



Landsec

Press release

Title **Landsec to invest £135m to decarbonise its portfolio by 2030**

From Landsec

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Landsec to invest £135m to significantly decarbonise its portfolio by 2030

Landsec has today announced the creation of a new £135m net zero transition investment plan to help the Group achieve its 2030 science-based targets and drive its transition to net zero.

The move comes two years ahead of the Government's recently announced deadline for corporates to publish their pathway to net zero*. The fund will be used to finance a series of initiatives over the coming nine years to reduce Landsec's carbon footprint and drive innovation and best practice across the wider industry.

Since becoming the first real estate company in the world to have its carbon emission target approved by the Science Based Targets Initiative in 2016, Landsec has continued to identify and implement a range of technologies and innovations to enable it to support a transition to a low carbon world. This ambition was further increased in 2019 when the Group aligned its science-based targets with the 1.5 degrees global warming scenario – targeting a 70% reduction in carbon emissions by 2030 compared with a 2013/14 baseline.

The £135m investment programme will be used across Landsec's entire portfolio. It is expected that overall the programme will see 24,000 tonnes of carbon emissions removed from Landsec's operations – equivalent to over 35,000 return flights from London to New York.

The nine-year investment programme will support Landsec's decarbonisation plans by:

- Reducing operational energy use through:
 - Optimising building management systems, using innovative Artificial Intelligence technologies
 - Engaging our customers on energy efficiency to drive down consumption
- Moving to cleaner sources of energy through:
 - Replacing gas-fired boilers with electric systems such as Air Source Heat Pumps (ASHP).
 - Investing in renewable energy including adding onsite renewable capacity through more solar PV panels



Mark Allan, Landsec CEO said: *“Our net zero transition investment plan is a significant commitment to ensure that Landsec delivers against its science-based target to reduce carbon emissions by 70% by 2030.*

We’re investing across our entire estate because we want to remain at the forefront of everything the property sector is doing to respond to the climate crisis. Through these actions, we’ll be supporting the current and future needs of our customers, communities and stakeholders as we help them transition to a low carbon world.

Never has it been more important to prioritise carbon reduction programmes. The future of the planet depends on businesses like ours driving forward change – as quickly as we can.”

The built environment is estimated to represent c.40% of total carbon emissions globally. Experts agree that reducing this to achieve the planet’s goal of limiting warming to 1.5 degrees by 2050 will require significant innovation, collaboration and financing. Actions are required to reduce emissions embodied in buildings through construction and materials as well as in eliminating the carbon emissions associated with energy and other operational requirements.

Alongside this investment, Landsec remain committed to designing and building net zero buildings with The Forge, its first net zero building, on track to complete in October 2022 having achieved to date a 25% reduction in embodied carbon from the initial design stage.

This investment equates to approximately 1% of portfolio value and will enable the Group to stay ahead of the future non-domestic Minimum Energy Efficiency Standards (MEES) which require an EPC ‘B’ certification by 2030 as well as other regulatory requirements. With increasingly clear evidence of stronger sustainability credentials underpinning stronger operational performance, it is not only essential from an environmental perspective but an economic one too.

END



Notes to Editors

* Earlier this month, the Chancellor, Rishi Sunak, set out that by 2023 all UK listed businesses will be required to provide detailed public plans for how they will support a transition to a low-carbon future, in line with the UK Government's 2050 net-zero target.

In 2020, Landsec published its [Net Zero Carbon Pathway](#) which set out plans to:

1. Reduce operational energy use in support of our updated science-based carbon reduction target, aligned with a 1.5°C scenario
2. Invest in renewable energy through REGO-backed contracts and Power Purchase Agreements and implement on-site renewables across our assets
3. Use an internal shadow price of carbon to clearly communicate climate-related risks and opportunities in investment decisions
4. Reduce construction impacts through asset retention, efficient design and responsible sourcing of low-carbon materials
5. Offset remaining emissions through carefully selected projects which actively take carbon out of the atmosphere

The net zero transition implementation plan announced today will provide the funding to deliver this strategy and support Landsec to reach its target to reduce its carbon emissions by 70% by 2030 from a 2013/14 baseline.

About Landsec

At Landsec, we build and invest in buildings, spaces and partnerships to create sustainable places, connect communities and realise potential. We are one of the largest real estate companies in Europe, with a £11 billion portfolio of retail, leisure, workspace and residential hubs. Landsec is shaping a better future by leading our industry on environmental and social sustainability while delivering value for our shareholders, great experiences for our guests and positive change for our communities.

Find out more at landsec.com

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