2019 Carbon Positive Approach Overview

We are proud to have become the first housebuilder to have carbon positive operations, offsetting more than our operational carbon emissions annually since 2018.

Background

The development of new homes and places involves highly carbon-intensive site activities. This is particularly true for the large-scale regeneration schemes undertaken by the Berkeley Group; transforming brownfield sites requires heavy plant and machinery to demolish existing structures that are no longer fit for purpose and to extensively remediate and move soils, especially on our sites which historically housed gas works.

Under our business strategy, Our Vision, we have a 2018-2020 commitment to 'Implement energy efficiency measures across our activities to reduce operational carbon emissions intensity by 14% and continue to implement and evolve our carbon positive programme'.

Taking action to reduce our emissions remains a priority. Our project teams continue to draw upon our guidance on how to address out-of-hours electricity consumption together with minimum recommendations for site set up and operation. Sites complete a Carbon Management and Action Plan to detail energy consumption and efficiency measures and many have retrofitted more energy efficient measures or are including these from site start. These have included the installation of solar photovoltaic panels at London Dock, the use of plug-in hybrid electric vehicles at Southall Waterside and the introduction of more thermally efficient site cabins at Highwood Village.

The Berkeley Group's greenhouse gas (GHG) emissions in 2019 were 29,025 tCO2e, based on our operational boundary (please refer to the Annual Report 2019 GHG Emissions Supporting Information available here for details on the methodology adopted to calculate emissions). This is an increase in emissions, particularly from the use of gas oil, as a number of regeneration sites commenced production in the year and were undertaking groundworks, including Hartland Village and Clarendon.

We acknowledge that the cyclical nature of our business, along with the need to significantly change behaviours, procedures, technology and equipment, mean that fundamentally reducing carbon emissions will be an ongoing process over a number of years. We therefore look to procure renewable energy and are committed to voluntarily supporting verified projects in realising carbon emissions reductions elsewhere.

We are proud to have become the first housebuilder to have carbon positive operations, by offsetting more than our operational carbon emissions for the first time in 2018 and continuing to do so in 2019.

2019 carbon positive approach

To become carbon positive, the Berkeley Group has completed the following actions for our different energy sources:

- Purchased UK electricity (6,024 tCO2e): retired 21,281 Deep Green Renewable Energy Guarantee of Origins (REGOS) from wind and solar photovoltaic projects based in the UK, accounting for 100% of the Berkeley Group's consumption of purchased UK electricity.
- Purchased fuel (directly and via contractors); business travel; purchased heat; purchased international electricity; transmission and distribution losses of purchased electricity (UK and international) and heat; and upstream emissions: offset 25,500 tCO2e through verified projects which are closely aligned to the Berkeley Group's business activities, key areas of focus within the Our Vision business strategy and/or the Sustainable Development Goals (SDGs) which have been identified by the Berkeley Group as the business having the most material ability to influence. These offset projects are as follows:
  - TIST Programme Project in India, Kenya, Tanzania and Uganda (5,000 tCO2e): we have newly supported The International Small Group and Tree Planting Programme (TIST) which is a combined tree planting, development and carbon programme. In addition to addressing environmental issues, the project delivers positive social impacts including educating communities on HIV, malaria and other health matters. This project has been selected as it aligns to the Berkeley Group's own commitment under Our Vision to ensure net biodiversity gain and has a focus on health and wellbeing.
  - Madre de Dios REDD Project in Peru (5,000 tCO2e) – we have continued to support this project which is focused on the protection and enrichment of communities, flora and fauna in the Peruvian Amazon. This project has been selected as it aligns to the Berkeley Group's own commitment to biodiversity under Our Vision.
  - Barbosa Ceramic Fuel Switching Project in Brazil (5,000 tCO2e) – we have continued to support this project installing new kilns in the ceramics industry in Brazil to enable the substitution of wood fuel with sawdust, açaí fruit pits and other renewable types of biomass. This project has been selected as it is industry-related and aligns to the Berkeley Group's own commitments under Our Vision on biodiversity and employee wellbeing and training.
  - Wind Power Generation in India (10,500 tCO2e) – we have continued to support this project focused on improving renewable energy supplies in India. This project has been selected as it has a focus affordable and clean energy.