Berkeley Group

2026 Double Materiality Assessment Overview

OUR VISION | Berkeley Group

Identifying material ESG topics

In 2026, Berkeley conducted a double materiality assessment to review the environmental, social and governance (ESG) topics that matter most to the business and its stakeholders, and how these relate to our responsible business strategy, Our Vision.

Although Berkeley is not captured by the requirements of the EU Corporate Sustainability Reporting Directive (CSRD), the implemented methodology was based on best practice aligned to this and based on a dual perspective of impact materiality and financial materiality:

- Impact: the positive and negative effects (actual or potential) of Berkeley's activities on people and the environment

- Financial: external matters that could present as risks and/or opportunities affecting the company's business in financial terms

It is noted by Berkeley that the focus of the UK Sustainability Reporting Standards (UK SRS) is financial materiality. However, impact materiality was considered of relevance to include in our assessment in recognition of our range of key stakeholders and the matters that are of importance to them.

Materiality Assessment Process

An independent, external consultancy was appointed to help us pinpoint relevant topics and guide us through the double materiality assessment process, designed as a structured, evidence-based approach to identify the ESG topics most significant to Berkeley from both an impact and financial perspective. Oversight was provided through an internal working group, comprising representatives from the finance, risk, responsible business, sustainability, supply chain and planning teams. The CEO has provided senior level sponsorship of the project.

Step 1 – Identifying relevant impacts, risks and opportunities

Berkeley's business model and value chain activities were reviewed to determine the scope of the assessment and identify where impacts, risks and opportunities (IROs) may arise. Building on this foundation, global standards, industry frameworks, peer disclosures, investor ratings and wider sustainability trends, alongside internal documentation and previous materiality assessment results, were used to define a long-list of relevant impacts, risks and opportunities (IROs).

Step 2 – Evaluating impacts, risks and opportunities

Input was gathered from internal subject matter experts to test and evaluate the IROs using clear criteria, aligned to Berkeley's principal risk assessment parameters and definitions where relevant. Subject matter experts assessed and scored individual IROs within their area of core knowledge and responsibility, helping to identify those topics of greatest importance to Berkeley.

Step 3 – Validating material impacts, risks and opportunities

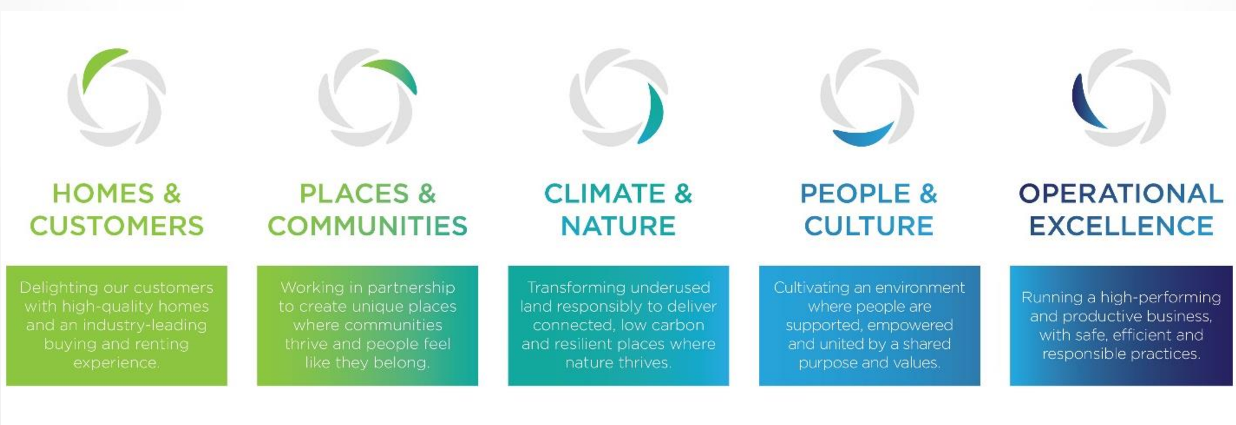
The scoring from subject matter experts was reviewed for consistency in approach and different materiality threshold options applied to the outputs. Results were considered by the internal working group, alongside wider analysis of strategic priorities, reporting requirements and peer disclosures to inform the final topics considered to be most material to Berkeley in terms of long-term value creation, business resilience and stakeholder interests. Key final steps to the process are obtaining feedback from selected external stakeholders (covering key groups such as investors and industry bodies) and management sign-off for the material topics identified.

Addressing material ESG topics

Our vision is to lead the future of urban regeneration and home building. Trusted to transform the most complex sites into exceptional places that deliver a lasting positive impact for society and the natural world.

In 2010, Berkeley created a long-term responsible business strategy called ‘Our Vision’. Since then, it has pushed us forward and helped us to lead the homebuilding industry in important areas such as tackling biodiversity loss and climate change, ensuring high levels of customer satisfaction and creating a positive working environment for our people. We strive to continually improve by regularly reviewing the priorities, goals and targets under Our Vision.

In 2026, a comprehensive update to Our Vision was completed, to reflect the operating environment and the addition of Berkeley Living (our Build to Rent platform) to the portfolio. As part of this, our strategic priorities and goals were refreshed, incorporating the results of the double materiality assessment as necessary to ensure our most material ESG topics continue to be addressed across our five priority areas:



Read more about the evolution of Our Vision and our approach to each priority on our website.

Berkeley's material ESG topics

Material topics and IROs as determined by our 2026 double materiality assessment are detailed below. The link to priorities under Our Vision is highlighted, with more detail on our goals and actions available on our website.

CLIMATE CHANGE		
Greenhouse gas (GHG) emissions	*Negative impact* on climate due to the release of GHG emissions to the atmosphere through our direct operations, supply chain activities and customer use of homes.	Climate & Nature
Climate-related planning and design requirements	*Financial risk* of increased costs and potential delays to meet increasingly stringent planning and design requirements, primarily in terms of mitigation measures introduced through the Future Homes Standard.	
Raw material costs and availability of low carbon alternatives	*Financial risk* of increased raw material costs if suppliers pass on the impact of carbon or energy pricing and the transition to low carbon production, or if demand for low carbon alternatives outstrips availability.	
Adaptation and resilience to climate-related weather events	*Financial risk* of reduced stakeholder confidence, potential loss of revenue and reparation costs should climate-related weather events, such as flooding, adversely affect completed developments or lead to damage and delays during construction.	
Energy efficiency measures	*Financial opportunity* to implement energy efficiency measures across direct operations to reduce energy-related costs, in addition to positively influencing customer demand for homes with greater operational efficiency and the latest technologies.	

WATER RESOURCES		
Water withdrawals	*Negative impact* of water withdrawals both during development works and occupation of completed homes, particularly in areas of high water stress.	Climate & Nature
	Financial risk of delays to construction programmes as a result of water shortages across our sites and supply chain, as well as issues with water availability within our completed homes affecting our customers.	
Water-related planning and design requirements	*Financial risk* of increased costs and potential delays to meet increasingly stringent planning and design requirements under Part G of UK Building Regulations and the potential emergence of water neutrality requirements for new development.	

Note that additional details on Berkeley's approach to climate change and water security can be found in our response to the CDP questionnaire available here.

BIODIVERSITY AND ECOSYSTEMS		
Green infrastructure & nature-based solutions	*Positive impact* of incorporating green infrastructure and nature-based solutions within developments, supporting biodiversity, providing resilience to climate change (e.g. reducing flood risk), and enabling customers and communities to have improved access to green space which can lead to better physical and mental health.	Climate & Nature
	Financial opportunity of enhanced attractiveness to customers through the provision of green spaces and infrastructure that enable people to interact with nature, whilst also providing resilience to changes in our climate.	
Soil health and land recovery	*Positive impact* on soil health and biodiversity through remediation of brownfield land across neglected urban sites to regreen our cities.	

RESOURCE USE AND CIRCULAR ECONOMY		
Resource and raw material use	*Negative impact* on natural resources through our reliance on manufactured materials such as concrete, steel, aluminium, glass and bricks, in combination with potential material damage and wastage.	Climate & Nature
Waste production	*Negative impact* on the environment as a result of the volume and types of waste produced during development activities, particularly demolition and remediation works across brownfield sites (e.g. contaminated soil, asbestos), as well as the impact from disposal methods such as incineration and landfill.	
	Financial opportunity of reduced operational costs from implementing good resource management practices and reducing the volume of waste produced during construction activities.	

POLLUTION		
Land, air and water pollution incidents	*Potential negative impact* on the local community and environment should an air (dust, particulates, odour), noise, light, vibration, ground or water pollution incident occur during development activities.	Climate & Nature
	Financial risk of reputational damage, remediation costs, project delays and stoppages, as well as financial penalties should pollution incidents breach environmental regulations or planning conditions.	

SUSTAINABLE HOMES AND DEVELOPMENTS

Low-carbon and sustainable features across homes and developments	*Positive impact* through the delivery of low-carbon and sustainable homes and developments, with features such as electric vehicle (EV) infrastructure, water efficient fittings and energy efficiency measures, alongside measures enhancing resilience to climate change.	Climate & Nature
	Financial opportunity of enhanced attractiveness to customers by constructing homes and developments with low-carbon and sustainable features that are resilient to increasingly frequent and severe climate-related weather events.	

BUILDING QUALITY AND SAFETY

Safe and quality homes	*Positive impact* through stringent approach to building safety and ensuring homes meet high standards for quality, in addition to actively working with Government and industry to help evolve policy and implementation guidance.	Homes & Customers
	Financial risk of increased planning and design requirements to meet building safety legislation, including potential delays to the construction programme and additional upfront costs, as well as potential exposure to reputational damage, reduced sales and remediation costs should we fail to deliver against high standards of build safety and quality exposing customers to issues.	Operational Excellence

PLACEMAKING AND SOCIAL VALUE

Amenities and infrastructure	*Positive impact* through the provision of key amenities (e.g. retail, food and health service spaces) and improved transport infrastructure.	Places & Communities
	Financial opportunity of enhanced sales revenue through customer attraction to developments with improved accessibility, upgraded infrastructure and local amenities.	
Placemaking and stewardship	*Positive impact* of new development in social and economic terms, including employment opportunities and supporting community cohesion and feeling as a result of events delivered through structured community plans.	
Affordable housing provision	*Positive impact* through delivery of mixed and balanced developments, often on previously underutilised land, increasing local community access to affordable housing.	
	Financial risk associated with potential delays at planning stage when agreeing affordable housing provision with the local authority and community stakeholders, and direct construction costs of their delivery.	
Charitable support	*Positive impact* on local communities through the activities of the Berkeley Foundation, delivering impact through flexible funding, staff volunteering and collaborative learning opportunities.	

HEALTH AND SAFETY		
Workplace incidents	*Positive impact* on health and safety of workforce through strong leadership, training and audit practices to effectively manage and minimise construction-related risks, as demonstrated by industry-leading performance.	Operational Excellence
	Financial risk should an incident occur despite strong systems being in place, leading to injury with the potential for regulatory or legal action, as well as reputational damage and reduced workforce trust.	

RESPONSIBLE PROCUREMENT AND PRACTICES		
Human rights and modern slavery	*Potential negative impact* on people should human rights issues or modern slavery occur across our complex and global supply chain, despite efforts to identify and minimise risk of potential occurrence.	Operational Excellence
	Financial risk associated with monetary sanctions and reputational damage if human rights breaches, modern slavery or child labour were to occur, particularly within the supply chain and the procurement of globally manufactured materials.	
Supply chain resilience	*Financial risk* of increased costs and reduced product availability if logistics (e.g. shipping routes) are impacted for globally traded commodities.	
Material selection and installation	*Financial risk* associated with increased costs and potential supply-chain delays when aligning with emerging legislation changes relating to the Construction Products Reform, which introduces stricter safety, testing and traceability requirements.	
Cyber security and data protection	*Financial risk* associated with monetary sanctions, litigation costs and reputational costs of corruption, loss or theft of data, whether inadvertent or via a deliberate, targeted cyber attack or data breach.	

EMPLOYEE ATTRACTION, RETENTION AND DEVELOPMENT		
Working practices	*Financial risk* associated with talent attraction and retention if we fail to provide competitive pay, agile working and other best practice arrangements, as well as demonstrating equitable and inclusive approaches across the business in line with our EDI (equity, diversity and inclusion) strategy.	People & Culture
Training and skills	*Positive impact* on employees through strong training and skills development provision, including through our graduate and apprenticeship schemes and an in-house training academy which is CITB (Construction Industry Training Board) approved.	