

Press release

FTSE-100 Landsec announces new environmental sustainability strategy, becoming first UK REIT to set emissions reduction goals in line with keeping global warming to 1.5 degrees.

Landsec

12.11.19

Landsec today announces a new environmental sustainability strategy, which will see the company become the first UK REIT to align its carbon reduction target to a 1.5 degree pathway of global warming.

The externally approved science-based target (SBT) will see Landsec reduce absolute carbon emissions by 70% from a 2014 baseline over the next eleven years. This commitment is one of several steps Landsec is taking to become a net zero carbon business by 2030.

Alongside committing to a new SBT, Landsec will also:

- Introduce the calculation of a shadow price of carbon for all investment decisions. Landsec's Investment Committee will therefore be able to see the carbon cost, as well as the financial cost of commercial decisions, enabling the business to drive investment decisions towards lower carbon outcomes.
- Continue to reduce the carbon emissions associated with construction activities, with all future developments being net zero schemes. This means careful analysis and selection of every raw material. The business will aim to avoid materials with a high carbon intensity, such as traditional steel and concrete, instead using materials with a high recycled content or with an inherently low carbon profile, such as engineered timber.
- Reduce the amount of energy used to run buildings across the Landsec portfolio and install renewable power sources, such as solar PV, where possible. Landsec's energy intensity target aims to achieve a 40% reduction by 2030.

Landsec has already begun to implement these commitments across its existing portfolio and development pipeline. 105 Sumner Street, SE1, will be Landsec's first net zero building. The scheme will be designed to allow for optimum energy efficiency and will be powered by renewable energy. At Landsec's Lavington Street development, the scheme will be constructed using a steel and timber hybrid structure, saving 6,000 tonnes of carbon compared to traditional design.

In 2017, Landsec became the first property company in the world to have a greenhouse gas reduction target approved by the SBT initiative. By the start of 2019 Landsec's existing sustainability strategy meant the company had already reduced its carbon intensity by 39.8% from a 2014 baseline, nearly hitting its original SBT. Since the original target was set, climate science has evolved to show that a 1.5 degree pathway is now required to avoid worsening the climate emergency.



Caroline Hill, Director of Corporate Affairs and Sustainability at Landsec, commented: “Landsec’s net zero target may be set at 2030, but we’re making tangible changes to the way we do business now. We’re progressing our first net zero building at 105 Sumner Street, we have solar PV installed on nine of our assets and we have set a new and stretching science-based target. It’s imperative that businesses set ambitious sustainability strategies which are in line with up-to-date climate science”.

Alberto Carrillo Pineda, Director, Science Based Targets and Renewable Energy at CDP, one of the Science Based Targets initiative partners, said: “Companies that pursue a science-based approach to setting emissions targets not only show outstanding leadership but also experience benefits including increased innovation, reduced regulatory uncertainty, strengthened investor confidence and improved profitability and competitiveness. By setting ambitious targets in line with keeping warming to 1.5C, Landsec is not only helping to mitigate climate related risk but is also positioning itself to future proof growth as the world transitions to a low carbon economy.”

Hugh Jones, Managing Director of The Carbon Trust, which aims to accelerate the move to a sustainable, low carbon economy, commented: “Today’s announcement demonstrates Landsec’s commitment to be at the forefront of business climate action. The company has responded quickly to ensure it is positioned to meet the increased level of ambition made possible since the SBT initiative updated its requirements, based on the IPCC 1.5 degree special report. Landsec is taking a comprehensive approach combining carbon reduction targets with ambitious plans for energy efficiency and renewable energy.”

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About Landsec

At Landsec, we believe great places are for people to experience and are made with the experience of great people.

As one of the largest real estate companies in Europe, our £13.8 billion portfolio spans 24 million sq ft of well-connected, experience-led retail, leisure, workspace and residential hubs, with a growing focus on London. From the iconic Piccadilly Lights in the West End and the regeneration of London’s Victoria, to the creation of retail destinations at Westgate Oxford and Trinity Leeds, we own and manage some of the most successful and memorable real estate in the UK.

We aim to lead our industry in critical long-term issues – from diversity and community employment, to carbon reduction and climate resilience. We deliver value for our shareholders, great experiences for our customers and positive change for our communities. At Landsec, everything is experience.

Find out more at [landsec.com](https://www.landsec.com)