

2022 Carbon Neutral Overview

Within Our Vision 2030 our goal is to play an active role in tackling the global climate emergency. We have validated science-based targets (SBTs) for greenhouse gas (GHG) emissions reductions to be achieved by 2030 and are committed to being a net zero business by 2040.

We are proud to have been carbon neutral in our direct operations (scopes 1 and 2) since May 2017. This documents sets out our approach to carbon neutrality for the period 1 May 2021 to 30 April 2022.

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 2030, we have identified Climate Action as one of 10 strategic priorities for the business and have set short-, medium- and long-term goals in this area. Our first priority is to reduce our emissions, but until we complete this transition we will continue to balance our impacts by investing in projects and partnerships that actively remove carbon from the atmosphere. We will maintain carbon neutral direct business operations (scopes 1 and 2) through purchasing verified carbon offsets, as well as investigating opportunities to deliver or support nature based carbon capture and renewable energy initiatives.

Reducing emissions

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. Our science-based targets (SBTs) provide the structure in which we will do this, working towards 2030.

During 2021/22 we have implemented a range of energy efficiency measures, such as increasing the use of biodiesel HVO (Hydrotreated Vegetable Oil) on our sites; in 2022, 38% of construction sites directly procuring fuels utilised biodiesel HVO.

The use of this alternative fuel has reduced scope 1 emissions by 338 tCO₂e compared to an equivalent use of gas oil. Other actions include the introduction of passive infrared (PIR) sensors for communal temporary lighting during construction works at Grand Union; the installation of these sensors reduces energy consumption when corridors are not active. At Hartland Village, solar powered toilet units have been procured for use on site; the units are self-sufficient and provide hot water for handwashing.

Procurement of renewable electricity

The Berkeley Group's scope 2 (market-based) emissions take into account our purchase of Renewable Energy Guarantees of Origin (REGOs) to certify that 100% of UK electricity (26,471 MWh) is from a renewable source (i.e solar, wind or hydro power).

2022 GHG Emissions

The Berkeley Group's scope 1 and 2 GHG emissions in 2022 were as follows:

Scope 1	1,974 tCO ₂ e
Scope 2 (location-based)	5,858 tCO ₂ e
Scope 2 (market-based)	237 tCO ₂ e

These figures are based on our operational boundary and include 100% of emissions from our joint venture activities. For details on the methodology adopted to calculate emissions please refer to the 2022 Greenhouse Gas (GHG) Emissions and Energy Consumption Reporting Criteria document available at: www.berkeleygroup.co.uk/sustainability/reports-and-case-studies.

Procurement of carbon offsets

We are committed to voluntarily supporting verified projects in realising carbon emissions reductions elsewhere to account for our remaining scopes 1 and 2 (market-based) emissions. Note that a 5% contingency is added when purchasing carbon credits in case of any subsequent minor data changes to emissions reported.

This year we have used verified carbon removal projects to offset our emissions, choosing a project that directly removes carbon from the atmosphere rather than one that avoids additional emissions. This project is in alignment with the Science Based Targets initiative (SBTi) criteria for the type of carbon credits required to achieve Net Zero status.

We are investigating opportunities to support schemes in the future to account for our material scope 3 emissions from purchased goods and services (category 1) and use of sold products (category 11).

Emissions offset in 2022

Scope 1	1,974 tCO ₂ e
Scope 2 (market-based)	237 tCO ₂ e
5% contingency	111 tCO ₂ e
Total offset	2,322 tCO ₂ e

Veraguas, Panama (2,322 tCO₂e)



Across Central America, high rates of deforestation pose significant threats to the remaining biodiversity and rural communities. The Veraguas project is transforming formerly degraded pastures into mixed forests by planting a mixture of native tree species and exotic species.

The project ensures sustainable timber production and cocoa cultivation, protects biodiversity and restores a healthy forest ecosystem. Sustainable forest management provides employment opportunities, thus improving the economic and social situation of rural communities.

As well as creating over 150 jobs for local communities, nearly 525,000 tCO₂e has been sequestered and more than 7.5 million trees have been planted so far.

