

Corporate responsibility

Great Portland Estates recognises that the importance of the effectiveness of its operations in respect of the environment together with interaction with its key stakeholders, including investors, employees, neighbours, communities, customers and suppliers is key to ensuring the long-term sustainability of its business.

The Board has responsibility for the approval of policy relating to social, environmental and health and safety matters and is determined to apply high standards to social, environmental and ethical issues in all areas in which the Group operates, including the management of the joint venture operations on behalf of the joint venture partners. The Group's alignment of Corporate Responsibility (CR) risks with its Corporate Responsibility Value Statement, strategy, and objectives and targets together with the Group's Health & Safety and Environmental policies are approved by the Board on an annual basis. In addition the Board receives annual reports on the environment, health and safety and corporate responsibility and regular reports during the course of the year from Toby Courtauld and Robert Noel on health and safety and environmental matters, where appropriate.

The Group's Environmental Policy Committee is chaired by Toby Courtauld and includes the Property Director, the Head of Projects, the Head of Asset Management, the Safety, Health and Environmental Manager, Energy Manager and Company Secretary. The Corporate Responsibility, Health & Safety and Environmental Working Groups are chaired by the Property Director Robert Noel and include: the Head of Projects, the Head of Asset Management, the SHE Manager, the Senior Building Manager, Representative of Employee Safety, the Company Secretary and Assistant Company Secretary.

This year, the Company was delighted that its efforts were rewarded with a series of awards covering a range of corporate responsibility activities.

Awards

April 2009

IPD/IPF UK Property Investment Awards 2008

**"Highest three year annualised return margin to December 2008
– Specialist Pooled Funds and Traditional Estates"**



November 2008

BDO Stoy Hayward

**"Property Accounts Awards 2008"
– Gold Award**



BDO International

October 2008

BCO (British Council for Offices) Awards

**180 Great Portland Street, W1
wins the BCO "Innovation" Award**



June 2008

IR Magazine UK Awards

**"Best Investor Relations by a CEO
of a non-FTSE 100 Company"**



May 2008

Business in the Community

**2007 "Top 100 Companies for corporate responsibility"
– Silver Award**



April 2008

Estates Gazette Property Marketing Awards

**2008 "Best Marketing campaign for offices"
– Overall winner**



2008
WINNER

"Innovation Award"

180 Great Portland Street, W1
wins the BCO "Innovation Award"

Property industry

Directors and senior management are encouraged to represent the Company's views and contribute towards the development of the property industry. Toby Courtauld is a member of the Management Board of the Investment Property Forum and a member of the Policy Committee of the British Property Federation (BPF).

Robert Noel is Chairman of the Westminster Property Association ("WPA"), an association of property owners and their advisers in the City of Westminster and is on the Board of the New West End Company, a formal Business Improvement District encompassing Bond Street, Oxford Street and Regent Street. During the course of the year WPA was actively involved in lobbying Westminster City Council, through a series of workshops, on the development of its Core Strategy as part of the Local Development Scheme, the key planning framework under which the Group will have to operate over the next decade. In addition, it has had ongoing discussions with EDF on power supply and the Mayor's office on planning policy as well as hosting a number of seminars on topical property issues for its members.

In June 2008 we joined the Considerate Constructors Client Partnership and have taken an active part in debating the direction of the Scheme.

Objectives and targets

Great Portland Estates set a total of 43 CR targets at the beginning of 2008 covering the key areas of:

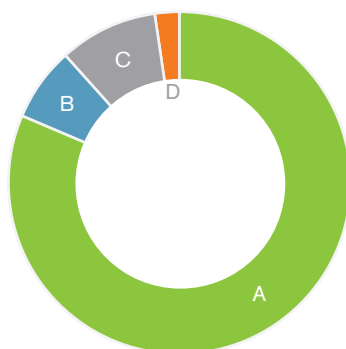
- our people;
- environment and the portfolio;
- tenants and the community;
- health and safety;
- suppliers; and
- investors.

81% of these were fully achieved. If targets have not been achieved, where relevant, these have been included again for 2009 to emphasise our commitment. Details of the Group's 2008/2009 and 2009/2010 objectives and targets can be found on the Company's website at www.gpe.co.uk/corporate_responsibility/. To ensure the highest level of achievement, where appropriate, elements of the Group's objectives and targets are also included within individual employees' objectives and targets.

81%

of CR objectives and targets were fully achieved

Progress against CR objectives and targets



A ■ 100% met – 35 C ■ Less than 50% met – 4
 B ■ 80% to 90% met – 3 D ■ Energy figures still to be verified – 1

Environment and the portfolio

The Group is committed to effective environmental management to ensure that appropriate environmental policies are set to assist in "future proofing" the Group's portfolio to meet rapidly changing legislation requirements and resulting tenant demands. We regard regulatory compliance as a minimum standard. The Group's Environmental Policy Statement is reviewed annually by the Board and may be viewed on the Company's website at www.gpe.co.uk/corporate_responsibility/environmental/

198

hours of environmental and sustainability training provided

The Environmental Policy Committee chaired by Toby Courtauld is responsible for reviewing the Group's environmental policies and procedures. During the course of 2009, the Environmental Policy Committee:

- identified the need to further develop its Sustainability Policy;
- developed sustainability frameworks to ensure best practice for use by employees, consultants and contractors covering energy, waste, materials, water, transport, ecology, tenants and the community and pollution which are designed to cover each of the Group's core operations of investment management, asset management and development through specific procedures required for sales and acquisitions, operations, planning and design, and construction;
- continued to review the way in which the Group procures energy;
- approved the Tenant Environmental Guide;
- ensured timely completion of Energy Performance Certificates across the portfolio; and
- instigated a formal environmental legislation register, identifying the aim of the legislation, its importance to the Group's operations, how the Group has ensured compliance or, where still to become law, what actions need to be taken to ensure the Group will comply.

During the year 198 hours of environmental and sustainability training were provided to employees covering energy management, sustainability, climate change and benchmarking standards for developments. Sustainability training is also included in the induction process for all new employees.

An Environmental Working Group (EWG), chaired by Robert Noel as the Property Director and made up of senior representatives of each department, meets on a quarterly basis and reports to the Environmental Policy Committee and the Board annually. The EWG monitors the Group's compliance with environmental legislation and best practice across the portfolio and agrees procedures to be followed on key environmental and sustainability issues.

Investment management

Prior to each property acquisition an environmental due diligence report is undertaken with particular regard to environmental risk. Mechanical and electrical surveys are also undertaken to identify plant and equipment inefficiencies.

Asset management

The Group's Environmental Management System is controlled and administered by the Safety, Health and Environmental Manager and audited by external consultants on a regular basis. Our Environmental Management System is designed to operate in line with ISO 14001 with procedures and checklists developed to address the Group's "aspects and impacts". During the year the management system was improved by incorporating an online task manager to assist the Building Manager checks of environmental compliance across the portfolio. All contractors are required to comply with the Group's environmental policy statement and external consultants also carry out environmental checks on all managed properties on an annual basis.

Energy and water consumption is monitored by external consultants and usage data is analysed on a monthly basis. Energy and water consumption data, externally verified by Bureau Veritas, is also available from our website. During the year our Energy Manager ensured that all properties had Energy Performance Certificates as appropriate and continued our efforts to improve on both energy efficiency and reporting across the portfolio.

An environmental guidance note explaining the Group's environmental procedures is distributed to all tenants on an annual basis to encourage them to adopt similar standards. Following feedback from tenants to an environmental survey on the premium they would be prepared to pay for green energy, energy best practices and recycling initiatives, we have:

- increased energy purchased on green energy tariffs to 32% (from 15% in 2008);
- arranged for our Energy Manager to meet with interested tenants to provide them with details of their energy usage and give guidance on energy saving measures they could implement; and
- introduced recycling schemes into 26% of the portfolio (on top of the 20% achieved last year) and we continue to address how recycling can be increased through co-operation and co-ordination with our tenants.

32%

of energy purchased on green tariffs

“Very Good”

BREEAM rating achieved at Tooley Street, SE1 and 60 Great Portland Street, W1

Resource management

	Target 2008/2009	Actual achieved	% achieved
To ensure 25% of energy purchased for our aggregate portfolio, based on the available electricity capacity for a building supply provided by the distribution network (“AVCAP”), is on green energy tariffs	25%	32%	128%
To introduce long life light bulbs throughout individual buildings in 70% of landlord managed areas	70%	70%	100%
To engage 20% of tenants in multi-let buildings over three years in a programme of “target and monitoring” energy usage	7%	8%	114%
To ensure appropriate actions are implemented for all buildings where energy audits are completed	100%	82%	82%
To set up new recycling schemes in 20% of portfolio	20%	26%	130%

Development

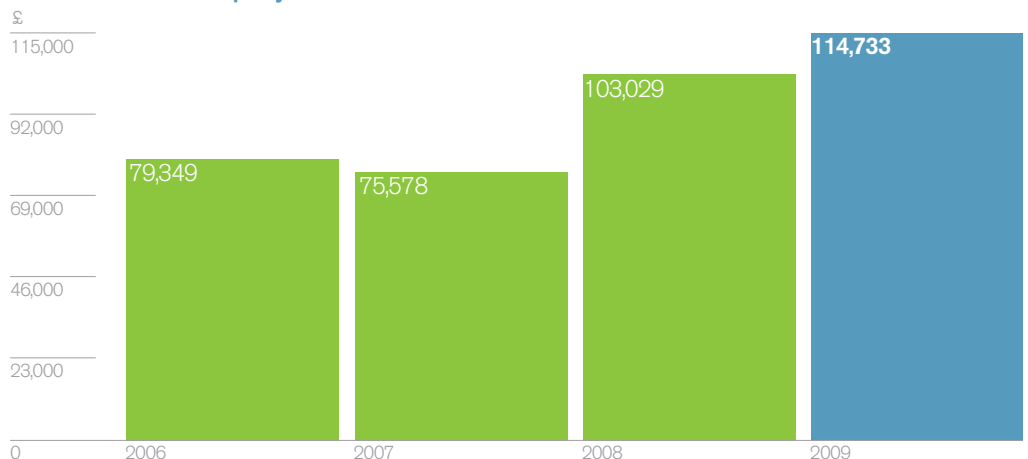
All our major developments are subject to BREEAM rating with a target to achieve a rating of “Very Good” on major refurbishments and “Excellent” on all new build properties, with renewable energy considered at the design phase. Each development is continually reviewed throughout the project to identify ways to maximise energy efficiency and promote sustainable resource use. In 2008 we achieved a “Very Good” rating on our developments at Tooley Street, SE1 and 60 Great Portland Street, W1. Our in-house Project Management Team undertakes an environmental compliance audit on selected projects to further understand and report on our performance achievements.

Details of the Group’s 2008/2009 and 2009/2010 environmental objectives and targets can be found on the Company website at www.gpe.co.uk/corporate_responsibility/environmental/

Tenants and the community

The Group recognises that local initiatives are important in enhancing various aspects which serve to improve and promote central London, and supports a number of groups including the Westminster Property Association, Westminster City Council, Transport for London and the New West End Company in their work to address issues such as planning, transport and security. In respect of the New West End Company, the Group has made voluntary contributions to match those of the Group’s tenants to support its activities to ensure London’s West End continues to be unsurpassed as a leading destination around the globe. Key activities include marketing, traffic free shopping days, way finding, street cleansing, crime prevention and public realm improvements on Oxford Street, Regent Street and Bond Street all in W1. In addition, in partnership with the Westminster City Council and various retailer associations, we have provided sponsorship for activities such as West End Live and decorations at Christmas as well providing contributions to the W1W Tree initiative for the planting of trees along Great Portland Street, W1 to enhance the local environment close to our properties. Mindful of supporting communities local to our portfolio we have also provided sponsorship of the Bermondsey Street festival and an open day at the Unicorn Theatre in Southwark.

New West End Company contributions



18%

of employees involved in a school reading scheme

154

cycle racks installed across
12 buildings

The Group has continued with its tradition of encouraging staff to be involved in, and of supporting, their charitable activities. In particular, the Group targets charities involved in health, the homeless and the community, and, where practicable, allows temporarily vacant buildings to be occupied, at no cost, by charities seeking premises. In partnership with Westminster Education Authority, through a Primary School Volunteer scheme, 18% of the Group's employees have participated for a fourth year in helping pupils at St. Vincent's school in Marylebone to improve their reading.

Asset management

Our asset management team aims to formally meet with tenants twice a year. As a result of feedback from those meetings we have installed 154 cycle racks across 12 of our buildings. For the year ended 31 March 2009, we also undertook a tenant satisfaction survey in order to identify areas for improvement of the quality of services provided to our tenants including standards of security and cleaning, responsiveness of our helpdesk and building management team and quality of building services. Whilst overall feedback was positive, one of our objectives for the coming year is to improve on our scores for each building.

Development

Principal contractors on all developments and major refurbishments continue to be required to register our sites with the Considerate Constructors' Scheme with Wells & More, W1 achieving scores considerably in excess of the national average. As a result of our membership of the Considerate Constructors' Scheme Client Partnership, we have been provided with regular feedback on our performance and where our contractors can improve to ensure best practice in minimising the impact of our developments.

Newsletters were produced on a regular basis to keep stakeholders apprised with progress on all our major development sites during the year at Wells & More, W1, Foley Street, W1 and Bermondsey Street, SE1. Regular meetings are also held with tenants to provide feedback to contractors on performance.

Details of the Group's 2008/2009 and 2009/2010 objectives and targets in respect of tenants and the community can be found on the Company website at www.gpe.co.uk/corporate_responsibility/tenants_community/

Health and safety

Great Portland Estates is committed to managing health and safety to a consistently high standard.

The Group employs a Safety, Health and Environmental Manager who reports directly to the Property Director Robert Noel. The Safety, Health and Environmental Manager has responsibility for overseeing all statutory health and safety compliance matters for the Group. To assist compliance, the Group operates policies and procedures in line with ISO 18001 requirements coupled with a new health and safety management and monitoring system ensuring consistent and continual assessment of safety throughout the managed portfolio. In addition, each managed property has its fire safety, water safety, asbestos management and disability access reviewed and audited on an annual basis by external consultants. The Group's Senior Building Manager also carries out regular inspections to monitor compliance with the Group's health and safety procedures.

A Health and Safety Working Group which is chaired by Mr Noel meets on a quarterly basis and monitors performance, the achievement of key objectives, the results of safety audits and inspections, accidents and near misses, changes in legislation, the development of new procedures, and the allocation of resources to health and safety.

During the year 307 hours of health and safety training was provided to employees covering general health and safety management, fire marshal training, first aid and construction skills certification. In addition, induction training, which includes health and safety issues, is provided to all new employees.

307

hours of health and safety
training provided

Investment management

Prior to acquisition, detailed surveys are undertaken of new properties to ensure that, where possible, hazardous materials and health and safety risks are identified and are dealt with as soon as practicable on completion.

Asset management

Contractor activities can pose a significant health and safety risk to the business and, therefore, the Group operates a contractor and consultant scheme designed to monitor contractor performance on site. A Permission to Work system for contractors includes vetting of risk assessments, method statements and policies and procedures to ensure contractors are capable of working to the high standards set by the Group. Major contractors have service level agreements as an integral part of their contract and scoring on health and safety performance is included within these agreements.

All accidents and incidents occurring in areas managed by the Group are recorded and reported and appropriate action is taken. A formal investigation of all accidents is conducted by the Safety, Health and Environmental Manager. During the year ended 31 March 2009, there was one reportable accident arising from Group's activities.

Health and safety statistics

	2007	2008	2009
Number of RIDDOR reportable injuries	0	2	1
First aid injuries	8	8	6
Three day injuries	0	2	1
Work related fatalities	0	0	0
Number of Enforcement Agency prosecutions or fines	0	0	0
Number of prohibition notices	0	0	0
Employee accidents and incidents	2	1	3
Number of employee days off work from injury	0	0	0

Development

At our construction sites, our Safety, Health and Environmental Manager liaises closely with CDM Coordinators and Project Managers to assist in ensuring that health and safety is managed effectively on site. All consultants are required to complete a competency review in line with Health and Safety Executive guidance under the Construction (Design and Management) Regulations 2007. Where building works are being carried out with tenants in situ, our Building Managers regularly attend site to ensure that health and safety concerns are brought to the attention of contractors and dealt with in a timely fashion.

Details of the Group's 2008/2009 and 2009/2010 health and safety objectives and targets can be found on the Company website at www.gpe.co.uk/corporate_responsibility/health_safety/

zero

number of employee days off
work from injury

200

presentations made to investors
and potential investors

Investors

The Board believes in the importance of effective communication. The Company seeks to improve investors' and potential investors' understanding of its objectives, strategy and performance. In the year to 31 March 2009 over 200 presentations were made by a combination of the Chief Executive, Property, Development and Finance Directors in order to explain the Group's business and financial performance and to answer questions. All such meetings are conducted within the guidance provided by the UKLA Listing and Disclosure Rules on the dissemination of price sensitive information.

The Company is a member of the FTSE4Good UK index, a benchmark index of companies which meets criteria set down by EIRIS (Ethical Investment Research Services) on environmental, social and corporate governance performance. For the sixth year, the Company has taken part in the Business in the Community's annual Corporate Responsibility Index, achieving a silver award and was included in BITC's 2008 "Top 100 Companies for corporate responsibility". The Company's BITC submission, together with the CR activities contained within this report, is independently verified by Bureau Veritas.

The Company's approach to corporate governance is set out on pages 50 to 54.