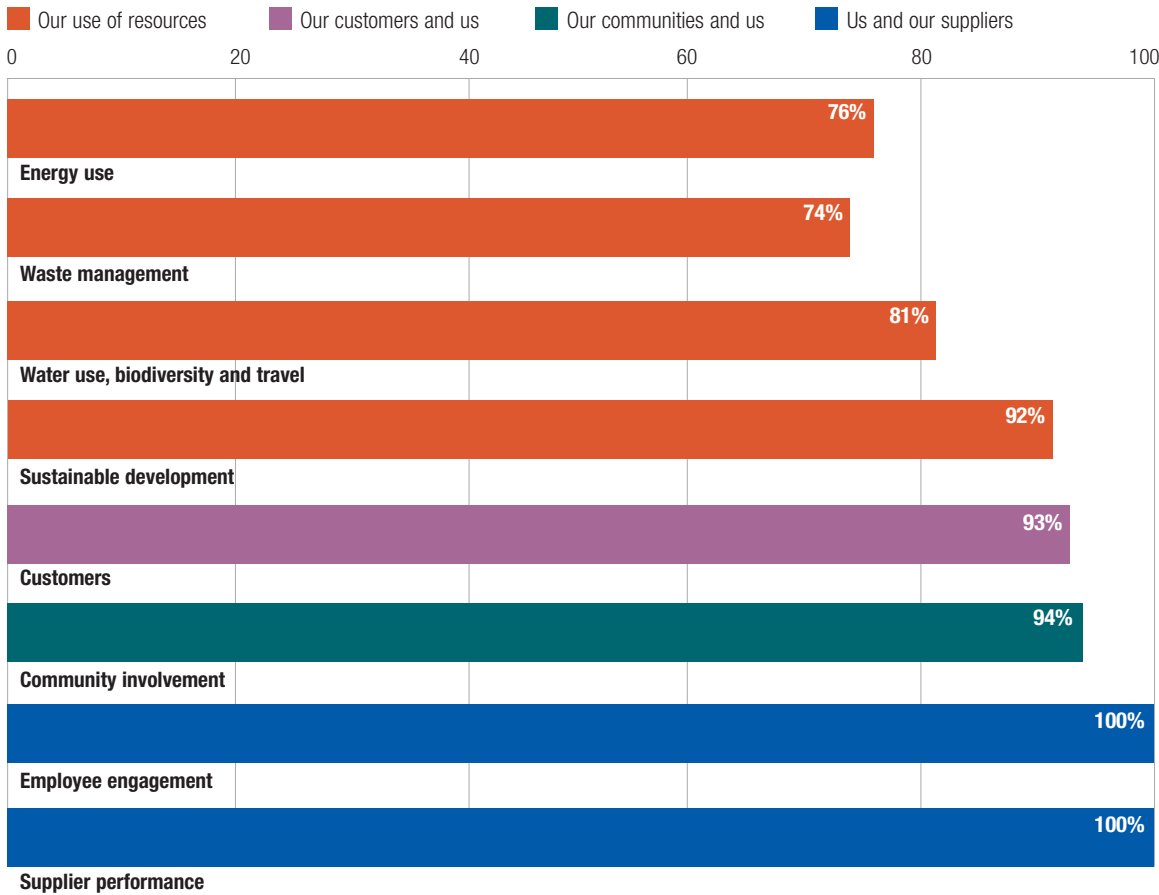


Our performance in 2008/09

Progress statements were provided by external consultants Arup and all 24 performance-based targets were independently reviewed by Bureau Veritas
britishland.com/crReport/2009/review



We set non-financial key performance indicators for the business, based on our Building Together framework. These key performance indicators are built up from our annual targets. A sample of these targets is independently audited each year.

OUR USE OF RESOURCES

Energy use targets		76%	
Objective: Reduce energy use at our properties by 20% by 2012			
Target	Progress	Progress	Weighting
Achieve 15% reduction in energy use on a like-for-like basis over 2004/05 baseline.	Like-for-like energy use reduced by 2%, compared to our 2004/05 baseline.	13%	25%
Investigate local zero and low carbon generation solutions for existing buildings in our office portfolio.	We completed studies assessing the feasibility of installing low-carbon energy sources at Broadwalk House.	100%	20%
Complete wind turbine feasibility study for our out-of-town retail portfolio in the UK and implement as appropriate.	We completed a wind turbine feasibility study for our out-of-town retail portfolio. We also completed construction on Giltbrook Retail Park, which has two wind turbines on-site.	100%	15%
Complete energy element of Environmental Action Plans for shopping and retail parks with service charge budgets exceeding £200,000 per annum.	78% of our major retail parks are implementing actions to improve energy efficiency.	100%	10%
Procure 80% of all electricity from renewable or Climate Change Levy exempt sources.	We procured 63% of all electricity across our UK and Continental European portfolio from Climate Change Levy (CCL) exempt sources.	89%	20%
Offset carbon emissions within the British Land direct carbon footprint using appropriately certified scheme.	We purchased €64,647 of carbon credits to help to fund a project that uses waste heat from the production of iron and steel to generate electricity. This enabled us to offset our remaining Scope 1 and 2 carbon emissions, where we could not achieve carbon reductions. The project is fully operational, registered and verified under the Voluntary Carbon Standard.	100%	10%

OUR USE OF RESOURCES continued

Waste management targets

74%

Objective: Send zero waste to landfill from our entire portfolio by 2012

Target	Progress	Progress	Weighting
Define and set reduction targets for waste management at Head Office, and in our office and shopping centre portfolios.	We set a target for next year to reduce the waste generated at our Head Office per full-time equivalent by 5%. We do not have direct influence over the volume of waste generated by occupiers in our office and shopping centre portfolios.	33%	20%
Complete waste management plans, where appropriate, as part of the Environmental Action Plans for shopping and retail parks with service charge budgets exceeding £200,000 per annum.	We reviewed waste management at all of our major retail parks, with 72% implementing actions to improve waste management.	100%	15%
60% of managed waste within our office portfolio to be recycled.	43% of managed waste from our office portfolio was recycled, with 95% diverted from landfill.	72%	20%
50% of managed waste from shopping centres to be recycled.	39% of managed waste from our shopping centres was recycled, with 96% diverted from landfill.	78%	20%
60% of Head Office waste to be recycled.	40% of managed waste from our Head Office was recycled, with 100% diverted from landfill.	67%	10%
Develop occupier fit-out policy for our office portfolio to drive more effective waste management strategies, seeking occupier agreement to implement.	We developed and published a Fit-out Waste Guide for our office portfolio. We worked with our occupiers at 201 Bishopsgate and The Broadgate Tower to achieve 97% recycling of fit-out waste.	100%	15%

Water use, biodiversity and travel targets

81%

Objective: Reduce water use at our portfolio by 20% by 2015

Target	Progress	Progress	Weighting
Achieve 5% reduction in water use on a like-for-like basis over 2004/05 baseline in our office, shopping centre and out-of-town retail portfolios.	Like-for-like water use reduced by 15%, compared to the 2004/05 baseline.	100%	37%
Office and shopping centre portfolios to review water use, employing the British Land Water Management Programme. Shopping and retail parks with service charge budgets exceeding £200,000 per annum also to review water use.	We reviewed water use across 66% of our managed office portfolio, 75% of our shopping centre portfolio and all of our major retail parks. We are implementing actions to improve water efficiency at many of these properties.	100%	17%
Implement biodiversity plans for all offices and shopping centres. Shopping and retail parks to implement where appropriate.	We are implementing Biodiversity Action Plans at 66% of our managed office portfolio, 25% of our shopping centre portfolio and 67% of our major retail parks.	46%	17%
Implement Green Travel Plans for all offices and shopping centres. Shopping and retail parks to implement where possible.	We developed Green Travel Plans for 66% of our office portfolio and 50% of our shopping centre portfolio. 67% of our major retail parks are implementing green travel actions.	40%	17%
Quantify and benchmark business travel rates for Head Office employees to enable targets to be set for 2009/10.	We surveyed our Head Office business travel and developed actions for next year to encourage sustainable travel.	100%	12%

Sustainable development targets			92%
Objective: Achieve a BREEAM Excellent rating for all office developments			
Target	Progress	Progress	Weighting
All new office developments to have a BREEAM Excellent rating.	All three office developments we completed this year achieved BREEAM Excellent ratings for design and procurement. All four of our office developments in the detailed design phase have predicted Excellent ratings.	100%	20%
All new residential developments gaining planning permission after 2007 to achieve a minimum Code for Sustainable Homes Level Three.	Our single residential development which received planning permission after 2007 is currently in the design phase and is predicted to achieve a Code for Sustainable Homes Level Three.	100%	15%
Objective: Recover a minimum of 80% of demolition and 70% of construction waste			
Every development to recover a minimum of 80% of demolition and strip-out material.	Both of our developments in the demolition phase recovered 94% of demolition and strip-out material on average.	100%	10%
Every development to recover a minimum of 70% of construction waste.	Both of our developments in the construction phase recovered over 80% of construction waste on average.	100%	10%
Every development to measure and report waste key performance indicators to landfill.	All our developments in demolition, construction, strip-out or fit-out phases reported waste management key performance indicators.	100%	5%
At least 20% of total material by value in new buildings to contain re-used and recycled content.	Ropemaker used 24% recycled content, exceeding its design projections. Estimated recycled content at Regent's Place One and Two was 25% and at One Osnaburgh Street was 23%. 201 Bishopsgate and The Broadgate Tower did not report on recycled content.	75%	10%
Objective: Develop to a standard at least 10% better than Part L2A Building Regulations 2006			
Every development to be constructed to a standard at least 10% better than Part L2A Building Regulations 2006.	Our developments in design, demolition or construction are set to have 25% less carbon dioxide emissions than Part L2A Building Regulations, with all developments predicted to be at least 10% better than Part L2A.	100%	15%
Every development to conform to mandatory requirements of British Land Sustainability Brief for Developments.	Six of our eight development projects in planning, design or construction complied with the mandatory requirements of our Sustainability Brief. Two projects did not provide sufficient evidence.	75%	5%
Accident frequency rates for reportable accidents and lost days accidents on construction sites not to exceed 0.2 and 0.25 respectively.	The average reportable accident rate on our construction sites was 0.30 per 100,000 hours worked and the average lost-day accident rate was 0.16.	50%	10%

OUR CUSTOMERS AND US

Customer targets			93%
Objective: Improve customer service and satisfaction			
Target	Progress	Progress	Weighting
Achieve 75% average occupier satisfaction rating.	82% of occupiers independently surveyed rated their overall satisfaction as good or excellent, an increase from 73% in 2007.	100%	20%
Achieve 85% recommendation rating from occupiers.	84% of occupiers independently surveyed were likely or very likely to recommend British Land.	99%	15%
Introduce post-occupation surveys on all new office developments.	We piloted our post-occupation survey at York House. We will now roll this out to all our new and refurbished properties, including 201 Bishopsgate, 338 Euston Road and The Broadgate Tower.	100%	10%
Measure occupier retention rates from 2007 to 2009 for occupiers who have had the opportunity to review their lease at a British Land managed property, to establish a target for the future.	We achieved 51% occupier retention across our portfolio, where the occupier had an unfettered option to renew. Next year, we are targeting 55% occupier retention.	100%	5%
Objective: Comply with industry standard codes and adopt best practice			
Comply with the RICS Service Charge Code. Compliance measured by performance against British Land targets set for managing agents and by Property Managers Association (PMA) Service Charge Audits.	In 2008, our managing agents scored an average of 97% against our service charge key performance indicators, reported on a quarterly basis. 94% of our occupiers independently surveyed considered that we complied with the Service Charge Code.	97%	15%
Comply with the Lease Code and with the terms of the Commercial Landlord Accreditation Scheme (CLAS).	Our managing agents provided data on Lease Code and CLAS compliance. A very low data return rate contributed to a 2.5% reported compliance rate. 98% of our occupiers independently surveyed considered that we complied with the Lease Code. They rated our lease flexibility above the industry average.	50%	15%
Meet specified targets in the Lease Code for dealing with Licences for Alterations.	In 2008, our managing agents scored an average of 97% against our Licence for Alterations key performance indicators.	97%	10%
Objective: Meet the resource targets that we have set for our portfolio			
Agree collaborative carbon reduction programme in common parts and tenanted demises with at least four office occupiers.	We established environmental collaboration initiatives with occupiers on a trial basis at 201 Bishopsgate and The Broadgate Tower, 350 Euston Road and our Head Office, York House. We will be extending this in 2009 to a further four buildings.	100%	10%

OUR COMMUNITIES AND US

Community involvement targets

94%

Objective: Promote community involvement at our properties

Target	Progress	Progress	Weighting
Complete a Community Action Plan for all office estates and shopping centres, as well as for shopping and retail parks with service charge budgets exceeding £200,000 per annum. Implement from August 2008.	We implemented Community Action Plans at both of our office estates and all of our shopping centres. We are also implementing community actions at 78% of our major retail parks.	100%	40%
Complete London Benchmarking Group 2007/08 assessment to enable comparison against peers and develop impact focused community targets.	We completed a community investment assessment, which we submitted to the London Benchmarking Group.	70%	20%
20% of all Head Office staff to participate in a community volunteering initiative.	24% of our Head Office team participated in community volunteering initiatives.	100%	10%
Objective: Undertake wide-ranging, early stakeholder consultation on all our new developments			
Undertake pre-application stakeholder consultation on all new developments.	We carried out stakeholder consultation on both of our developments in the planning phase, before submitting planning applications. Both applications were successful.	100%	30%

US AND OUR SUPPLIERS

Supplier performance targets

100%

Objective: Ensure all managing agents meet the commitments in our Service Charge Procurement Policy

Target	Progress	Progress	Weighting
Review ongoing RICS Service Charge Code compliance. Undertake Property Managers Association (PMA) Service Charge Audits at eight of our shopping and retail parks, achieving Silver Awards or better at each location.	PMA service charge audits were undertaken at eight of our retail parks, leading to six Gold Awards and two Silver Awards.	100%	50%
E-risk compliance for health and safety management to average 90% for all managed properties.	In 2008, our managing agents completed 89% of health and safety actions on time at our properties, monitored through our E-risk Manager System.	99%	25%
Objective: Ensure contractors on all projects achieve a better than average score under the Considerate Constructors Scheme			
Contractors on all projects to achieve better than average score under Considerate Constructors Scheme (CCS).	Contractors on our five developments in construction achieved an average score of 36 out of 40 on the Considerate Constructors Scheme. This is 13% better than the national average of 32 out of 40.	100%	25%

Employee engagement targets

100%

Target	Progress	Progress	Weighting
Communicate Corporate Responsibility strategy to all employees through launch of Building Together.	All employees were invited to a series of presentations on Building Together. We also communicated our Building Together strategy to all employees through emails and updates to our website.	100%	25%
Identify ways to measure effectiveness of staff engagement in the Corporate Responsibility agenda to enable measurement in 2009/10.	We are establishing a new staff working group to identify ways to reduce electricity use and waste at our Head Office by 5% per full-time equivalent next year.	100%	50%
Communicate results and achievements of Corporate Responsibility strategy at least once during 2008/09.	At our Building Together awards ceremony, we communicated our results and achievements to many of our employees, managing agents and members of our project teams.	100%	25%

Arup uses the following criteria to guide percentage completions:

0%	None of the target completed or the target is no longer applicable
30%	Some limited progress on the target
50%	Half of the target completed or significant progress demonstrated
60%	More than half of the target completed or document(s) drafted but not distributed within British Land for comment
70%	Majority of the target completed or document(s) drafted and viewed by British Land but not at the approval stage
80%	Majority of the target completed or document(s) in the final approval stages
100%	All of the target completed