

# OUR VISION

PERFORMANCE REPORT 2014 - 2016



HOMES



CUSTOMERS



PLACES



OPERATIONS



OUR PEOPLE



**Berkeley**  
Group



# OUR VISION

## OUR VISION PERFORMANCE

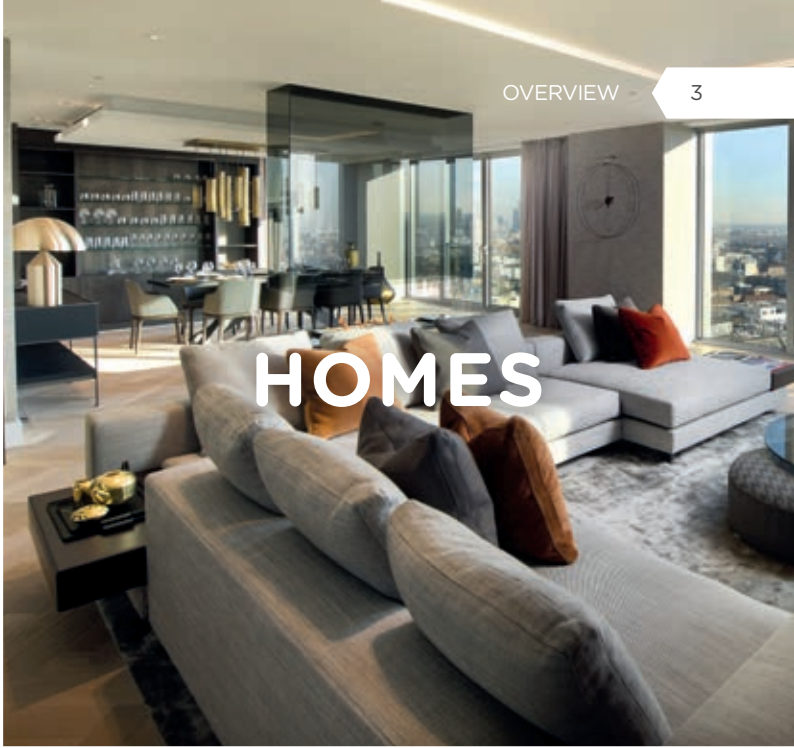
This report provides an overview of the Berkeley Group's ('Berkeleys') 'Our Vision' strategy, summarises performance during the 2014-2016 commitment period and introduces our new commitments for 2016-2018.

The introduction provides a background to Our Vision, the five focus areas (Customer, Homes, Places, Operations and Our People) and how our approach has developed in these areas. Key achievements and performance for 2014-2016 are also highlighted.

The subsequent sections provide further detail on what we have achieved in each of the focus areas.

### CONTENTS

04	Our Vision
08	Our Key Achievements
10	Our Vision Commitments
12	Customers
32	Homes
52	Places
74	Operations
100	Our People







To be a modern, world-class business generating long-term value by creating successful, sustainable places where people aspire to live.

Through the framework of Our Vision, Berkeley articulates our strategy across five areas of strategic focus: Customers; Homes; Places; Operations; and Our People. By focusing on these areas, we ensure that we continue to provide customers with an exceptional service, whilst delivering high quality homes and places where communities can thrive. We also recognise that the skills, knowledge and dedication of our people, alongside the efficient management of our operations, are fundamental to the ongoing success of our business.

Our Vision provides clear direction and enables the whole business to work to a common set of goals, the overarching aim of which is to be a modern, world-class business. To drive improvements in performance, we continually review and develop our strategy across our five focus areas to address the key challenges and opportunities facing Berkeley, our industry and other business sectors.

Every two years we launch new headline commitments identifying our next set of priority actions. These are determined through an in-depth review of key industry, national and global issues, together with consultation with each of our autonomous companies and specialist committees.

Underpinning Our Vision is a core set of company values: having integrity; being passionate about what we do; showing respect for people; thinking creatively; and achieving excellence through detail.





## THE DEVELOPMENT OF OUR VISION



### CUSTOMERS

#### WHY FOCUS ON CUSTOMERS?

Ensuring our customers are satisfied is crucial to the ongoing success of the business; ultimately all areas of our strategy are focused on the end customer. This extends beyond customer-facing activities, from the initial purchase of the land through to the design of each home and the wider development.

#### Our approach has evolved from customer experience to customer insight.

We pride ourselves on being the developer of choice and customer satisfaction is key to this. Our strategy has evolved from ensuring that customer-facing teams provide exceptional service, to placing a strong emphasis on all employees to put the customer at the heart of every decision.

In recognition that our customers are individuals with varying needs, we have created a 'customer first' mind-set, providing a dedicated point of contact at every stage of the customer journey. We also provide tailored information on the home that a customer has purchased. Moving forward our communication channels will be further enhanced through the use of MyHome Plus; our new interactive online system.

The expectations of our customers are continually changing. We have already put ourselves in a good position to understand and to react to these through the use of customer surveys and benchmarks. Through our new commitment for 2016-2018, we aim to enhance our engagement and obtain a more in-depth insight into our customers' needs.



### HOMES

#### WHY FOCUS ON HOMES?

As a residential-led developer, building high quality and well-designed homes is fundamental to our business and is intrinsic to all the other areas of Our Vision. It is demanded of us by our customers and differentiates Berkeley. It is clear that to have a successful business, our focus has to be on the end product of the homes right from the outset.

#### Our approach has evolved from low environmental impact to more resilient homes.

Berkeley was the first developer to commit to all our homes being certified to Level 3 of the Code for Sustainable Homes and the environmental performance of our homes continues to be a key consideration regardless of the Code's withdrawal. We therefore continue to incorporate measures to improve energy and water efficiency and to promote sustainable lifestyles.

As changes have been made to building regulations, we have continued to strive to provide homes with high environmental performance and have evolved our approach to ensure that we consider future climate change in the design of our homes. We were also the first developer to set minimum space standards.

Technology continues to evolve so it has been vital that we provide the necessary infrastructure within our homes. The internet is often regarded as the fourth utility so we are committed to ensuring our homes are enabled for future technologies.



### PLACES

#### WHY FOCUS ON PLACES?

It is essential that we focus on the outcome of our developments in the long-term. This begins right from the outset by ensuring the location is right at land purchase, to focusing on placemaking during design and to ensuring that suitable management processes are in place. Creating great places to live is integral to what we do as it is about enabling our residents to enjoy a good quality of life, now and in the future.

#### Our approach has evolved from placemaking to community stewardship.

Berkeley has sought to create places for people and as we have developed our approach from placemaking to placekeeping our understanding of how to create a place that endures over time has evolved.

Our commitments to Places began with incorporating the principles of Building for Life. Berkeley has incorporated bespoke design into its developments which has differentiated us from other developers. This has been based on the idea of creating places with a focus on the quality of life for our residents and not just building homes.

We now have a greater appreciation that the community must be considered at the planning stage. To ensure that this happens we have developed our social sustainability framework. Further to this, placekeeping is about ensuring that residents take ownership of the development in perpetuity. This has led to a commitment to create community plans as a structured approach to help communities to thrive for the long-term, where people are happy and self-reliant.



### OPERATIONS

#### WHY FOCUS ON OPERATIONS?

Running our operations effectively and considerably is fundamental to the long-term success of the business. We need a skilled and reliable supply chain to help us deliver the pipeline of work and good relationships with local stakeholders are essential to maintain our reputation for quality.

#### Our approach has evolved from successful business practice to sustainable business practice.

We believe that in addition to our financial performance, our success and achievements should be measured by the contribution we make to both society and the environment. We are focused on approaching our construction activities with consideration of our workforce, the communities in which we operate and our use of natural resources.

We seek to increase the capacity of the workforce to deliver the volume of new homes required through promoting apprenticeships and training both across our direct workforce and through our supply chain.

We recognise that evolving industry practices is important. Having initially focused on innovation within health and safety, we are broadening our Innovation Fund to additionally look at improving processes and products in the areas of building technology and environmental sustainability.

As part of our commitment to the environment, we seek to be more efficient with the use of natural resources, including materials and water. We have also committed to become the first carbon positive housebuilder.



### OUR PEOPLE

#### WHY FOCUS ON OUR PEOPLE?

Our people are key to the development process, from the identification and purchase of land through to the sale of our homes and ongoing customer service.

We understand the importance of supporting all our employees to allow them to work in a safe environment and to continue to advance their knowledge and skills. Developing and retaining our workforce enables us to deliver our objectives and grow as a business.

#### Our approach has evolved from safe working environments to health and wellbeing.

The number of jobs that Berkeley supports has more than doubled over the last five years. Our talented and varied workforce is our strongest resource. The safety of our people continues to be a top priority. In addition to this we also want to encourage our employees to recognise the importance of their health and wellbeing. We understand that the wellbeing of our staff can influence their productivity and other feelings of satisfaction.

Talent management and training has also evolved within Berkeley, from all staff being provided with health and safety and sustainability training to more tailored training. We will further develop and enhance our talent management programmes to ensure we continue to realise the potential of our people across the business.

Since the Berkeley Foundation was launched in 2011 Berkeley staff have raised £2.7 million. We continue to enable our employees to contribute to the Foundation including through the Give As You Earn scheme where 33% of staff contribute to the Foundation in this way.







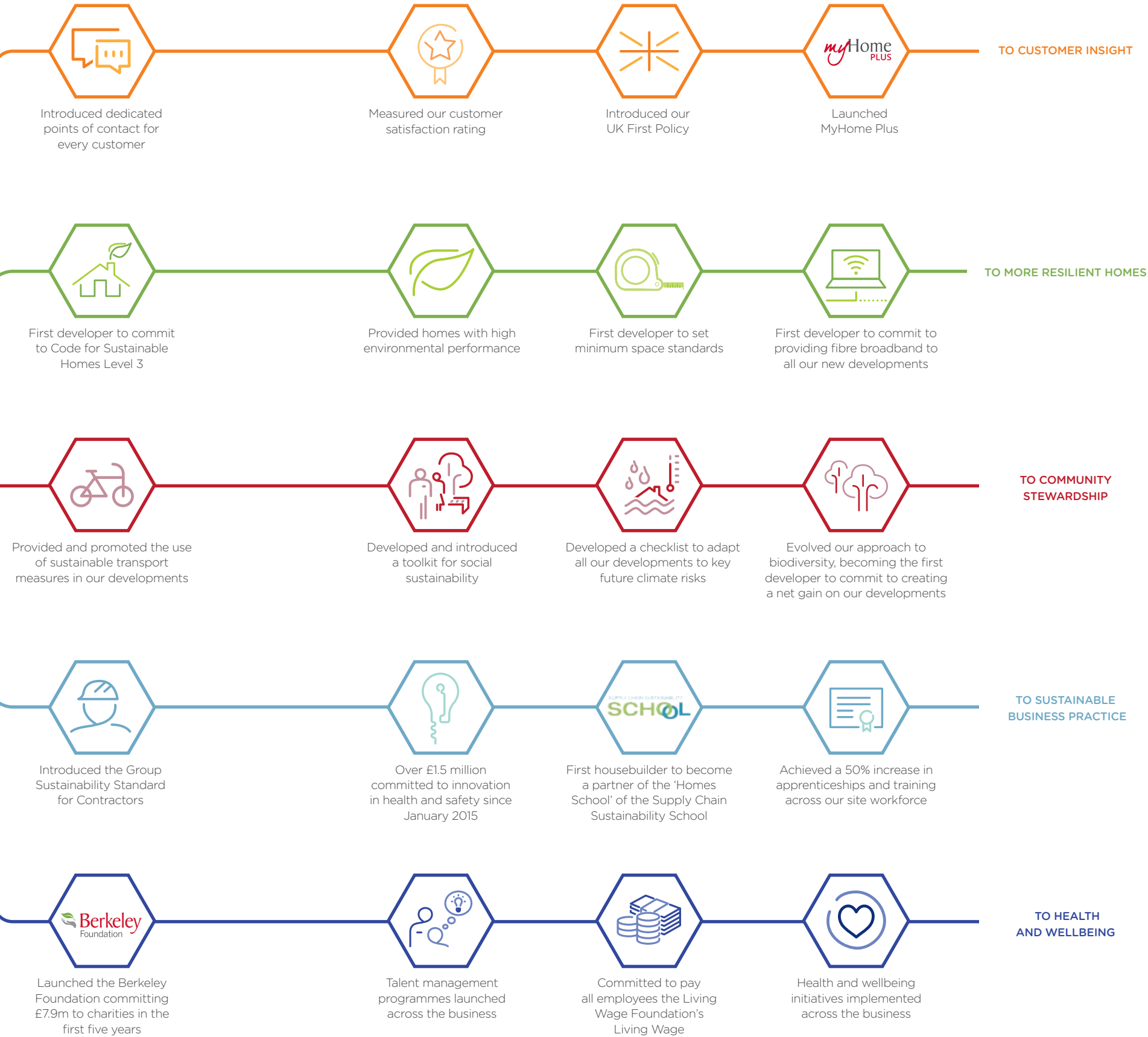
OUR KEY ACHIEVEMENTS

2016

2010

- CUSTOMERS — FROM CUSTOMER EXPERIENCE
- HOMES — FROM LOW ENVIRONMENTAL IMPACT
- PLACES — FROM PLACEMAKING
- OPERATIONS — FROM SUCCESSFUL BUSINESS PRACTICE
- OUR PEOPLE — FROM SAFE WORKING ENVIRONMENTS

Since 2010 we have developed our approach in each of the focus areas. Within the development of each area we have had a number of key achievements which are highlighted on this page.





OUR VISION  
COMMITMENTS

HOW OUR  
COMMITMENTS  
DEVELOP

Through the detailed review of emerging opportunities and challenges on a two-year cycle, Berkeley is able to evaluate and progress our actions under our focus areas to ensure our commitments continue to be relevant, leading and world-class.

The regular review of our strategy enables new priority themes to be incorporated within our headline commitments and ultimately our normal business activity. However, some themes continue to feature prominently within our headline commitments in recognition of an increased understanding of the continual work required to drive incremental performance improvements. Examples of this include climate change actions and upskilling of the industry workforce. In these instances, our commitments evolve to build on the excellent foundations already achieved, challenging ourselves further to be a world-class business.

Where headline commitments do not feature within the subsequent two-year cycle, we embed them into our ongoing processes and activities.

In May 2016 we launched a new set of 10 stretching headline commitments to achieve by April 2018.

2016-2018 HEADLINE COMMITMENTS



CUSTOMERS

Deliver world-class customer service as evidenced by a top quartile Net Promoter Score compared to UK Customer Satisfaction Index results

Run a programme of engagement and research to further enhance our product and processes based on the needs of our customers



HOMES

Design our homes to consider future climate change to ensure continued thermal comfort

Understand the evolution of smart technology and connectivity in homes and on developments

2014-2016 HEADLINE COMMITMENTS

Deliver world-class customer service measured through the Net Promoter Score



Launch an interactive way of communicating with our customers, 'MyHome Plus'



Market all our developments in the UK first



Enable fibre broadband on all our new homes and provide community Wi-Fi



Guarantee space standards for all new homes



Launch a new R&D programme to utilise customer feedback and drive innovation through improved design



PLACES

Implement community plans on our developments to facilitate thriving communities

Develop and apply an approach to ensure that all new developments create a net biodiversity gain



OPERATIONS

Reduce our operational carbon emissions intensity by 10% and introduce a programme to become carbon positive

Ensure at least 1,500 people across our direct and indirect workforce undertake an apprenticeship or vocational training



OUR PEOPLE

Launch and implement a new programme to promote the wellbeing of our staff and create healthy workplaces

Invest in training and development through our talent management programmes to realise the potential of our people across all areas of the business

Measure and increase people's quality of life by applying a framework for social sustainability



Test new forms of estate management and community governance



Adapt all developments to climate change through measures on flooding, overheating and water shortage



Achieve a 50% increase in site-based apprenticeships and training



Launch a £2 million fund for the supply chain to support innovation in health and safety



Map our supply chain risks and develop a sustainable specification and procurement strategy



Pay at least the Living Wage to all direct employees



Reduce energy costs by up to £500,000, investing 50% of the saving in new health and wellbeing initiatives



Encourage and support every member of staff to be involved with the Berkeley Foundation each year



Launch a talent management programme which develops new ideas to enhance the business



OVER TIME OUR COMMITMENTS  
BECOME COMPLETELY EMBEDDED  
INTO OUR ACTIVITIES AND CULTURE.

