

GREENHOUSE GAS EMISSIONS REPORT

CORPORATE RESPONSIBILITY

2010

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The Carbon Disclosure Project (CDP) questionnaire reference section number is provided next to relevant sections.

CDP: Introduction

THIS REPORT SETS OUT OUR APPROACH TO GREENHOUSE GAS MANAGEMENT AND REPORTING – THE STRATEGY WE HAVE DEVELOPED, THE RISKS AND OPPORTUNITIES ASSOCIATED WITH A CHANGING CLIMATE AND OUR METHODOLOGY FOR UNDERSTANDING OUR IMPACT THROUGH THE MEASUREMENT AND REPORTING OF GREENHOUSE GAS (GHG) EMISSIONS.

Our Corporate Responsibility Policy is designed to ensure we manage our corporate responsibilities whilst maintaining commercial viability, long-term profitability and enhancement of our reputation. As part of this Policy we are committed to minimise our impact on the environment by reducing the amount of natural resources we use, using sustainable resources where possible and reducing GHG emissions.

Section 2

Our overall GHG emissions management strategy is informed by our assessments of corporate responsibility materiality, risk and opportunity. The strategy is delivered by staff in partnership with occupiers and suppliers across our business, through a programme of carbon reduction initiatives and a process of performance review and reporting.

Section 3

Our risk management procedures seek to identify and mitigate the key risks faced by our company. We identified climate change as a material risk to our company some years ago and have been working to implement a strategy to mitigate these risks whilst capitalising on the opportunities presented.

Section 4

Our management approach is informed by the boundaries of control and influence we have over the supply chain activities related to GHG emissions.

Section 5

Addressing climate change by introducing systems and procedures to reduce our carbon footprint is an important part of our efforts to lead the market in developing and managing buildings in a sustainable manner. Our GHG management strategy is founded on the avoidance and reduction of emissions through sustainable property design and management practices.

Section 6

We publish comprehensive performance data and progress statements against our targets. We have reported carbon emissions since 2002 and these have been independently reviewed since 2005. We continuously seek to improve our methods for data collection and analysis.

Section 7

Each year we report our CR performance data including GHG emissions.

CDP: Introduction

AS ONE OF THE LARGEST REAL ESTATE INVESTMENT TRUSTS IN THE UK, WE CREATE VALUE BY ACTIVELY MANAGING, FINANCING AND DEVELOPING PROPERTY. BASED ON A PORTFOLIO IN PRIME LOCATIONS IN THE UK AND WESTERN EUROPE, THE HALLMARK OF OUR BUSINESS IS A FOCUS ON CUSTOMERS.

Our business strategy aims to achieve long term growth in shareholder value through the development and acquisition of exceptional investments, enhancing property returns through active asset management and through adopting a sensible approach to risk.

Sustainability is at the core of our business – from community involvement in the planning process, through development, refurbishment and management, the aim is to provide attractive buildings that minimise resource use and meet the needs of occupiers today and tomorrow.

Our partnership approach to corporate responsibility aims to embed corporate responsibility across our business, improve communication, share best practice, ensure greater consistency, engage with our stakeholders and manage our impacts on the environment. Our approach is about reducing our use of resources, meeting our customers' needs, supporting our communities and managing our people and suppliers.

A key cornerstone of our approach is "Our Use of Resources", informed by our policy commitments to reduce our impact on the environment wherever possible by optimising opportunities throughout the property life cycle. Reducing energy and water use, and managing waste responsibly, reduces carbon emissions, generates financial savings and increases the attractiveness of our buildings to occupiers, as well as enabling us to manage our impact on the environment and the potential impact of climate change on us.

2.1 MATERIALITY

CDP: 9.1 Strategy

As a Real Estate Investment Trust with a corporate responsibility to reduce our impact on the environment wherever possible, our management and reporting of GHGs is material to our business. We have a long held and deep commitment to advancing the sustainability agenda in both property development and management and deliver some of the most sought after prime retail and office properties. This is directly linked to our business strategy, enabling us to retain tenants, let new buildings with speed, and embrace new opportunities as the company move through market cycles.

GHG reporting and management have increased in significance over the last 10 years, both in the political arena and amongst our key stakeholders, including our investors.

The Climate Change Act 2008 came into effect in November 2008, outlining the Government's intended approach to climate change mitigation by requiring the UK to reduce greenhouse gases by at least 80% by 2050, and reductions in carbon dioxide of at least 26% by 2020 against a 1999 baseline. In response to these targets the Government

has introduced further legislation designed to curtail GHG emissions, including the requirement for Energy Performance Certificates and the CRC Energy Efficiency Scheme.

Through our management and reporting of GHGs we are able to illustrate to our stakeholders that we are progressively seeking to reduce our impact on the environment and minimise the impact of the regulatory environment on our business. Stakeholder feedback informs the development of our corporate responsibility strategy and the setting of targets. Our ongoing stakeholder engagement includes discussions and meetings with occupiers, local community groups, employees, investors, Government officials and local authorities. We also undertake extensive early consultation with local stakeholders on all our major developments. In 2004, 2005 and 2007 we independently researched stakeholder opinion on our corporate responsibility programme. Feedback was sought from our managers and employees, suppliers, investors and local communities, as well as Government officials and local authorities. In 2005, 2007 and 2009 we also commissioned independent customer surveys to help us to understand and meet our occupiers' changing occupational needs better.

We launched our partnership approach to corporate responsibility in 2007, following a review of our activities, informed by stakeholder feedback, expert opinion and benchmarking. We continue to actively engage with our stakeholders and will be carrying out further independent surveys to get their feedback. The key material issues managed and monitored through our partnership approach to corporate responsibility are:

Natural resources:

We aim to improve energy efficiency, reduce water use and cut waste to landfill. This reduces our costs and those of our occupiers, as well as reducing carbon emissions and conserving precious natural resources.

Customers:

We aim to build closer relationships with our customers to help them to achieve their goals, and to help us to achieve ours.

Communities:

We aim to foster economic regeneration and to demonstrate the highest standards of ethical behaviour in our dealings with communities and the built environment.

Staff and suppliers:

We aim to treat our suppliers and staff as members of a single team who work together to ensure the success of our business and delivery of excellent service to our customers.

These issues are driven by annual performance and management targets, as well as eight medium-term targets to drive performance further. We publish comprehensive performance data and progress statements against our targets.

2.2 RISK AND OPPORTUNITIES MANAGEMENT

CDP: 2 Process to identify risks and opportunities

Risk management is integral to the way we run our business from setting strategy, through to formulation of objectives, consideration of transactions, day-to-day decision making and performance of core business procedures. We undertake a comprehensive formal risk appraisal on a semi-annual basis with the Board and other key executives which identifies the principal risks that affect the Group (including those associated with climate change). To enable focus on key risks, a simple and conventional method of prioritisation is undertaken. Risks are scored and ranked based on the likelihood of occurrence and potential impact on the Group. The resulting risk matrix and risk log are reviewed by the Executive Committee of the Board. The adequacy of risk mitigating strategies and controls are considered at each review. This helps to assist in defining the risk profile of the business and ensures that the implications are understood. The principal risks are also considered by the Audit Committee and the Board. The responsibility for the management of each risk is clearly allocated to specific members of the Executive Committee. Key risk indicators are being defined and allocated to each risk. In most cases the property and financing indicators have been used within the business for many years. The risks processes described are regularly benchmarked against best practice. The Audit Committee specifically reviews and considers the risk management processes annually.

Our principal risks (including climate change) are reported in our Annual Report & Accounts www.britishland.com/investors/reports. See section 3 for detail regarding climate change risks.

Further to the above, risks are assessed at an asset level when we undertake annual flood risk assessments on those properties where there is perceived exposure.

The CR Review committee and individual building managers are responsible for reviewing opportunities related to greenhouse gas emissions including reducing emissions via initiatives such as energy efficiency and improved waste management. At our key assets, improvement action plans have been used since 2008 to target opportunities and forecast potential savings in resources and costs.

2.3 GHG MANAGEMENT

CDP: 2 Process to identify risks and opportunities, 9 Strategy

Our carbon management approach is informed by our assessments of materiality, risks and opportunities. It is based on the principle of reducing carbon emissions first, and offsetting the balance of remaining emissions that we directly control and have full authority over (see section 4 below).

Carbon reduction

Reducing our carbon footprint is an important part of our efforts to lead the market in developing and managing buildings in a sustainable manner. In order to monitor our performance we have set medium-term targets that support reductions in carbon emissions. These include one emissions avoidance target – a zero carbon commercial building – and others that target reductions in the source of emissions – energy, waste and water:

- To achieve planning consent for a zero carbon commercial building by 2015.
- To reduce managed energy use by 20% per m² for each property type by 2012 compared to 2008.
- To send zero managed waste to landfill from all our properties and developments by 2012.
- To reduce managed water use by 20% per m² for each property type by 2015 compared to 2008.

To provide steps towards achieving our medium term targets, we set annual targets, publishing them in our annual Corporate Responsibility Report (see 2010 Report). We monitor our performance against these targets at our quarterly CR review meetings and publicly report performance against them each year.

At our properties, we work with our occupiers and managing agents to improve energy efficiency, reduce water use and divert waste from landfill, all of which helps reduce our carbon footprint.

We are investigating the impact of our developments to increase our understanding of resource use, including carbon emissions, across the lifecycle of our properties. During 2009, we commissioned two reports on the carbon emissions associated with the construction and future operation of Ropemaker Place. Measuring carbon helps us quantify the impact of our resource use.

Read more on our GHG management activities in section 5.

Offsetting

We are committed to offsetting the carbon emissions from our directly controlled, full authority Scope 1 and 2 activities, across our business, and from Scope 3 Head Office business travel and aim to achieve the highest standards of accuracy. We purchase offsets from a Voluntary Carbon Standard (VCS) project. This covers the emissions associated with the energy use and refrigerant losses where we have full authority to introduce and implement operating policies, which includes from space occupied by us and our subsidiaries; the common parts of all our managed multi-let buildings; the common parts of buildings in certain property funds where we have management responsibilities; and fuel use from company owned vehicles. From April 2009 we extended our carbon offsetting commitment to include Head Office staff business travel.

Our carbon offsetting commitment excludes electricity supplied from a Climate Change Levy (CCL) exempt source. It also excludes our Scope 3 emissions including energy use for central heating and cooling services provided by us; whilst we control the plant and systems, we do not have full authority over associated emissions as energy demand is controlled by our occupiers. Our commitment also excludes the operations of any buildings managed for third parties where we do not have operational control.

2.4 PERFORMANCE REPORTING

CDP: 11 Methodology

We have reported on our energy consumption and subsequent greenhouse gas emissions on an annual basis since 2002. We aim to continuously scrutinise and refine our approach to our reporting. We report annually on our GHG emissions in terms of absolute tonnes and have sought to extend the reporting 'footprint' to include emissions from additional business activities as data becomes available.

We follow the operational control approach for reporting using internationally recognised standards, including the World Resources Institute Greenhouse Gas Protocol and guidance by the UK Department for Environment, Food and Rural Affairs (Defra), to ensure our reporting is aligned with best practice and consistent with internationally recognised frameworks. From 2010 we reported performance data in line with the Global Reporting Initiative.

We recognise that a fundamental aspect of our greenhouse gas reporting and subsequent performance improvements relate to the processes and procedures we employ to collect the necessary raw data, such as energy consumption. To this end in 2009, we have invested in a new software system to further improve the data capture and analysis aspects of our reporting and we are rolling out implementation of energy management systems across our larger offices and shopping centres.

Read more on our processes for GHG reporting in section 6.

2.5 GOVERNANCE

CDP: 1 Governance

The integration of corporate responsibility (CR), GHG emissions management and climate change issues into our core business operations is reflected in the CR governance structure we have adopted. The Board has appointed a CR Review Committee that is responsible for matters including greenhouse gas emissions. This CR Committee comprises the following and invited other staff and suppliers as required:

- **Adrian Penfold, Head of Planning and Environment**, leads our approach to corporate responsibility, reporting to the Executive Committee and Board on corporate responsibility matters.
- **Justin Snoxall, Head of the Business Group**, is responsible for embedding corporate responsibility at our Head Office and improving the consistency of implementation across our managed portfolio in the UK and Europe. He is also the primary contact for corporate responsibility enquiries.
- **Sarah Cary, Sustainable Developments Executive**, works with our project teams, including architects and building contractors, to improve sustainability across all our design and construction projects.
- **David Tudor-Morgan, Property Management Executive**, works with our local retail property management teams and regional managing agents to put corporate responsibility into practice across our portfolio.
- **Catherine Thomas, Property Management Executive**, works with our local office property management teams and regional managing agents to put corporate responsibility into practice across our portfolio.

The CR Committee inputs to the company's risk management process regarding greenhouse gas emissions and other CR matters. The company undertakes a comprehensive formal risk appraisal on a semi-annual basis with the Board and other key executives which identifies

the principal risks that affect the Group. The resulting risk matrix and risk log are reviewed by the Executive Committee of the Board. Principal property risks are reported in the company's Annual Report & Accounts.

The CR Committee reports to the Executive Committee of the Board on a quarterly basis on performance against Key Performance Indicators. In advance of this report a CR Review meeting reviews performance against targets, KPIs, compliance matters and improvement initiatives. The CR Review produces quarterly online updates for internal and external stakeholders on latest results and initiatives.

The CR Committee is also responsible for reporting performance data annually to internal and external stakeholders via a CR Report www.britishland.com/crReport2010

Some members of staff are incentivised (non-monetary) to achieve CR objectives and targets as part of their appraisal.

The CR Committee manages an annual CR Award scheme to recognise (non-monetary) the CR contributions of individual staff and supplier organisations. All staff and suppliers are invited to nominate/be nominated for these awards.

2.6 COMMUNICATIONS AND PUBLIC POLICY

CDP: 9.10 & 9.11 Engagement with Policy Makers, 22 Climate Change Communications

Our website provides information including GHG emissions management on our approach to corporate responsibility, our team, initiatives and provides quarterly updates on performance and programmes www.britishland.com/responsibility

Our Annual Report and Accounts includes CR matters such as greenhouse gases. These are covered in aspects related to risk management, KPIs, strategy and performance www.britishland.com/investors/reports

Annually, we report full CR performance data, including GHG emissions, in our Corporate Responsibility Report. Section 4 below provides further information on our reporting boundaries and methodologies. From 2010, this report includes reporting against the Global Reporting Initiative with the inclusion of a GRI Index. www.britishland.com/crReport2010

From 2010, we will add to our reporting our UN Global Compact Communication on Progress statement.

We are involved with lobbying and engaging on CR matters including GHG emissions with our peers and industry experts through a number of sector associations including the following:

- Better Buildings Partnership – founding member and membership of various working groups.
- British Property Federation – member of Sustainability Committee, Commercial Committee, Construction Committee.
- Commercial Landlords Accreditation Scheme (CLAS).
- RealService.
- UK Green Building Council (founding member).
- Business in the Community May Day initiative.
- British Council for Offices.
- British Council of Shopping Centres.

We have engaged specifically on greenhouse gas matters for example with the British Property Federation regarding consultation on the CRC Energy Efficiency Scheme.

3. GHG RISKS AND OPPORTUNITIES

CDP: 2 Risks and opportunities

THE PRINCIPAL PROPERTY, FINANCIAL AND OPERATIONAL RISKS, INCLUDING THOSE FROM GHG EMISSIONS AND CLIMATE CHANGE, IDENTIFIED FROM OUR RISK MANAGEMENT PROCESS ARE REPORTED IN OUR ANNUAL REPORT & ACCOUNTS. THESE ARE ADAPTED AND EXPANDED BELOW USING THE FORMAT OF THE CARBON DISCLOSURE PROJECT.

REGULATORY

The principal, or significant, risks/opportunities are noted below.

Risk	Region/Country	Timescale in years	Comment
Fuel/energy taxes and regulations	UK	Current	UK Climate Change Levy
Cap and trade schemes	UK	Current; financial impact in 2011	CRC Energy Efficiency Scheme
Product efficiency regulations and standards	UK	Current	Energy Performance in Buildings Directive (EPBD)
Product labelling regulations and standards	UK and Continental Europe	Current	BREEAM Code for Sustainable Homes EcoHomes LEED
General environmental regulations, including planning	UK	Current	Amendments to Building Regulations Climate Change Act 2008
Reputation	UK and Continental Europe	Current	Stakeholders such as investors and occupiers
Opportunity	Region/Country	Timescale in years	Comment
Cap and trade schemes	UK	Current	CRC Energy Efficiency Scheme – reduction in energy use reducing costs. Recycling payments exceeding credits
Product efficiency regulations and standards	UK	Current	Reduced energy/fuel expenditure due to efficiency regulations
Product labelling regulations and standards	UK and Continental Europe	Current	BREEAM Code for Sustainable Homes EcoHomes LEED Increased demand for properties
Reputation	UK and Continental Europe	Current	Meeting or exceeding expectation of stakeholders such as investors and occupiers. Increased demand for properties, investment opportunities

3. GHG RISKS AND OPPORTUNITIES

Foreseen regulatory risks related to climate change are associated primarily with the consequences of complying with the Energy Performance in Buildings Directive (EPBD), amendments to the Building Regulations, the requirements of the Energy White Paper 2007 and Climate Change Act including the CRC Energy Efficiency Scheme, and responding to changes to planning policy in response to climate change issues.

As a company, we face financial and reputational risks if we fail to respond to regulatory changes. Our strategic response to these risks is outlined throughout this report – through our commitments to reduce our energy use and subsequent carbon emissions. We continue to view climate change as a significant risk and forthcoming legislation justifies this view. In light of this, we are continuing to work closely with our occupiers and suppliers to identify emission reductions, to comply with legislation and set market standards where possible.

In addition to considering the impact and materiality of existing legislation relating to GHGs and climate change to our business, we actively evaluate the potential impact of pending and future legislation and regulation. Where possible, we contribute to public consultation relating to legislation that is likely to be material to our business sector.

Fuel/energy taxes and regulations as well as cap and trade schemes have cost implications for us and our occupiers. We benchmark all occupancy costs we can influence, to maximise value for money for our occupiers. This includes negotiating lower electricity rates for our office occupiers' own energy bills. The Government's CRC Energy Efficiency Scheme requires us to buy carbon credits for energy consumed and which we purchase in our buildings. In our office portfolio, we purchase energy for almost all energy consumed both directly by occupiers in their own demises and in the common parts of buildings. In our retail portfolio we normally only purchase energy for the common parts i.e. the malls, the management suites and the car parks.

Whilst the CRC Energy Efficiency Scheme was launched on 1 April 2010, it is still not entirely clear between landlords and occupiers, who will bear the responsibility for the carbon credit liability. We report in our Corporate Responsibility Report on potential costs based on the undiscounted value at stake over a five year period from 2010 – 2015; this was £11.7m in 2010. We will be guided by any industry-wide consensus on this. However, our current intention is to ensure in time that this liability is shared by the party who has the greatest influence to control consumption of energy. In retail assets we envisage that we will bear the liability for the common parts and retailers will separately be responsible for their own demised consumption (as they purchase their own energy). In offices we envisage a similar scenario on common parts and tenanted demises, with the liability for consumption of central heating and cooling plant being shared equally by the landlord and occupiers. Whilst there is no provision in our existing leases to share this liability with occupiers, in future leases in our office portfolio, we intend to implement a scheme which enables us to share this liability with occupiers.

Occupiers and potential occupiers are increasingly interested in the sustainability performance of our new and existing buildings. The rating of our buildings has the potential to affect the future value of our portfolio. We maintain a register of Energy Performance Certificate results for our properties and report these annually in our Corporate Responsibility Report. Our staff and suppliers review the results and recommendations report to identify opportunities to improve the certificate rating as part of existing property and portfolio maintenance and refurbishment cycles. We set medium-term and annual targets to reduce energy use intensity; our medium-term target is to reduce managed energy use by 20% per m² for each property type by 2012, compared to 2009.

For our developments, we have a medium-term target to achieve planning consent for a zero-carbon commercial building by 2015 and set annual targets for BREEAM for our office and retail projects, and Code for Sustainable Homes for our residential projects.

PHYSICAL

The principal, or significant, risks/opportunities are noted below.

Risk	Region/Country	Timescale in years	Comment
Induced changes in natural resources	UK and Continental Europe	Uncertain	Temperature pattern changes affecting occupier cooling and heating demands.
Changes in precipitation patterns	UK and Continental Europe	Uncertain	Water shortages – increased incidence.
Changes in precipitation patterns	UK and Continental Europe	Uncertain	Increased incidence of floods.
Induced changes in supply chain and/or customers	UK and Continental Europe	Uncertain	Reduced demand for properties deemed unsuitable or unable to cope with physical variations due to climate change.
Opportunity	Region/Country	Timescale in years	Comment
Induced changes in supply chain and/or customers	UK and Continental Europe	Uncertain	Increased demand for properties better able to cope with physical variations from climate change.

3. GHG RISKS AND OPPORTUNITIES

Across our portfolio our insurers undertake risk assessments of our properties, evaluating the results to make recommendations where required for improvement. This includes review of the Environment Agency flood risk rating. This information is registered by us for staff and supplier review for action.

On our development projects sustainable design is a key part of our brief to suppliers in order to deliver value properties that meet occupier and investor expectations. This includes:

- Incorporating energy efficient design features.
- Installing low-carbon energy sources on site.

- Specifying water efficient technology features.
- Managing flood risks, for instance through sustainable drainage measures.
- Targeting high certification ratings, including BREEAM and Code for Sustainable Homes or EcoHomes.
- Designing out waste.
- Encouraging specification of standard sizes for building materials.

OTHER

The principal, or significant, risks/opportunities are noted below.

Risk	Region/Country	Timescale in years	Comment
Reputational risks	UK and Continental Europe	Current	Increased investor awareness. Increased occupier awareness. Increased demand for low carbon portfolio. Location of portfolio. Brand enhancement.

Peter Clarke, Executive Officer, British Land comments: "The enduring appeal of our real estate comes from meeting the needs of our occupiers, as well as the needs of their customers. This enables us to minimise risk, at the same time as identifying and capturing opportunity. We do this through our partnership approach to corporate responsibility." (Extract from www.britishland.com/responsibility)

Our ongoing stakeholder engagement includes discussions and meetings with occupiers, local community groups, employees, investors, Government officials and local authorities. We also undertake extensive early consultation with local stakeholders on all our major developments.

In 2004, 2005 and 2007 we independently researched stakeholder opinion on our corporate responsibility programme including GHG emissions. Feedback was sought from our managers and employees, suppliers, investors and local communities, as well as Government officials and local authorities. We plan to undertake further consultation. In 2005, 2007 and 2009 we also commissioned independent customer surveys to help us to understand and meet our occupiers' changing occupational needs better.

We engage with our peers and industry experts through a number of sector associations including Better Buildings Partnership (founding member), Commercial Landlords Accreditation Scheme (CLAS), RealService and UK Green Building Council (founding member). Our stakeholder engagement is also supported by benchmarking against our peers to measure and monitor performance.

WE AIM TO MANAGE AND REPORT OUR GHG EMISSIONS IN A TRANSPARENT AND CONSISTENT MANNER. THIS SECTION OUTLINES OUR APPROACH IN TERMS OF THE BOUNDARIES WE SET TO MANAGE AND REPORT GHG EMISSIONS.

4.1 GREENHOUSE GASES

A number of gases are considered to be greenhouse gases. The six main GHGs are covered by the Kyoto Protocol – carbon dioxide (CO₂), methane (CH₄), hydrofluorocarbons (HFCs), nitrous oxide (N₂O), perfluorocarbons (PFCs) and sulphur hexafluoride (SF₆). It is common practice to report GHGs in terms of carbon dioxide equivalent (CO₂e) – this unit expresses the potency of a GHG in relation to the volume of carbon dioxide that would have the same global warming potential (GWP). We have reported on CO₂ since 2002. In 2008, we extended this to include the carbon equivalent from air conditioning refrigerants leakage. In 2009, we further extended our reporting using Defra guidance to include carbon dioxide equivalents for methane (CH₄) and nitrous oxides (N₂O) emissions from energy and fuel use.

4.2 DIRECT AND INDIRECT EMISSIONS, CONTROL AND INFLUENCE

As a company, we are both directly and indirectly responsible for the emission of GHGs from activities related to our business. We have categorised these using the operational control approach referenced in the recognised methodology of the Greenhouse Gas Protocol (developed by the World Resources Institute and the World Business Council for Sustainable Development).

This approach has helped us identify and communicate the emissions material to our business, along with understanding where we have direct control over emissions rather than emissions that are a result of our company actions that we have influence over:

Scope 1 (direct, controlled emissions): Emissions resulting from activities owned or directly controlled by British Land and over which we have full authority. These activities release emissions straight into the atmosphere.

Scope 2 (indirect, controlled emissions): Emissions released into the atmosphere due to the purchase of electricity that we use directly or over which we have full authority over use. These are indirect emissions as they are released off-site at sources we do not own or operate.

Scope 3 (other indirect): Emissions that are a result of our company's business activities but occur at sources which we do not own, control or have full authority over, and are not classified as Scope II emissions.

Using the above framework, we have categorised emissions from our business activities as follows:

Property ownership

- As a Company, we buy, sell, develop, manage and lease a variety of properties, all of which are located in Europe, with the majority in the UK. Those multi-let properties that we manage we have direct control and full authority over the common areas: entrance foyers, lifts/staircases, corridors, roads and car parks. We categorise emissions associated with energy use, fuel use and refrigerant leakage from these activities as Scope 1 and 2. We categorise emissions associated with water, waste and materials from these activities as Scope 3 as the emissions are produced off-site.
- In our multi-let managed properties, we recognise that we have considerable influence over the central heating and cooling plant. Whilst we have control over the plant and systems in terms of maintenance and operational management, we do not have full authority over the demands placed on those plant and systems by occupiers. We have categorised emissions associated with energy use, fuel use and refrigerant leakage from these activities as Scope 3. As the division between control and influence over these emissions is not clear cut we will be reviewing the suitability of this categorisation.
- In our properties, we have varying levels of influence over emissions related to activities that occupier's control, such as small power and lighting demands. In some cases, we have arranged the purchase of energy on their behalf; in others, the occupiers undertake contracts directly. Through engagement with occupiers at our multi-let properties we can increase our sphere of influence, such as informing occupiers of the optimal performance and control settings for the property. We categorise emissions from occupier activities as Scope 3.
- Properties that are occupied by single occupiers are controlled on a day-to-day basis by the occupiers and we do not have direct control over these. We categorise emissions from all activities in these properties as Scope 3; this includes energy use, fuel use, refrigerant leakage, water, waste and materials.

Property occupation

- Our staff occupy office space from which we operate, including office space that we own and over which we have direct control and full authority. We categorise emissions associated with energy use, fuel use and refrigerant leakage from these activities as Scope 1 and 2. We categorise emissions associated with water, waste and materials from these activities as Scope 3 as the emissions are produced off-site.
- Staff occupy third party owned space that we do not have direct control over. We categorise emissions from all activities in these properties as Scope 3; this includes energy use, fuel use, refrigerant leakage, water, waste and materials.

Business travel

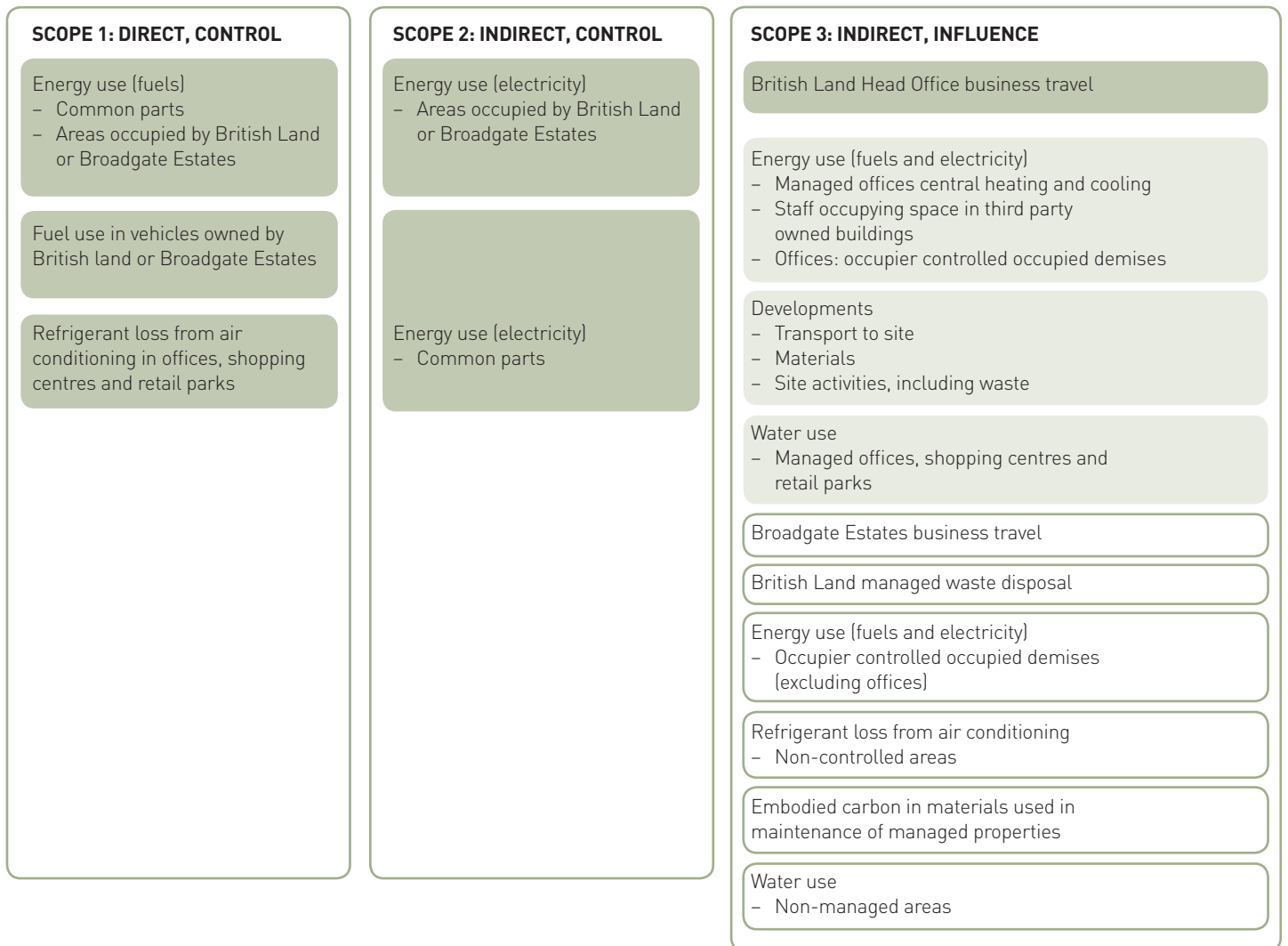
- At some of our managed properties we own a small number of vehicles for business purposes. We categorise emissions associated with fuel use from these activities as Scope 1 and 2.
- Our Head Office staff undertake business travel using a variety of forms including taxi, plane and car that are not owned by the company. Emissions from the fuel use of these activities are categorised as Scope 3.

Developments

- Development projects are delivered by our suppliers and contractors. We have significant influence over the specification of materials and less influence over transport and site activities. All emissions associated with these activities are indirectly emitted and we have categorised them as Scope 3.

The diagram below identifies the greenhouse gas emitting activities resulting from our operations, and outlines the boundaries of our carbon reporting and offsetting commitments. Section 5 outlines our management approach to reducing these emissions.

BRITISH LAND CARBON FOOTPRINT



KEY: REPORTING AND OFFSETTING APPROACH



CDP: 9 STRATEGY

OUR GHG MANAGEMENT APPROACH FOCUSES ON REDUCING THE USE OF RESOURCES THAT ARE ASSOCIATED WITH GHG EMISSIONS.

5.1 ENERGY (SCOPES 1, 2 AND 3)

What are we doing to improve energy efficiency at our properties?

- Measuring performance to understand where and how energy is being used so that we can identify instances of inappropriately high usage and deal with them, as well as sharing good practice. Smart meters and energy management systems are essential to this and so, where appropriate, we provide the initial capital investment, recovering this through utility cost savings generated through energy use reductions. Benchmarking is an important component of our Performance Review. We have developed specific benchmarks for the property types within our portfolio. We commissioned specialists to undertake energy surveys on a sample of our properties, the results of these surveys have led to the development of our property type specific benchmarks. The benchmarks have been developed so that we can target optimal performance in the areas of a property that we have control and influence over – we have benchmarks for the total building performance along with benchmarks for occupied areas and common parts.
- Setting increasingly challenging annual targets focused on reducing energy intensity and like-for-like energy use. These measures normalise the impact of changes in our portfolio, as we buy and sell properties, and the effect of increases in the number of properties reporting data, as we improve data comprehensiveness across our portfolio.
- Providing guidance through our new Sustainability Brief for Management which sets energy efficiency standards for all our managing agents, as well as identifying areas of good practice. At our larger properties and estates, we implement tailored environmental action plans.
- Working together with our occupiers and building management teams. We ask our office occupiers to sign up to Carbon Reduction Memoranda of Understanding and hold regular meetings where we share data and best practice. Through these partnerships we have implemented initiatives that are expected to reduce annual energy usage by 380,000 kWh across the seven participating buildings at Broadgate and Regent's Place. By working with occupiers we maximise energy saving opportunities, given that they are the major energy users in our offices. We also collaborate closely with building management teams, as it is critical that they show leadership, invest management time in driving the process, as well as part-funding a sustainability consultant in larger buildings to identify initiatives, manage the process and record the results. 90% of our office occupiers surveyed in 2009 stated that our sustainability initiatives added value to their business.

What are we doing to improve energy efficiency on our developments?

- Monitoring and managing our environmental impacts through an ISO:14001 certified Environmental Management System and our Sustainability Brief for Developments, which we have been applying to all of our major projects since 2004.

- Incorporating energy efficient design features, such as high-performance glazing and insulation, heat recovery systems and energy efficient lighting, as well as sophisticated energy management systems.
- Installing low-carbon energy sources on site, such as photovoltaic panels at Regent's Place and a biomass boiler at Ropemaker Place.
- Targeting high environmental certification ratings, such as BREEAM Excellent ratings on all of our new office developments and Code for Sustainable Homes Level Four or EcoHomes Excellent ratings on all of our new residential schemes.

5.2 WATER (SCOPE 3)

What are we doing to manage water at our properties?

- Installing meters to measure where and how water is being used so that we can measure the impact of water reduction initiatives, including use of non-mains water sources such as rainwater harvesting, and drive improvements.
- Setting increasingly challenging annual targets focused on reducing water intensity. These measures normalise the impact of changes in our portfolio, as we buy and sell properties, and the effect of increases in the number of properties reporting data, as we improve data comprehensiveness across our portfolio.
- Providing guidance through our new Sustainability Brief for Management which sets water efficiency standards for all our managing agents, as well as identifying areas of good practice. At our larger properties and estates, we implement tailored environmental action plans.

What are we doing to manage water on our developments?

- Monitoring and managing our environmental impacts through an ISO:14001 certified Environmental Management System and our Sustainability Brief for Developments, which we have been applying to all of our major projects since 2004.
- Specifying water efficient technology features, as well as minimising use of potable mains water use by harvesting rainwater and grey water for re-use where feasible.
- Managing flood risks, for instance through sustainable drainage measures such as attenuation ponds and tanks, permeable paving, green roofs, and oversized pipes.
- Targeting high environmental certification ratings, such as BREEAM Excellent ratings on all of our new office developments and Code for Sustainable Homes Level Four or EcoHomes Excellent ratings on all of our new residential schemes.

5.3 WASTE (SCOPE 3)

What are we doing to improve waste management at our properties?

- Measuring performance to understand what waste is being generated, as well as where and how, so that we can identify areas where recycling rates can be increased.
- Setting increasingly challenging annual targets, developing tailored action plans for our major properties and working closely with our waste contractors to monitor the performance of each materials recycling facility.
- Segregating waste on site, providing suitable storage containers for a range of recyclable materials, with clear labelling and signage for recycling facilities, as well as working with our occupiers and their staff to raise awareness of the importance of recycling.
- Undertaking studies at our retail sites to identify further waste management opportunities including those that can be rolled out across the portfolio.
- Reducing overall waste per person (full-time equivalent) in our offices, with a pilot initiative at our Head Office driven by our partnership with occupiers and by our Staff Environmental Working Group.

What are we doing to improve waste management across our developments?

- Designing out waste through the industry-standard tool developed by the national advisory body for waste, WRAP.
- Encouraging our architects, where possible, to specify standard sizes for building materials to avoid wastage, prefabricated materials that require less packaging and materials that can easily be disassembled at the end of their useful life.
- Requiring our contractors to develop Site Waste Management Plans for all developments with a construction value of more than £300,000, segregating waste on site in all possible circumstances.

5.4 DEVELOPMENTS: ROPEMAKER PLACE CARBON FOOTPRINT (SCOPE 3)

Investigating the impact of our development activities increases our understanding of resource use, and associated GHG emissions, across the lifecycle of our properties. In 2009, we commissioned two reports on the carbon emissions associated with the construction and future operation of Ropemaker Place. Measuring carbon helps us quantify the impact of our resource use.

Deloitte calculated the carbon footprint and Sturgis Associates established the carbon profile. The carbon footprint measured the total greenhouse gas emissions that have been or will be caused by Ropemaker Place, from extraction of materials through to eventual demolition, using the Lifecycle Assessment Standard (BS EN ISO: 14040). The carbon profile showed the carbon impact of individual building components based on their expected lifespan, quantifying them as an Embodied Carbon Efficiency rating.

Key findings:

- The total carbon footprint for the construction, operation and demolition of Ropemaker Place, assuming a 60 year life, is 196,873 tCO₂e. This is roughly equivalent to the electricity needed to run the London Underground for 4 months, or one-twelfth of the estimated carbon footprint for the 2012 London Olympics.
- Based on the information from Ropemaker Place, our total development carbon footprint for the past two years is approximately equivalent to the energy consumed across our London office portfolio over the same period.
- Of the total carbon footprint for Ropemaker Place, some 50% is controlled by our activities and decisions as developer and owner, whilst 50% results from the activities and decisions of our occupiers.
- We have strong influence over the materials and site activities (embodied impacts) of our development activity. Extraction, fabrication and erection of steel and concrete comprised an estimated 16% of the total carbon footprint at Ropemaker Place. These are therefore priority materials for us to focus on in future developments. Ongoing building maintenance over a 60-year lifespan is 15% of the total footprint, indicating that we should also focus on refurbishment specifications.
- If the national electricity grid decarbonises, as planned by the UK Government, Ropemaker Place's total carbon footprint would decrease by 39%, resulting in the proportion related to materials and site construction activities (embodied impacts) increasing from 42% to 68%. This means our choice of building materials in the future will be even more important.

5.4 TRANSPORT AND TRAVEL

British Land owns a small number of vehicles for business travel and operational use at some of our larger properties and estates. Business travel is also undertaken using public transport and hire cars. Carbon emissions associated with transport in owned vehicles and travel form a very small proportion of our total reported emissions; in 2010 this was 0.06% and 0.03% respectively.

Our Head Office Travel Plan presents our commitments to managing emissions associated with business transport and travel. We undertake business travel surveys twice yearly by recording all business journeys undertaken within a two-week period, in order to create a 'snapshot' of the costs and environmental impact of travel undertaken within the survey period and estimate annual emissions from this data. By repeating the diary exercise on a regular basis, a broader picture can be created, allowing for analysis of changes to travel patterns over time.

In 2009/10, two surveys were conducted, in September 2009 and March 2010. The March 2010 results in terms of modal split for all journey legs highlighted that the tube accounted for the largest proportion of journey legs, at 40%. This was followed by walking journeys, accounting for 30%. Walking is most commonly used as the first or last leg of journeys on public transport. Car travel accounted for just under 19% of all trip legs, with 12% of travel being undertaken by taxi and 6% by car. One trip (equating to less than 1%) was undertaken by ecotaxi. In terms of carbon emissions, air travel produced the greatest volume of CO₂ emissions, accounting for 66% of carbon emissions (and accounting for 49% of the total distance travelled).

THE FOLLOWING DESCRIBES THE METHODOLOGY WE USE TO COLLECT, PROCESS, AND THEREBY REPORT GHG EMISSIONS.

6.1 DATA COLLECTION

In 2009, we replaced our in-house extranet data collection system with a bespoke externally provided software application, 'Credit360', for the collection and reporting of corporate responsibility performance data. Staff and suppliers - site managers and/or Managing Agents at our managed properties - are required to enter quarterly resource use data into the software.

Information is entered into the software for each financial year (1st April to 31st March). For energy consumption, this is given as meter readings for the Retail and Shopping Centres whilst our Office portfolio provides quarterly consumption figures due to the complexity of sub-metering in many of the office properties. We are currently implementing a sub-metering strategy to improve the metering within our office portfolio.

The following data is collected from which GHG emissions are calculated:

- Energy use: gas use, oil use, electricity use, other energy such as wind turbine or geothermal energy.
- Refrigerant loss from leaking air-conditioning systems.
- Fuel use from company owned vehicles.
- Water use.

The software system is not used for all GHG emissions reported; other data used to calculate our GHG emissions 'footprint' is reported directly to the reporting team as follows:

- Business travel: data is based on Head Office executives travel diary surveys undertaken for two weeks during the reporting year and pro-rated to the reporting year.
- British Land developments site energy and waste, fuel use for transport to site, embodied carbon in materials: data is based on a study undertaken of Ropemaker Place during 2009 and pro-rated to all development projects during the reporting year.

We encourage Managing Agents and site managers to provide energy and water data based on meter readings rather than invoices or estimates wherever possible.

6.2 DATA PROCESSING

Data entered in the software is pushed through a series of programmed processes and calculations in order to produce aggregated GHG performance data.

Data processing involves the following:

Whole portfolio

Annual changes in the size and make up of our managed portfolio due to sales, acquisitions and the completion of developments, mean that it is not always helpful to make direct comparisons in total greenhouse gas emissions from one year to the next.

In terms of energy related emissions we have developed an approach to energy management whereby we target and report on intensity (kWh/m²) so that we can target and report on our entire portfolio at any one time. In addition we report on energy from our 'like-for-like' portfolio, whereby we only include properties that have remained in the portfolio between reporting years to make historic performance comparisons. It should be noted that we still report our total portfolio performance. Properties are only considered 'like-for-like' if they have been in the portfolio for the full reporting year - we exclude properties that are bought, sold or newly managed in the reporting year from the like-for-like analysis.

Where a property has been sold, purchased or newly managed [completed development] emissions from these properties are included in our total emissions reporting from the date they are considered to be our management responsibility.

Sold, purchased and newly managed properties are excluded from our m² and performance benchmarking processes until a full year of data has been reported.

Refrigerant losses and owned vehicle fuel use are reported in the software annually by the Managing Agent or site manager.

Office portfolio

In terms of energy data, this is entered for the full quarterly period and therefore does not require pro-rating.

Electricity consumption is entered for three defined areas of a property - common parts, occupied areas and central heating and cooling. These consumption figures are calculated by Broadgate Estates, British Land's office's portfolio Managing Agent, based on their methodology for calculating occupiers' energy invoices.

Gas consumption is entered for the total building. A 10% factor is applied by the software processing programme to estimate common parts gas usage. This is consistent with the methodology used in previous reporting years.

Water use is entered into the software quarterly and therefore does not require pro-rating.

Retail park and shopping centre portfolios

Energy consumption is entered into the software using meter readings taken by Managing Agents and/or site managers.

These readings can be taken at irregular intervals, although at least one reading has to be taken per quarter. Where meter reading start and end dates do not coincide precisely with the reporting period, the software automatically extrapolates data to the full reporting period based on a kWh per day rate.

Water use is entered into the software using meter readings taken by Managing Agents and/or site managers. Readings taken at irregular intervals are treated as per energy above.

6.3 REVIEW OF DATASET

For our managed property portfolio, the software includes the function of 'threshold values' whereby if data entered is +/- 20% of the value entered for the same period in the previous year, then Managing Agents and/or site managers are asked to review the data. If they maintain the entry is correct, then they are asked to provide a comment explaining the increase/decrease.

If there are any further discrepancies with data, these are highlighted at the quarterly review and investigated through dialogue with the Managing Agent or site manager.

6.4 EMISSIONS CALCULATIONS

CDP: 11 Methodology, 14 Contractual Arrangements Supporting Particular Types of Electricity Generation

Carbon and carbon equivalent emissions are calculated automatically by the software which is pre-programmed with the current emission conversion and global warming potential (GWP) factors.

Emissions factors for our UK portfolio are based on those provided by the Department for the Environment, Food and Rural Affairs (Defra) and Department for Energy and Climate Change's (DECC) GHG Conversion Factors for Company Reporting. All electricity provided via the National Grid is calculated based on the grid average factors, regardless of whether the tariff is Climate Change Levy exempt.

Emissions factors for our European portfolio are sourced from the Defra conversion factors for electricity. For other emissions factors we use the Greenhouse Gas Protocol. Where emission factors are not available, we use the best available alternative, e.g. factors from a neighbouring country.

The factors are reviewed annually to ensure compliance with the latest guidance.

6.5 RECALCULATING HISTORIC DATA

Our quarterly reviews provide the opportunity to review historic data. If a correction needs to be made to historic data for any reason, we make this adjustment and then report these adjustments in a clear and transparent manner in our end of year Corporate Responsibility Report.

Reasons for recalculating historic data include:

- Corrections to external publications on GHG emission conversion factors. Each year Defra revises its conversion factors in light of latest available information, for example regarding the National Grid mix of energy sources. This revised guidance includes the recalculation of previous years' data. We implement this guidance each year.
- Improvements in data completeness or accuracy; for example, due to the discovery of significant errors or a number of cumulative errors.

6.6 VERIFICATION AND ASSURANCE

CDP: 20 External Verification/Assurance

As part of our reporting process, we are committed to external assurance of our GHG emissions data. Our annual corporate responsibility reporting process includes the commissioning of external independent consultants to assure all our GHG emissions data.

7. STATEMENT OF EMISSIONS AND ENERGY USE

CDP: 9.7 EMISSION REDUCTION ACTIVITIES

THE FOLLOWING PROVIDES AN EXTRACT OF THE GHG EMISSIONS AND RELATED DATA REPORTED IN OUR FULL DATA REPORT 2010. FIGURE REFERENCES RELATE TO THIS FULL REPORT.

7.1 GHG EMISSIONS SUMMARY

CDP: 12 Scope 1 Direct GHG Emissions, 13 Scope 2 Indirect GHG Emissions, 15 Scope 3 Indirect GHG Emissions

Fig. 4.3: Summary of reported greenhouse gas emissions	2009/10 (tonnes of carbon dioxide equivalent)	2008/09 (tonnes of carbon dioxide equivalent)	Change between 2009/10 and 2008/09 (%)
Scope 1	3,767	1,409*	167%*
<ul style="list-style-type: none"> - Energy use – Offices – British Land controlled areas occupied by British Land or Broadgate Estates - Energy use – Offices, shopping centres, retail parks, Continental Europe – British Land controlled common parts - Energy use – Offices – Non-British Land office areas occupied by Broadgate Estates - Refrigerant loss – air conditioning in offices, shopping centres and retail parks - Fuel use in vehicles owned by British Land or Broadgate Estates 			
Scope 2	33,115	28,063*	11%*
<ul style="list-style-type: none"> - Energy use – Offices – British Land controlled areas occupied by British Land or Broadgate Estates electricity use - Energy – Offices, shopping centres, retail parks, Continental Europe – British Land controlled common parts electricity use - Energy use – Offices – Non-British Land office areas occupied by Broadgate Estates electricity use 			
Portion of the above from a Climate Change Levy Exempt source ^o :			
<ul style="list-style-type: none"> - British Land controlled common parts electricity use - British Land controlled areas occupied by British Land or Broadgate Estates 	(15,470) (525)	(17,033) (881)	(-9%) (-40%)
Scope 3	124,479	147,529 ^o	-15% ^o
<ul style="list-style-type: none"> - Energy use – Offices – British Land controlled central heating and cooling - British Land Head Office business travel - Developments transport to site, materials, site activities including waste - Offices, shopping centres, retail parks, Continental Europe – water use - Offices – occupier controlled occupied demises – electricity use 			
Total gross emissions (tCO₂e/year)	161,361	177,001	-9%
Purchased Carbon Offsets	(20,769)	(11,557*)	(80%*)
Scope 1			
<ul style="list-style-type: none"> - Energy use – Offices – British Land controlled areas occupied by British Land or Broadgate Estates - Energy use – Offices, shopping centres, retail parks, Continental Europe – British Land controlled common parts - Refrigerant loss – air conditioning in offices, shopping centres and retail parks - Fuel use in vehicles owned by British Land or Broadgate Estates 			
Scope 2			
<ul style="list-style-type: none"> - Energy use – Offices – British Land controlled areas occupied by British Land or Broadgate Estates electricity use - Energy – Offices, shopping centres, retail parks, Continental Europe – British Land controlled common parts electricity use 			
Scope 3			
<ul style="list-style-type: none"> - British Land Head Office business travel 			
Total net emissions (tCO₂e/year)	147,749	173,494	-15%

DATA NOTES

As per Figure 4.2.

*2008/09 Scope 1 and 2 footprint does not include emissions related to energy from 'Offices – Non-British Land office areas occupied by Broadgate Estates'; these were not reported in that year.

^o2008/09 Scope 3 footprint does not include British Land Head Office business travel emissions; these were not reported in that year.

^oBritish Land reports emissions from Climate Change Levy exempt electricity tariffs using the same factor as National Grid electricity. We do not offset these emissions.

7. STATEMENT OF EMISSIONS AND ENERGY USE

7.2 GHG EMISSIONS DETAIL

CDP: 12 Scope 1 Direct GHG Emissions, 13 Scope 2 Indirect GHG Emissions, 15 Scope 3 Indirect GHG Emissions

Fig. 4.2: Greenhouse Gas Emissions	Gross emissions (tonnes of carbon dioxide equivalent)							
	2009/10				2008/09			
	Scope 1	Scope 2	Scope 3	Total	Scope 1	Scope 2	Scope 3	Total
Energy use								
Offices – British Land controlled areas occupied by British Land or Broadgate Estates	30	742	NA	772	45	890	NA	935
Offices – British Land controlled common parts	378	14,395	NA	14,773	413	10,650	NA	11,063
Offices – British Land controlled central heating and cooling	NA	NA	25,725	25,725	NA	NA	21,422	21,422
Offices – Occupier controlled occupied demises	NA	NA	53,250	53,250	NA	NA	41,536	41,536
Offices – Non-British Land offices areas occupied by Broadgate Estates	1	27	NA	28	NR	NR	NA	0
Shopping Centres – British Land controlled common parts	384	8,244	NA	8,628	535	8,989	NA	9,524
Retail Parks – British Land controlled common parts	5	2,942	NA	2,947	28	4,885	NA	4,913
Continental Europe – British Land controlled common parts	NA	6,765	NA	6,765	259	2,649	NA	2,908
Refrigerant loss								
Air conditioning in offices, shopping centres and retail parks	2,870	NA	NA	2,870	63	NA	NA	63
Travel								
Fuel use in vehicles owned by British Land or Broadgate Estates	99	NA	NA	99	66	NA	NA	66
British Land Head Office business travel	NA	NA	51	51	NA	NA	NR	NR
Water use								
Offices, shopping centres and retail parks	NA	NA	202	202	NA	NA	150	150
Developments								
Embodied carbon footprint, transport to site	NA	NA	4,505	4,505	NA	NA	8,405	8,405
Embodied carbon footprint, materials	NA	NA	38,489	38,489	NA	NA	71,805	71,805
Carbon footprint site activities, including waste	NA	NA	2,257	2,257	NA	NA	4,211	4,211
Overview								
Total energy use	798	33,115	78,975	112,888	1,280	28,063	62,958	92,301
Total refrigerant loss	2,870	NA	NA	2,870	63	NA	NA	63
Total travel	99	NA	51	150	66	NA	NA	66
Total water use	NA	NA	202	202	NA	NA	150	150
Total developments	NA	NA	45,251	45,251	NA	NA	84,421	84,421
Total	3,767	33,115	124,479	161,361	1,409	28,063	147,529	177,001

DATA NOTES

Electricity, gas, oil and other energy used across our multi-let managed portfolio, converted to tonnes of carbon dioxide equivalent (includes GHGs methane (CH4) and nitrous oxide (N2O)).

Energy use for central heating and cooling is categorised as Scope 3 emissions; whilst for management purposes we treat this energy as British Land controlled, we do not have full authority over the energy or associated emissions as demand is controlled by occupiers. 10% of gas use for central heating and cooling is attributed to Scope 1 as it is used in controlled common parts where we deem British Land has full authority over operations. During 2010/11 we will review our current categorisation of these emissions using our reference, the GHG Protocol.

Energy used in premises occupied by Broadgate Estates but not owned by British Land were estimated and included.

British Land business travel at head office included.

Emissions associated with managed water use included.

Energy used during development projects included, including the transport of materials to site, materials and site activities.

Emissions from energy use for 2008/09 were restated, following a thorough review of data for accuracy.

Developments site energy excludes one significant project that was not able to report.

7. STATEMENT OF EMISSIONS AND ENERGY USE

All emissions factors sourced from the Defra/DECC's Guidelines GHG Conversion Factor's for Company Reporting September 2009 (unless otherwise stated). All emissions factors expressed in CO₂e – carbon dioxide equivalents – to account for emissions from non-CO₂ greenhouse gases methane and nitrous oxide.

Scope 1

- Gas: 0.18396 Gross CV (calorific value) basis used. Emission factor for Continental Europe properties sourced from GHG Protocol.
- Oil: 0.26643. Emission factor for Continental Europe properties sourced from GHG Protocol.
- Refrigerants: Data for refrigerants based on volumes of refrigerants required to 'top up' air conditioning systems at each asset. GWP applied for refrigerant type from Defra/DECC guide. Refrigerant information not available for Continental Europe properties.
- Fuel consumption information collected for assets with company owned vehicles. Vehicle emissions based on Defra Standard Road Transport Fuel Conversion Factors.

Scope 2

- Electricity: 0.54418 applied to both reporting years. Continental Europe properties applied country specific factors supplied in Defra/DECC guidelines.
- Other energy use: Use of Geothermal energy reported in Italy. Italian electricity emission factor applied and accounted for under Scope 2.

Scope 3

- Gas, oil, electricity as per Scope 1 and 2.
- Water: 0.276. Applied to UK and Continental Europe properties
- British Land Head Office Business Travel calculated as pro-rata of 2 week business travel diary.
- Developments embodied carbon footprint calculated as a pro-rata of a Deloitte study of Ropemaker as built carbon footprint.
- Energy use and associated carbon emissions for all resource types for the 2008/09 reporting year was restated. We went through a process of reviewing data for accuracy and to record historic energy use for Central Plant and Occupier controlled demises.
- Emissions have been reported for 2008/09 reporting year based on historic data that became available during 2009/10.

7.3 CARBON EMISSIONS INTENSITY

CDP: 18 Emissions Intensity

Fig. 4.4: Scope 1 and 2 Greenhouse gas emissions intensity

	2009/10 (tonnes of carbon dioxide equivalent)	2008/09 (tonnes of carbon dioxide equivalent)
Financial: tonnes of carbon dioxide equivalent per £million of gross rental and related income	89	53
Activity related: tonnes of carbon dioxide equivalent per m ² common parts floor area	0.018	0.015

DATA NOTES

As per Figures 4.2 and 4.3.

Reported as requested by the Carbon Disclosure Project.

Turnover reported in Annual Report & Accounts 2010: £394m for 2009/10, and £554m for 2008/09.

Common parts floor area from the managed portfolio; was 1,935,789m² in 2009/10 and 2,011,999m² in 2008/09.

During 2010/11, we will review our intensity metrics in terms of their appropriateness and effectiveness in managing performance.

7. STATEMENT OF EMISSIONS AND ENERGY USE

7.4 ENERGY USE

CDP: 12.8 Fuel Consumption, 13.6 Purchased Energy

Fig. 1.1: Total energy use and costs

	Energy use (kWh)								Estimated energy costs (£)	
	2009/10				2008/09				2009/10	2008/09
	Electricity	Gas	Other energy	Total	Electricity	Gas	Other energy	Total		
British Land controlled energy use across our multi-let managed portfolio										
Offices	68,775,483	20,895,317	NA	89,670,800	53,961,132	22,038,146	NA	75,999,278	£6,491,216	£5,876,529
Shopping Centres	15,149,077	2,086,957	NA	17,236,034	16,517,558	2,910,178	NA	19,427,736	£1,378,618	£1,687,959
Retail Parks	5,406,872	26,656	NA	5,433,528	8,976,613	151,534	NA	9,128,147	£477,429	£876,008
Continental Europe	15,033,126	7	315,112	15,348,245	5,675,301	1,295,553	339,348	7,310,202	£1,592,777	£832,646
Sub-total	104,364,558	23,008,937	315,112	127,688,607	85,130,604	26,395,411	339,348	111,865,363	9,940,040	9,273,142
Additional energy use										
Occupied controlled energy use in our offices	97,853,970	NA	NA	97,853,970	76,327,311	NA	NA	76,327,311	£8,630,720	£7,411,382
Energy use in areas occupied by Broadgate Estates in buildings not owned by British Land	50,400	4,000	NA	54,400	NR	NR	NR	NR	£4,527	NR
Fuel use in British Land owned vehicles	NA	NA	407,914	407,914	NA	NA	NA	NR	NR	NR
Energy use on British Land development sites	801,553	NA	175,647	175,647	NR	NR	NR	NR	£70,697	NR
Sub-total	98,705,923	4,000	583,561	99,293,484	76,327,311	NA	NA	76,327,311	£8,705,944	£7,411,382
Total energy use										
TOTAL	203,070,481	23,012,937	898,673	226,982,091	161,457,915	26,395,411	339,348	188,192,674	£18,645,984	£16,684,524

DATA NOTES

Our portfolio changes significantly over time, with properties bought and sold relatively frequently. Our total energy use is affected by these changes, as well as by our energy efficiency initiatives. We also continue to improve the accuracy and comprehensiveness of data gathering, which means that we are often capturing more data.

Electricity, gas and other energy use across our multi-let managed portfolio and developments. British Land controlled energy use comprises small power and lighting in common parts across our entire portfolio. In our offices, it also comprises central heating and cooling plant (HVAC) and small power and lighting in areas occupied by British Land or our wholly-owned subsidiary, Broadgate Estates. Energy use for 2008/09 was restated, following a thorough review of data for accuracy, as well as the addition of previously unreported historic energy use for British Land controlled central plant, and occupier controlled energy use in our offices. Fuel use for vehicles was converted from litres to kWh using Carbon Trust recommended factors of 10.96 for diesel, 6.98 for LPG and 9.61 for petrol. Other energy use for British Land development sites consists of oil and diesel fuel use in generators. Fuel use for generators on development sites was converted to kWh using the Carbon Trust recommended factor of 10.96 (www.carbontrust.co.uk). Occupier controlled energy use is only provided across our offices as we do not currently gather this data across our retail portfolio, although we hope to work with targeted retailers to start recording this going forward.

This year 105 properties with a common parts floor area of 1,935,789m² were in the managed portfolio: 22 offices, 63 retail parks, 8 shopping centres and 12 Continental European properties. Each property used different energy sources, with 96 properties reporting electricity data, 29 reporting gas data and 2 reporting other energy use data (geothermal and oil). 91 properties reported energy data in 2008/09 (with a common parts floor area of 2,011,999m²): 21 offices, 56 retail parks, 4 shopping centres and 10 Continental European properties. Each property reported different energy sources, with 91 properties reporting electricity data, 28 properties reporting gas data and 2 reporting other energy use (geothermal and oil).

Collection of developments site energy data requires improvement, although we increased the number of projects reporting data. Five development projects reported data in 2009/10 compared to one in 2008/09. One significant project did not report in 2009/10. Due to the overall weakness of the data and variation in energy use among different types of construction sites, no calculation of pro-rata has been undertaken to account for this unreported project.

Energy costs calculated using 'DECC and National Stats Publication: Quarterly Energy Prices March 2010'. Electricity: 2009: £0.0882/kWh, 2008: £0.0971/kWh. Gas: 2009: £0.02035/kWh, 2008: £0.0289/kWh. For Continental Europe – cost information provided by assets. Where no cost information provided, a €/kWh was used based on information provided in the EU Europe's Energy Portal www.energy.eu/#prices. 2009 prices were applied to both years. Electricity price applied to Continental Europe geothermal energy use as no data available. Exchange rate of 0.89 £:€ applied (average rate for 2009)

WANT TO KNOW MORE?

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