

## **Lendlease slashes emissions in the first year of Mission Zero**

Lendlease announced that it had completed the switch to 100% renewable electricity supply across all of its projects, assets and offices in Europe today (Thursday). The move is part of a wide range of carbon reduction initiatives in the region, including the elimination of fossil fuels on its UK construction sites by the end of the year. The international property and investments group has set itself stretching carbon targets, including a commitment to becoming a 1.5°C aligned company and achieving Absolute Zero Carbon, with no excuses and no offsets, by 2040.

The announcement was made as the business shared its first progress report against its Roadmap to Absolute Zero Carbon, which was released just under a year ago, and sets out how the business will achieve its targets in Europe.

Sustainability has always been at the heart of Lendlease's approach to its business around the world. And as the company operates an end-to-end business model, which encompasses Development, Construction and Investments, the company's carbon commitments span the entire property lifecycle. Today's progress report detailed how the company has embarked on its Mission Zero journey, and is making promising progress towards eliminating its direct and indirect emissions.

Key markers highlighted in the report, which the company has delivered over the past year in Europe include:

- Switching to renewable electricity across all Lendlease's projects, assets and offices in Europe.
- A switch to low carbon liquid fossil fuels on over 60 per cent of UK construction projects, with a policy in place to support the transition to using entirely fossil fuel-free alternatives by the end of 2021.

- Cutting embodied carbon through the use of cross-laminated timber, low carbon steel and increased recycled content in other materials.
- The development of a green lease to bring new commercial tenants on the journey to Absolute Zero Carbon.
- Empowerment of Lendlease employees to act on climate change through bespoke training workshops.

Paul King, the Managing Director for Sustainability and Social Impact at Lendlease Europe, said: “At Lendlease we’ve set ourselves some of the most challenging emissions reduction targets in the built environment industry, and this progress report is part of our commitment to being as transparent as possible about what we’re doing. We’ve tackled our Scope One and Two emissions head on this year, by switching to using 100 per cent renewable electricity and phasing out the use of fossil fuels on our construction sites. This is testament to Lendlease’s commitment to minimising emissions first, before using offsets to reach Net Zero by 2025. We’ve also made some good progress in reducing our embodied carbon impact, by working with our supply chain and industry partners, which we know is going to be vital going forward if we’re to achieve Absolute Zero Carbon by 2040.

Within the report the company gave updates on several major elements of its Mission Zero roadmap, and highlighted areas that it will focus more on in the future.

Progress updates included:

- **The elimination of fossil fuels and switch from diesel to low carbon alternatives:** Alternative fuels now exist on the market that are less polluting than conventional diesel, and they don’t require full-scale changes to existing machinery. Lendlease implemented an Alternative Fuels Policy in July 2021 that will help eliminate liquid fossil fuels from our UK Construction sites by ensuring all new projects use sustainably sourced alternatives like hydrotreated vegetable oil (HVO) instead of conventional diesel and petrol from the start. The aim is to eliminate all red diesel from existing projects by the end of 2021. The adoption of HVO is driving down emissions across a wide range of activities, including concrete pumping up 53 floors at 8

Bishopsgate, London; piling and earthwork at Elephant Park in London; and on excavation work for the Our Town Hall project in Manchester.

- **Responsible power:** Throughout 2021 Lendlease switched 100 per cent of its electricity to renewables across the UK and Italy – for tenancies, assets, development and construction sites. All Lendlease Europe electricity is now procured from 100 per cent renewable sources with guarantees of origin. After confirming this achievement, the company then subsequently established an approach that ensures all new electricity connections in the UK are procured from ‘clean’ renewable sources, with guarantees of origin. Unlike regular renewable energy, which can derive from combustible renewable sources such as energy from waste, ‘clean’ renewables are only produced from wind, solar, or tidal energy. As a result, over 70 per cent of Lendlease’s electricity meters in the UK are now connected to ‘clean’ renewable tariffs.
- **Decarbonising the materials and services we buy:** Lendlease’s biggest source of carbon emissions comes from the materials that go into its buildings. They can account for just over 90 per cent of its total carbon footprint because extracting, processing and transporting traditional building materials such as steel and concrete is extremely energy intensive. In the progress report Lendlease highlighted how timber, one of the world’s oldest building materials, is a great way to reduce the embodied carbon of a building by substituting it for steel or concrete.

Substituting a tonne of steel or concrete with a tonne of timber can save at least 1.5 tonnes of carbon. To accelerate the use of sustainable timber, Lendlease has entered into a global partnership with one of the world’s leading suppliers of sustainable timber, Stora Enso. The new partnership will focus on three key areas: R&D into sustainable timber products including cross laminated timber (CLT); new ways these products can be used in construction; and their accessibility in the global market.

- **Partnering with tenants to eliminate emissions:** Throughout 2021 Lendlease carried out a strategic review of its approach to green leasing and

produced an updated standard commercial lease that will be used for all their new office lettings. They also introduced a new standard that requires all new customers begin on a default 100 per cent renewable electricity tariff when buying or leasing a Lendlease home.

Sarah Ratcliffe, CEO, Better Buildings Partnership said: “It’s fantastic to see Lendlease outline their progress towards ‘Mission Zero’. Time is short and every year counts. This report provides an insight into the many practical steps that Lendlease is taking across its business to reduce emissions, but importantly, it also identifies where future focus is required to tackle industry wide challenges such as Whole Life Carbon and Scope 3 emissions.”

Julie Hirigoyen, Chief Executive Officer, UK Green Building Council, said: “This Progress Report on Lendlease Europe’s Mission Zero commitment makes for encouraging reading ahead of the COP26 conference in November. The focus on practical action and delivery is precisely what’s needed amid the noise of corporate targets and ambitions. And it’s great to see it already delivering real and demonstrable emissions reductions across Scopes one, two and three - from hard-edged carbon-cutting actions on construction sites, through to strategic investment initiatives to finance the transition.

“As UKGBC’s work on a Whole Life Carbon Roadmap for the UK Built Environment has shown, we urgently need a more concerted effort on both embodied carbon and much tighter operational energy performance of built assets. Lendlease’s Progress Report states clearly what the firm is doing on both these challenging aspects, and of course its commitment to Absolute Zero, with no offsets, by 2040 is both ambitious and brave.”

The full report can be viewed here: [Lendlease Europe Progress Towards Mission Zero](#)

A video summarising the company’s Mission Zero progress across Europe can be viewed here: <https://youtu.be/M3ZcP0mLS0>

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