

OUR VISION 2030: STRATEGY AT A GLANCE



Our Vision 2030 is our ambitious strategy for the business. It centres on 10 strategic priorities that we will focus on over a decade, helping to drive our continued success, whilst setting us apart and maximising the positive impact we make.

We are delighted to have been awarded a Transformation Award in 2022 by the Better Society Awards for the impact our strategy is already making.

“ Our vision is to be a world-class business, trusted to transform the most challenging sites into exceptional places and to maximise our positive impact on society, the economy and the natural world. ”



Each priority includes a long-term goal and is supported by an underlying action plan with short, medium and long-term targets and a set of core KPIs which we use to measure outcomes and impacts. It is an integrated and holistic strategy, so each priority supports the others and makes a valuable contribution to achieving our vision.

The priorities were identified using a materiality assessment carried out in 2020 by an independent consultancy, with a methodology based on international best practice from the Global Reporting Initiative. It included extensive research on key industry issues nationally and globally, together with input from more than 40 internal and external stakeholders through a mixture of surveys and interviews.

PLACES THAT STAND THE TEST OF TIME
WHAT WE CREATE

Long-term goal					
	Customers Put our customers at the heart of our decisions and provide an industry leading home buying experience. Read more on: page 3.	Quality Lead the industry in producing high quality, safe homes for all. Read more on: page 4.	Communities Transform underused land into unique, well connected and welcoming places where people and communities can thrive for the long-term. Read more on: pages 6 to 8.	Climate Action Play an active role in tackling the global climate emergency by creating low carbon, resilient homes. Read more on: page 5.	Nature Create a net biodiversity gain and make a measurable contribution to the natural environment on every development. Read more on: page 9.
	Why is this a priority?	Why is this a priority?	Why is this a priority?	Why is this a priority?	Why is this a priority?
	Link to stakeholders	Link to stakeholders	Link to stakeholders	Link to stakeholders	Link to stakeholders
	Link to KPIs	Link to KPIs	Link to KPIs	Link to KPIs	Link to KPIs
Link to risks	Link to risks	Link to risks	Link to risks	Link to risks	Link to risks

EXCEPTIONAL PEOPLE AND RESOURCES
HOW WE WORK

Employee Experience Create a positive working environment for our people; one that fosters respect, support, wellbeing, safety and inclusivity. Read more on: page 10.	Modernised Production Harness advanced manufacturing and digital technology to build more homes and to achieve higher standards of quality, safety and sustainability. Read more on: page 11.	Future Skills Equip our people with the skills they need both now and for the future, enhancing social mobility and inspiring new talent to join the industry. Read more on: pages 12 to 14.	Supply Chain Build a responsible and constructive supply chain; one that is productive, practical and profitable, sustainable, ethical and dependable. Read more on: page 15.	Shared Value Allocate capital to deliver sustainable returns to our shareholders whilst creating value for our other stakeholders including through the work of the Berkeley Foundation. Read more on: page 16.
Why is this a priority?	Why is this a priority?	Why is this a priority?	Why is this a priority?	Why is this a priority?
Link to stakeholders	Link to stakeholders	Link to stakeholders	Link to stakeholders	Link to stakeholders
Link to KPIs	Link to KPIs	Link to KPIs	Link to KPIs	Link to KPIs
Link to risks	Link to risks	Link to risks	Link to risks	Link to risks

OUR VISION 2030: WHAT WE CREATE

CUSTOMERS



What are we focusing on?

Customer Experience

Achieving industry-leading home buying experience

Enhancing Key Communication Channels and Digitising the Way We Work

Offering our customers more options to interact with us digitally

Highlights from 2022

- We have ensured customer-facing departments are aligned in the delivery of excellent customer experience, introducing a new minimum standard communications journey to ensure consistent standards throughout the home-buying process.
- Dedicated director-level customer roles ensure we strive for the highest standards, with regular Group-wide committee meetings to share feedback and raise standards.
- We welcomed the twelfth cohort of experienced customer-facing individuals from other industries into our sales academy, and the third cohort in our customer service academy.
- We continue to monitor our performance through customer surveys. Our Net Promoter Score rating is 77.2, on a scale of -100 to +100, against the industry average of 45, and 98% of our customers would recommend us to a friend.
- We received the Investor in Customers Gold rating, a mark of trust and reassurance, for the fifth time in 2022. This involved reviewing feedback from more than 1,750 of our customers to determine how well we understand and anticipate their needs and communicate with them.
- For the sixth consecutive year we have also been awarded an Outstanding Achievement Award and Gold Award for customer satisfaction, following an independent benchmarking assessment by In-house Research.
- We give all customers the opportunity to use our online portal, MyHome Plus, a web-based tool containing key information and features to choose specifications and receive construction updates for their new home. This year 89% of our customers signed up to use MyHome Plus.
- We continue to enhance the use of technology on a site-by-site basis, including a digital immersion room at West End Gate. At others, we use digital interactive development models and floorplan locators to bring the plans to life.
- We have improved customer engagement through our social media strategy and utilise geography-specific communication solutions for our overseas customers.
- We have developed a web application for agents to use with customers, enabling consistency in customers' experience.

Short-term targets (by 2023)	
Maintain an industry-leading Net Promoter Score of 70 or above.	●
Exceed the requirements of the HBF 5 star rating every year by at least 5% (equivalent to a 95% recommend to a friend rating).	●
90% of customers sign up to our digital platform, MyHome Plus.	●
Refine communication at each stage of the buying process to align with identified customer needs.	●
Medium-term targets (2023 - 2029)	
By 2025, customers will be able to interact with us digitally, 24-7.	
Long-term targets (by 2030)	
Provide a home buying experience that is industry-leading and which delights our customers.	
Key to progress: ● Completed or consistently achieved ● On track for 2023 ○ Further action required	

77.2

Net Promoter Score on a scale of -100 to +100, compared to an industry average of 45 (HBF, March 2022)

98%

Recommend to a Friend score, compared to an industry average of 91% (HBF, March 2022)



OUR VISION 2030: WHAT WE CREATE

QUALITY



What are we focusing on?

High Quality Homes

Implementing high quality standards and targeting zero defects

Safe Homes

Delivering homes that are safer by design

Highlights from 2022

- We complete detailed checks before homes are handed to customers and more than 50% of our homes have zero defects, as reported by the customer, compared with 5% of homes on average across the industry. This year, 82.5% of our homes had fewer than five defects compared with 30% across industry.
- We welcome the introduction of the New Homes Ombudsman to provide further protection to customers and are a registered signatory of the Building a Safer Future Charter.
- We have been actively engaging in implementing the requirements of the Building Safety Act.
- We focus on long-term building safety and high risk areas through enhanced Build Quality Assurance arrangements. We have robust and consistent Group-wide Standards, supported by a suite of training for all production staff which more than 850 of our employees completed during the year.
- Our project teams are supported by dedicated local quality managers, together with a Group-wide audit function. This year, 69 audits were undertaken by the independent team to check construction site process against our standards.
- We recognise that engagement with our supply chain is critical to achieving high standards of quality and have implemented manufacturer-led training to embed best practice in the installation of their products.
- We have had a strategic partnership with RoSPA since 2018 and were integral to the development of the voluntary industry-wide Safer by Design framework to help to reduce accidents and injuries in new homes.
- During the year we launched a new requirement across the business for all new sites to achieve Safer by Design Gold status. We are pleased to have received certification for Gold standard homes at Lombard Square in Plumstead, and several other developments are currently completing the formal assessment process.
- Working jointly with RoSPA we have successfully encouraged Government to review the Building Regulations to incorporate the British Standard on safer stairs, which will improve safety for all new homes through important minimum standards.

Short-term targets (by 2023)	
Outperform the industry average for defects reported while targeting zero defects.	●
Embed enhanced Build Quality Assurance arrangements and training requirements.	●
100% close out of quality non-conformances prior to customer handover.	●
Further use of technology to improve quality management processes.	●
Share best practice and lessons learnt across the Group.	●
Deliver our first homes to RoSPA's Safer by Design Gold standard.	●
Medium-term targets (2023 - 2029)	
Deliver all homes to RoSPA's Safer by Design Gold Standard.	
Long-term targets (by 2030)	
Build 50,000 high quality homes.	
Key to progress: ● Completed or consistently achieved ● On track for 2023 ○ Further action required	

50%

of Berkeley homes have zero defects reported by customers, compared to an industry average of 5% (HBF, March 2022)

69

Build Quality Assurance audits undertaken by an independent Group assessment team



OUR VISION 2030: WHAT WE CREATE

CLIMATE ACTION



What are we focusing on?

Low Carbon Homes

Meeting our science-based target by reducing the in-use carbon emissions intensity of our homes by 40% between 2019 and 2030

Low Carbon Operations

Meeting our science-based target by reducing absolute emissions across our direct operations by 50% by 2030

Embodied Carbon

Meeting our science-based target by reducing the carbon intensity of the materials and services we use by 40% by 2030

Resilience

We will manage climate risks for our developments and business

Net Zero Carbon

We will maintain carbon neutral business operations (scopes 1 and 2) and work to become net zero carbon across scopes 1, 2 and 3 by 2040

Highlights from 2022

- We focus on the energy efficiency of new homes, through both building fabric and inclusion of the right renewable and low carbon technologies. We are setting new minimum standards for energy efficiency for all homes, including Energy Performance Certificate (EPC) and fabric ratings.
- The performance of our homes forms part of our pioneering Green Finance Framework. This year 89% of homes completed had an EPC of B or above, with an average rating of 83.
- We have undertaken research to understand how our science-based targets align with the new Part L 2021 and the Future Homes Standard.
- We are a partner organisation for the UK Green Building Council's Advancing Net Zero Programme.
- To encourage energy reduction within our construction site operations each division has been provided with a carbon budget.
- This year our absolute scopes 1 and 2 (market-based) emissions have decreased by 13% compared to the prior year. This has largely been driven by an increase in the use of biodiesel HVO (Hydrotreated Vegetable Oil) on our construction sites.
- We undertook 15 embodied carbon studies across a range of building typologies, giving us valuable site-specific data. See page 68 of the Berkeley Group's 2022 Annual Report for further information.
- We will now routinely measure the embodied carbon of new buildings and take action to reduce the carbon through design, specification and working with our supply chain.
- We will continue to work with our supply chain to further understand embodied carbon and to obtain Environmental Product Declarations (EPDs) for the materials we procure.
- We completed detailed Climate Scenario Analysis on our development portfolio and business activities.
- We continue to undertake flood and overheating risk assessments on all sites, and incorporate appropriate mitigation measures in the design and the construction of our homes.
- Since May 2017 we have purchased 100% renewable electricity in the UK, backed by Renewable Energy Guarantees of Origin (REGO) certificates.
- Our first priority is to reduce our emissions, but we continue to procure certified high quality carbon offsets for the remainder of our scopes 1 and 2 emissions.

Short-term targets (by 2023)

- Assess embodied carbon for 10 sites and work with our supply chain to reduce impact in key areas.
- Complete Climate Scenario Analysis to understand how climate change could impact our business and implement measures to manage climate risks for our developments and business.
- Maintain carbon neutral operations (scopes 1 and 2) and investigate innovative ways to offset our indirect (scope 3) impacts.
- Achieve a 20% reduction from 2019 in absolute scopes 1 and 2 emissions and a 10% reduction in scope 3 emissions intensity.

Medium-term targets (2023 - 2029)

- Undertake embodied carbon assessments and set reduction targets for each development. Achieve a 30% reduction from 2019 in absolute scopes 1 and 2 emissions and a 25% reduction in scope 3 emissions intensity.

Long-term targets (by 2030)

- Meet our science-based targets to reduce total emissions across our direct operations by 50% and the emissions intensity of the homes we build by 40%. Be on the pathway to be a net zero carbon business by 2040.

Key to progress:

- Completed or consistently achieved
- On track for 2023
- Further action required

15

embodied carbon assessments on our buildings

>10%

decrease in absolute carbon across our operations (scopes 1 and 2), driven by an increase in the use of biofuel



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

BUSINESS
AMBIITION FOR 1.5°C



OUR VISION 2030: WHAT WE CREATE

COMMUNITIES



What are we focusing on?

Transforming Underused Land

Progress the transformation of our regeneration sites

Social Value

Delivering measurable long-term value on every new development

Community Plans

Enabling thriving communities for the long-term

Connectivity

Providing the physical and digital infrastructure to keep our neighbourhoods connected

Highlights from 2022

- Our business model remains focused on inherently sustainable large-scale regeneration sites. We transform the most challenging and complex brownfield sites into welcoming and sustainable places and we are the only major UK homebuilder delivering urban regeneration at scale. We use our expertise and resources to transform these underused spaces over the long-term, delivering the physical and social infrastructure which reconnects them with their surrounding communities.
- This year 86% of completed homes were on brownfield land and 85% of developments under construction. The neighbourhoods we create are unique, welcoming, safe, low carbon and rich in nature and biodiversity.
- Following more than 18 months of research and development with external experts, in autumn 2021 we launched our pioneering social value tool to allow us to understand the wider social impact we help to create. This bespoke and location-specific tool covers more than 30 indicators to help inform decisions which will affect how social value will be created in the long-term once the developments are complete.
- The new tool complements other strands of our work, such as community engagement, enabling us to have a robust and holistic approach to community building.
- Last year we set a target to develop and implement a community plan on all of our large regeneration sites and all of our 19 major regeneration schemes with residents now have draft Community Plans in place. At Grand Union, a new community centre has been designed in collaboration with local residents (read more on page 8), whilst at London Dock events include a wellness weekend and art exhibitions.
- We are a founding partner of the Quality of Life Foundation and are taking steps towards post occupancy evaluations to understand how our residents feel about their community.
- We have also been working with Create Streets which helps develop and steward beautiful places, including funding for the recent Restitch The Social Fabric Summit.
- We continue to prioritise connectivity, linking our sites to local transport hubs. We are proud to have been involved in the early part of the new Woolwich Elizabeth Line Station at Royal Arsenal Riverside, opened in May 2022, by delivering the station box for fit out by Crossrail.
- Public amenities and welcoming natural spaces are typically delivered at an early stage, to ensure that the wider community feels the benefits of regeneration as soon as possible.
- In partnership with service and infrastructure providers, we have delivered fibre connectivity to all new homes since 2018, with over 99% of homes 'ready for service' on customer move in day.

Short-term targets (by 2023)

- Progress the transformation of our regeneration sites.
- Embed a community development plan at each major regeneration site.
- Calculate the social value of all new projects.
- Complete research on design and infrastructure.
- Continue to provide the appropriate technical and physical infrastructure necessary to ensure digital connectivity.

Medium-term targets (2023 - 2029)

- All developments to have an embedded community plan. Maximise the value to society that each development brings. Work with external experts to assess people's quality of life on new developments.

Long-term targets (by 2030)

- Demonstrate the success of our developments and the quality of life of our customers and residents over the long-term.

Key to progress:

- Completed or consistently achieved
- On track for 2023
- Further action required

100%

of regeneration schemes with residents have Community Plans in place

86%

of new homes are constructed on brownfield land

Read more on: Berkeley's commitment to communities on pages 7 to 8.



QUALITY
OF LIFE
FOUNDATION

COMMUNITIES

Our ambition on every site is to strengthen the local community, support people’s health, wellbeing and quality of life and deliver lasting social value that can be felt beyond our site boundaries. This is what really drives us and we focus on regenerating large-scale brownfield sites with the greatest potential for positive change.

Brownfield regeneration

Our primary focus is regenerating large-scale brownfield sites within built up areas. This is very different to greenfield homebuilding and involves investing and working within existing neighbourhoods over the long-term. This give us greater scope to partner with local communities and councils to unlock social value.

A community-led approach

Our projects are long-term and we work hard to engage and understand every community in which we work. Our teams build strong relationships with local people, councils, charities and grass roots organisations, developing shared objectives and delivering the changes local stakeholders care about most.

Early stage community investment

We prioritise the early delivery of public amenities and welcoming natural spaces, ensuring local people are among the first to benefit from our investment and demonstrating our commitment to improving people’s quality of life. Examples include the Community Centre and public square delivered in phase one of Grand Union and the five-acre park delivered in phase one of White City Living.

Unique design

We do not use standardised building designs or housing types. Instead, each masterplan is unique, informed by the site’s heritage and shaped in partnership with local communities. We select design teams with the skills to meet the specific needs of each project, including leading architects, engineers, ecologists and landscape specialists, who work collaboratively with local stakeholders.

Maximising social value

This year we launched a pioneering social value tool which provides a unique set of data and insights into local needs and context. This enables our teams and local partners to make informed decisions about the features, facilities and infrastructure which deliver the greatest long term value and benefit to the local community. The tool takes account of 32 indicators, including access to nature, affordable housing provision, job creation, biodiversity, heritage, embodied carbon and impacts on local services.

Community plans

Once residents move in we create Community Plans that encourage lasting links between neighbours, engage residents in the long-term stewardship of their neighbourhood and help to create more friendly and integrated places. Every plan is bespoke and underpinned by research into local priorities and interests. As our neighbourhoods mature we encourage residents to form decision making bodies which shape and influence their community for the long term. See Woodhurst Park example opposite.



Royal Arsenal Riverside, Woolwich



Case study: Community Centre at Grand Union

Our Grand Union development is transforming a former industrial estate into a community of over 3,000 homes, with 13 acres of open space including a canal-side park.

Consultation between St George and local stakeholders found there was a need for a community centre in the area. Designed in collaboration with local residents, the centre has now been delivered as part of the first phase of the site, providing a focal point to integrate the new and established communities and build a sense of place at Grand Union. The centre offers 5,000 sq ft of flexible spaces for activities, such as classes, workshops, events and performances. It is managed by a community trust, set up by St George, which includes residents and local businesses.

Case study: Building a Community at Woodhurst Park

Woodhurst Park is a development of 750 homes set in a 65 acre country park in Berkshire. Five years after the first homes were occupied, a flourishing community is already in place.

Berkeley Homes Oxford and Chiltern developed a community plan for the site and our community champion worked with residents to organise events such as a street party, nature walk and barbecue. These provided an early opportunity for local people to get to know their neighbours and start to build a community.

The landscaping at Woodhurst Park has also supported the development of the community, where initial events focused on Woodhurst Park’s green spaces: the village green and country park. The Woodhurst Park community now has its own momentum, although we continue to support its activities. Twelve residents are on the events committee, organising a thriving programme of activities around the year, from summer picnics to a Christmas party.



“There is a real community spirit throughout the development and we are so happy here”

Woodhurst Park resident

OUR VISION 2030: WHAT WE CREATE

NATURE



What are we focusing on?

Biodiversity Net Gain

Deliver a minimum 10% gain for every new development

Highlights from 2022

- Since 2017, we have been designing our new developments to achieve measurable biodiversity net gain. We work with ecology and landscape design experts to ensure that preservation and enhancement of biodiversity is central to our approach to the landscape design. Since making our commitment, 46 developments have been designed to achieve biodiversity net gain across an area of more than 500 acres. Combined, these include 50 acres of living roofs, 170 acres of woodland and 100 acres of nature-rich grassland. In addition, through the acquisition of a large scheme in Milton Keynes during the year, we are committing to a wide range of habitat creation or enhancement including a new linear district park of over 150 acres.
- In May 2021, we committed to a 10% net gain on all sites, ahead of the forthcoming mandatory requirement for all new developments in the country expected in late 2023.
- Whilst our commitment focuses on habitats, individual species are also important and site-specific measures such as hedgehog highways continue to be incorporated. At Hartland Village, nine beehives have been introduced and local school children are learning about the importance of bees, and a biodiverse show garden has been created alongside a guide for customers.
- We are a founding member of the Blue Recovery Leaders Group, set up in 2021 by the Wildfowl and Wetlands Trust and supported by HRH the Prince of Wales to create networks of healthy wetlands across the UK. 36 of our sites incorporate wetland features and more than 50 acres of wetland habitat are planned or completed. We commissioned The Wildfowl and Wetlands Trust to produce and launch guidance for our teams on the importance of managing surface water to reduce flooding.
- We work with the Wildlife Trusts on a number of our developments to enhance our approach to nature, and integrate with the local community and any existing nature initiatives.
- Building on our industry-leading approach to biodiversity net gain, we are broadening our focus so that we deliver an even more valuable and holistic contribution to the environment on every site. We have committed to achieve environmental net gain on all our sites by 2030, leaving the natural environment in a measurably better state than it was before.
- In the last year, in forming our approach to environmental net gain, we have identified four priority areas where the pressures on the environment are greatest and where we can have most impact: water, climate, pollution and ecology.
- To work towards the first topic of water, we have partnered with Thames Water to explore the concept of water neutrality and how it can be applied to our sites. At Royal Exchange in Kingston 46,000 litres per day will be offset through the retrofit of local homes, schools and businesses.

Environmental Net Gain

Considering water, flooding and air quality

Short-term targets (by 2023)	
↓ Create a biodiversity net gain of 10% on every new development.	●
↓ Upskill managing agents and landscaping companies to ensure biodiversity gain is maintained for the long-term.	○
↓ Partner with a water company to undertake a water neutrality trial.	◐
Medium-term targets (2023 - 2029)	
↓ Develop an overall approach for environmental net gain and trial it on at least one site by 2025.	
Long-term targets (by 2030)	
↓ Achieve an overall environmental net gain on all developments.	
Key to progress: ● Completed or consistently achieved ◐ On track for 2023 ○ Further action required	

46

sites designed to deliver a biodiversity net gain, in addition to plans at a large site in Milton Keynes

>500

acres of created or enhanced habitat, in addition to a significant area at Milton Keynes

Get Nature Positive



OUR VISION 2030: HOW WE WORK

EMPLOYEE EXPERIENCE



What are we focusing on?

Health and Safety

Continuing to target zero harm

Highlights from 2022

- Our Annual Injury Incidence Rate per 1,000 people of 0.72 significantly outperforms the industry figure of 2.72 (HSE, October 2021). In our drive to raise standards and reduce risks, in 2022 we launched a new Work at Height campaign, to complement our existing Good Order, Good Work and Good Health programmes.
- We have an established robust health and safety management system, supported by audits by experienced practitioners and directors, and at Group level by a specialist assessment team; during the year there were more than 3,400 directors' safety visits completed in addition to more than 420 audits by the Group team.
- We have received more than 25 awards from RoSPA in the last five years, including St Edward as Winner of the Construction Housebuilding and Property Development Industry Sector in 2021.
- We maintained COVID-secure workplaces throughout the year, in line with the Construction Leadership Council's Site Operating Procedures.
- We are a platinum member of Women into Construction (read more on page 14), and we are a Diversity Pledge Signatory of the Mayor's Fund For London.
- We continue to work towards a workforce that is more reflective of the areas in which we work and have introduced more agile working to attract and meet the needs of a more diverse workforce. Within our autonomous businesses there are different programmes and initiatives to support diversity, such as networks for women and those to celebrate race, ethnicity and cultural heritage.
- 37% of our overall workforce is female, including 29% of managers. 75% of all hires that have come through our internal recruitment team are female. This year we have seen around one quarter of construction apprenticeships filled by female candidates, higher than the national average for such roles.
- We offer all staff wellbeing benefits, including an Employee Assistance Programme and virtual GP service, together with detailed health checks. Within the year we have extended private medical insurance to all staff. All employees complete e-learning on mental health awareness and we have more than 160 trained mental health first aiders.
- We support wider industry initiatives including the Building Mental Health Charter and promote the support available to people in our industry via the Construction Helpline.
- A staff survey, completed by 85% of our employees in 2021, highlighted our strengths including clarity around goal setting and collective working and also gave valuable insight over how we can improve. Following this, each of our autonomous businesses is enhancing its own people and engagement strategy, based on a Group framework.

Diversity and Inclusion

Ensuring our workforce is representative of the areas in which we operate

Championing Wellbeing

Demonstrably improving the health and wellbeing of our employees

Employee Engagement

Engaging our workforce, to shape the way we operate

Short-term targets (by 2023)	
↓ Providing diversity and inclusion training and unconscious bias training to all staff.	◐
↓ Continued focus on excellent health and safety standards and targeting zero harm.	●
Medium-term targets (2023 - 2029)	
↓ Continued improvement in staff engagement. One third of management positions held by women. Demonstrate improvement in employee health and wellbeing based on the programmes implemented.	
Long-term targets (by 2030)	
↓ Have an engaged and diverse workforce that is representative of the areas in which we operate. Have a positive health impact on our employees and contractors working on our sites.	
Key to progress: ● Completed or consistently achieved ◐ On track for 2023 ○ Further action required	

29%

of managers are female, together with 37% of our employees overall

0.72

Annual Injury Incidence Rate (AIIR) compared to the industry average of 2.72 (HSE, October 2021)



MODERNISED PRODUCTION



What are we focusing on?

Advanced Manufacturing

Commencing production at the Berkeley Modular advanced manufacturing facility

Modern Methods of Construction

Designing homes to maximise the use of modern methods of construction

Increasing the Use of Digital Technology

Assessing the benefits of digitally enabled processes for each home built

Highlights from 2022

- Following extensive prototyping and testing activity, Berkeley Modular has produced its first modules, which will be delivered to Kidbrooke Village. Our approach is precision manufactured, highly automated, digitally integrated and safe, combining machine, robotic and skilled manual processes within a controlled factory environment. Modular production is just part of the solution of delivery methods, alongside traditional construction.
- A number of external validation processes have been completed on the factory and its product to ensure that high standards are met. These include the British Standard Institute's audit and validation of the welding and inspection processes and the accreditation of the Technical Manual for our scheme by Buildoffsite Property Assurance Scheme (BOPAS).
- The role of our supply chain is key in helping us to innovate and we have welcomed input from our partners. Travis Perkins has been critical in developing logistical solutions, and other suppliers have produced bespoke systems to meet the needs of the advanced manufacturing process.
- Both our internal and external teams have been upskilled on the benefits of modular construction and product design, and are identifying sites early on with the potential for production at Berkeley Modular.
- We continue to incorporate other modern and off site methods of construction on our projects, from bathroom pods to unitised panelling systems.
- We are preparing to measure the Pre Manufactured Value of our developments as an indicator of designing for manufacture and assembly, which can help to achieve shorter delivery times, lower costs, higher quality, sustainability and safety, and increased reliability.
- 39 projects have begun to use a new, bespoke system for capturing digital information about each home from pre-construction to post-completion, known as the 'Golden Thread of Information'.
- An increasing number of our developments benefit from digital design, utilising Building Information Modelling (BIM) to bring complex designs to reality. At one tall building at South Quay Plaza, completed during the year, this has brought many advantages, including the successful integration of elements that had been manufactured off-site, full collaboration between all disciplines and bringing the design to life with our customers through the use of virtual reality.

Short-term targets (by 2023)	
Begin production at Berkeley Modular.	●
Introduce a new digital platform to capture the 'golden thread' of information for every home.	●
Design all homes to maximise the use of modular construction, with apartment blocks over 11m using the UK BIM Framework ISO 19650 standard.	○
Medium-term targets (2023 - 2029)	
Develop a methodology to assess the benefits of digitally enabled processes for each home built. Achieve full production capacity at Berkeley Modular and showcase the benefits compared to traditional construction.	
Long-term targets (by 2030)	
Design all new homes to maximise the use of modern methods of construction. Establish a modernised approach to production, including advanced manufacturing and digital technologies which deliver high standards and additional capacity.	
Key to progress: ● Completed or consistently achieved ● On track for 2023 ○ Further action required	

First

modules produced by the Berkeley Modular facility

39

sites now using our bespoke digital information system

FUTURE SKILLS



What are we focusing on?

Emerging Talent

5% of people working on our sites and in our offices will be an apprentice, graduate or in formal training

Industry Image

Actively champion careers in the built environment

Employee Skills

Upskilling our workforce, to support a modernising industry

Highlights from 2022

- We are a member of The 5% Club, reinforcing our long-standing commitment to having 5% of our workforce as a graduate, apprentice or sponsored student; this year 8.9% of our employees were in 'earn while you learn' positions.
- In autumn 2021, we welcomed our first Group-wide cohort of more than 60 construction apprentices into the business. Read more on page 13. 38 graduates joined the business in September 2021 and we are listed by The JobCrowd amongst the top 50 best companies for graduate employment.
- We also offer a range of academy programmes to bring people into the business from different industries. This year, more than 60 people joined across a range of departments.
- We are a platinum member of Women into Construction and a signatory of the BuildForce charter, supporting people transitioning from the military.
- We believe there is a job for everyone in the built environment sector. To promote the careers available we engage with young people, education providers and employers through our sites, through school talks and more formally through mentoring and work experience. During the year we engaged with a broad range of young people through more than 80 school and college events and over 40 work experience placements.
- In October 2021, we opened several of our sites for the Open Doors initiative, run by Build UK and CITB, allowing students, members of local communities and other interested parties to have a tour of our biggest regeneration schemes.
- As we modernise production and digitalise other areas of our business, we are building a workforce with the flexible skillset needed for the future. During the year, we commenced a project to map the skills and competencies required, both now and for the future, across all business disciplines. This includes increased focus on digital skills and sustainability and ensuring competence in advance of emerging changes in regulatory requirements. The Berkeley Group Competency and Skills Framework will ensure we have the right people, with the right skills, at the right time and will support recruitment, talent management and the planning of training activities.
- During the year, our internal training centre, The Berkeley Academy, gained Approved Training Organisation status with CITB enabling us to develop construction training courses to an industry-agreed standard. We are also a CITB Site Safety Plus centre.
- The Berkeley Academy offers a range of training, from health and safety, to sustainability, quality and commercial. This is supported by training, management and leadership programmes run locally by our autonomous businesses.

Short-term targets (by 2023)	
Implement a Group-wide competency framework covering current competencies and skills together with future needs.	●
Maintain membership of The 5% Club to reinforce our commitment to apprentices, graduates and sponsored students.	●
Work with our supply chain to encourage apprentices, graduates and sponsored students.	●
Actively engage with young people and inspire them to join the industry.	●
Medium-term targets (2023 - 2029)	
Ensure all employees meet the competency framework.	
Long-term targets (by 2030)	
Develop a skilled and competent workforce able to support our changing production needs. Engage with more than 5,000 young people to champion careers in the built environment sector.	
Key to progress: ● Completed or consistently achieved ● On track for 2023 ○ Further action required	

8.9%

employees are in 'earn while you learn' roles

>60

new construction apprentices joined in autumn 2021

Read more about Berkeley's commitment to developing future skills on page 13.



FUTURE SKILLS

We have always had a strong training and skills culture, and we have been expanding our approach in response to mounting skills challenges facing our industry since 2014.

Providing pathways to work

We offer a broad range of training programmes to appeal to a wider demographic including academies, apprenticeships, bespoke training programmes, industrial placements and an award-winning graduate scheme.

We are passionate about working in partnership with local councils, education bodies and our supply chain to ensure that people living close to our sites can take advantage of the career and training opportunities that regeneration projects bring to their neighbourhood.

Developing our employees

The Berkeley Academy, our internal training academy, delivers a range of training courses to our employees covering health and safety, build quality and sustainability. This year we gained Approved Training Organisation status with the CITB.

We are mapping the skills and competencies required, both now and for the future, across all disciplines in our business to ensure that we are training and upskilling our workforce for the future of the industry. This includes an increased focus on digital skills and ensuring competence in advance of emerging changes in regulatory requirements.

Promoting built environment careers

We are working with our partners to showcase the varied, cutting edge, and rewarding careers the built environment has to offer. Last year our teams delivered more than 80 engagement sessions, including career taster sessions, site tours, school visits and delivering hands-on curriculum linked projects.

Berkeley Group Construction Apprenticeship Programme

In 2021, we set out to bring new site management apprentices to the business, helping us to create our future leaders. We worked in partnership with two training organisations, Farnborough College and Ixion Holdings (part of Shaw Trust), to create a bespoke Level 4 Construction Site Supervisor programme that reflects the latest construction management practices, modern methods of construction and digital working. In September 2021, we welcomed more than 60 new site management apprentices, representing one of our largest ever intakes of trainees.



“It is exciting to be working with such a diverse group of apprentices and look forward to them succeeding in their road to Chartered Membership.”

Virginia Barrett,
Principal CEO, Farnborough
College of Technology



“The collaborative work undertaken to create this bespoke programme for the Berkeley Group aligns to the Group’s goal to equip their people with the skills they need now, and for the future - enhancing social mobility.”

Jacqueline Oughton,
Managing Director, Ixion Holdings
and Shaw Trust Education and Skills

Our skills programme in numbers:

8.9%

of our workforce is an apprentice, graduate or sponsored student

120

directly employed apprentices working across our business

50

people on our graduate scheme

95

sponsored students, from quantity surveying degrees to finance qualifications

440

courses, over 38,800 hours, delivered by the Berkeley Academy in the year

Read more on our website here:
www.berkeleygroup.co.uk/our-vision/future-skills



WOMEN INTO CONSTRUCTION



“I’m so grateful for the opportunity that was given to me by Women into Construction and Berkeley Group. As a mother of two, I’m so happy to have found a career that I love, and where I can finish in time to get home to my kids.”

Jodianne,
Trainee Project Manager
at Prince of Wales Drive
with M Price Ltd

Berkeley Group works in partnership with Women into Construction (WiC), a not-for-profit organisation, to provide practical support, training and job opportunities to help women into the industry and increase diversity.

Kath Moore MBE, Managing Director WiC, said: “We have been working with Berkeley for the last eight years, placing women into work-placements and employment on construction projects across London and the West Midlands. Berkeley has made a clear commitment to increasing diversity within their workforce, and we are delighted to be working in partnership with them to make that happen. It has been hugely satisfying to see our clients begin their careers and continue to develop on Berkeley sites”.

In the last year, Berkeley has worked with WiC to:

- provide work experience and job opportunities on Berkeley sites;
- support an International Women’s Day Careers Fair;
- support an International Women’s Day seminar, attended by more than 400 people;

- co-host college visits to inspire interest in construction roles ; and
- deliver specialist virtual work experience, including sessions with Technical (design) and Health & Safety teams.

In January 2022, the Berkeley Foundation supported WiC through a £30,000 grant to strengthen its operational resilience. This builds upon a previous £65,000 grant to enable WiC to launch two innovative training-for-work programmes, targeting care leavers in Birmingham and college leavers in Barking and Dagenham.



“Women into Construction introduced me to Berkeley and I’ve never looked back. Now I’m getting practical training on a regeneration site that is minutes away from home in Lambeth.”

Imane, Level 4 Construction Site Supervisor Apprentice, Oval Village

SUPPLY CHAIN



What are we focusing on?

Best Practice

Benchmarking against global best practices, achieving certification by CIPS for Procurement Excellence by 2025

Collaboration

Implementing 360 degree feedback across our supply chain by 2023

Overall Value

Enhancing our tender recommendations sign off process, so we procure on overall value over cost

Materials

Launching a new materials strategy

Highlights from 2022

- The Chartered Institute of Procurement and Supply (CIPS) has completed an evaluation of our procurement processes against their Procurement Excellence Standard Award. We will now action their recommendations to progress with our target to achieve certification by 2025.
- We continue to actively participate in industry response groups following the Grenfell tragedy.
- We launched new training to all staff on combating modern slavery and new induction materials for our construction sites. We are a signatory of the Prompt Payment Charter.
- Reflecting CIPS best practice and to support supply chain resilience, we work closely with our key trade contractors to understand their challenges and work more effectively together. This includes director-level sponsors for each trade, together with daily communication at a project level.
- With the relaxation of social distancing requirements, many of our autonomous businesses have held supply chain conferences in the year to provide updates and promote collaboration.
- We work closely within industry to understand changing supply chain conditions, particularly in light of market volatility and the combined challenges of Brexit, COVID-19 and the conflict in Ukraine.
- We have relaunched our consistent process to assess contractors during the tender process against key topics, supplemented by a detailed tender scoring matrix for contractors which includes a numerical assessment on quality, modern slavery, sustainability and health and safety.
- We have worked with the Construction Products Association (CPA) and British Standards Institution (BSI) regarding standard product data and batching details to be at the forefront of capturing and maintaining the ‘Golden Thread of Information’ at product level.
- We have developed a Common Materials Strategy covering 30 key material groups to support our requirements regarding quality, resilience and continuity of supply. In parallel, we have also initiated a Transformation Programme, assessing these product groups for responsible sourcing risks such as modern slavery and sustainability non-conformance.

Short-term targets (by 2023)

- 100% of projects to award contracts on best overall value.
- Assess all contractors for modern slavery risks through enhanced processes.
- Implement and embed a new materials strategy.
- Align procurement activity with Build Quality Assurance, Modernised Production and Climate Action targets.
- Implement 360 degree feedback across key members of our supply chain.

Medium-term targets (2023 - 2029)

- Achieve the Chartered Institute of Procurement and Supply (CIPS) Procurement Excellence Award by 2025.
- Ensure that the ‘golden thread’ of building information is in place throughout our supply chain.

Long-term targets (by 2030)

- Benchmark procurement and supply chain activity against global best practice and provide resilience and expertise to meet strategic goals.
- Develop new supply chain capability aligned to modern production methods and digital technologies.

Key to progress:

- Completed or consistently achieved
- On track for 2023
- Further action required

110

manufacturers, covering 30 product groups, being assessed for sustainability and modern slavery

30 days

average payment time for contractors, in line with the Prompt Payment Code



SHARED VALUE



What are we focusing on?

Value to Society

Undertaking a broader assessment of our value to society across a range of indicators

The Berkeley Foundation

Engaging all employees in the work of the Berkeley Foundation

Sustainable Returns

Delivering returns to our shareholders whilst creating value for other stakeholders

Highlights from 2022

- Over the last five years, we have contributed £2 billion to community facilities including affordable housing, and £14 billion in total to the UK economy.
- In 2020, we undertook an assessment of our business activities across a broader range of indicators, both positive and negative, in order to quantify the value that our activities have on society. This includes the benefits of early careers training, investment in site health and safety, and innovative practices, together with the impacts that we have, such as greenhouse gas emissions. We plan to refresh the assessment over the coming year.
- This year we have launched a pioneering new social value tool for use by our project teams to calculate the value to society created in the long-term from our developments. See page 7 for more information.
- We are delighted to have been awarded the Transformation Award by the Better Society Network for the positive impact we are delivering through Our Vision 2030, and the significant and sustainable changes we are making to the built environment.
- The Berkeley Foundation was established in 2011. It makes grants and builds partnerships with frontline charities across London, Birmingham and the South of England, working together to help young people and their communities to thrive. In spring 2022 the Foundation celebrated 10 years of social impact through the launch of *Our journey so far* and launched its new strategy to the end of the decade. See pages 74 to 75 of the Berkeley Group’s 2022 Annual Report for more details.
- The Foundation is funded by Berkeley Group and through the incredible fundraising efforts of Berkeley staff. 55% of our people chose to actively contribute to the charity over the past 12 months, through time, fundraising or donations.
- We have continued to deliver sustainable returns to our shareholders, whilst creating value to our other stakeholders.

Short-term targets (by 2023)

- Quantify and report on our value to society.
- All employees to be engaged with the work of the Berkeley Foundation each year.
- Work with the Berkeley Foundation to agree targets for achieving our shared goals.

Medium-term targets (2023 - 2029)

- Achieve a 15% pre-tax return on equity across the cycle.

Long-term targets (by 2030)

- We will be a successful business delivering sustainable returns whilst creating demonstrable value for our other stakeholders.
- Demonstrate the impacts of our work with the Berkeley Foundation.

Key to progress:

- Completed or consistently achieved
- On track for 2023
- Further action required

55%

of employees got involved in supporting The Berkeley Foundation

£3.2bn

contribution to UK GDP in 2021/22



ENVIRONMENTAL, SOCIAL AND GOVERNANCE PERFORMANCE

We monitor a range of ESG indicators across our business activities, and many of these align to the core KPIs of our business strategy, Our Vision 2030.

Key to strategy					
	Customers		Quality		Communities
	Climate Action		Nature		Employee Experience
	Modernised Production		Future Skills		Supply Chain
	Shared Value				

Indicator	Link to strategy	Measure	Unit	2022	2021	2020
New homes		Completed homes, including joint ventures	#	4,632	3,254	3,158
Benchmarks and Indices		CDP Climate Change questionnaire rating	Rating	A-	A	A-
		FTSE4Good Index Series listed company	Y/N	Y	Y	Y
		MSCI ESG rating	Rating	AAA	AAA	AAA

ENVIRONMENTAL

Indicator	Link to strategy	Measure	Unit	2022	2021	2020
Environmentally responsible operations		Number of environmental prosecutions	#	0	0	0
		Monetary cost of environmental fines and penalties	£	0	0	0
		Scopes 1 and 2 (location-based) emissions	tCO ₂ e	7,832	8,738	9,182
		Scopes 1 and 2 (market-based) emissions	tCO ₂ e	2,211	2,549	3,375
		Water consumption	m ³	256,635	240,232	214,517
		Total waste generated (including construction, demolition and excavation wastes)	tonnes	734,320	382,824	637,509
		Total waste reused or recycled	%	90	95	90
		Total waste classified as hazardous	tonnes	5,669	2,602	13,689
		Construction waste generated	tonnes	126,765	154,409	177,572
		Construction waste reused or recycled	%	95	96	95
Sustainable homes		Completed homes with an EPC rating of at least a B	%	89	96	95
		Average EPC score	#	83	84	84
		Completed homes to be supplied with low carbon or renewable energy	%	68	70	70
		Average internal water efficiency of completed homes	lppd	104.2	104.5	102.7
		Completed homes constructed on brownfield land	%	86	87	89
		Completed homes with internal recycling facilities	%	100	96	100
Sustainable places		Developments newly committed to deliver biodiversity net gain	#	6	7	9
		Developments newly committed to deliver biodiversity net gain on site	%	100	100	100
		Developments newly committed to deliver biodiversity net gain greater than 10%	%	100	100	89
		Live development sites regenerating brownfield land	%	85	84	76
		Live development sites with Sustainable Drainage Systems (SuDS)	%	92	91	94
		Live development sites with cycle storage being provided	%	100	100	100
		Live development sites with electric car charging infrastructure being provided	%	93	84	76

SOCIAL

Indicator	Link to strategy	Measure	Unit	2022	2021	2020
Charitable giving and the Berkeley Foundation		Employees involved with Give As You Earn (GAYE)	%	29	32	33
		Employees involved with the Berkeley Foundation	%	55	53	63
Considerate construction		Average Considerate Constructors Scheme (CCS) score	#/50	43.40	43.37	43.16
Customer experience		Six-month rolling average NPS (to March 2022)	#	77.2	77.9	78.8
		Customers who would recommend us to a friend (to March 2022)	%	98.0	98.3	98.5
Health and safety		AIIR per 1,000 people - direct employees and on-site contractors	#	0.72	1.24	1.17
		AIIR per 1,000 people - direct employees only	#	0.33	0.70	0.35
		AIIR per 1,000 people - on-site contractors only	#	0.85	1.40	1.46
		Work-related fatalities - direct employees and on-site contractors	#	0	0	0
		Accident Frequency Rate (AFR) per 100,000 hours - direct employees and on-site contractors	#	0.03	0.06	0.05
		Hours of training delivered on health and safety matters	#	24,165	24,843	34,126
Skills and training		Average monthly percentage of direct workforce who are graduates, direct apprentices or sponsored students undertaking formal training	%	8.9	7.2	9.3
		Graduates joining the business via Berkeley's Graduate Scheme programme	#	38	26	31
		Average monthly number of directly employed apprentices	#	121	89	107
Society and community contributions		Contribution to UK GDP, including through direct activities by Berkeley, indirectly through supply chain spend and the induced effect of household spend	£bn	3.2	2.5	2.4
		Contribution to UK tax, including taxes paid directly by Berkeley and the taxes paid by customers and suppliers as a result of Berkeley activities	£m	778	595	625
		Contribution to facilities and services for local communities, including affordable housing subsidies	£m	556	204	270
		UK jobs supported directly and indirectly through the supply chain	#,000	29	25	23
Supply chain		Average number of days taken to pay suppliers	#	30	29	28
		Average monthly number of on-site contractors	#	9,415	8,859	8,307
Quality		Homes with fewer than five defects reported by customers on completion	%	83	84	81

GOVERNANCE

Indicator	Link to strategy	Measure	Unit	2022	2021	2020
Board of Directors		Executive Directors	#	5	6	7
		Independent Non-Executive Directors	#	11	11	9
		Board of Directors - Male	%	69	71	75
		Board of Directors - Female	%	31	29	25
		Average tenure of Board of Directors	#	6	7	8
Employees (as of 30 April)		Total employees	#	3,030	2,705	2,844
		Total employees - Male	%	63	64	63
		Total employees - Female	%	37	36	37
		Senior management - Male	%	40	40	43
		Senior management - Female	%	60	60	57
		Reporting to senior management - Male	%	71	68	79
		Reporting to senior management - Female	%	29	32	21

Read more online:
www.berkeleygroup.co.uk/about-us/investors/environmental-social-and-governance