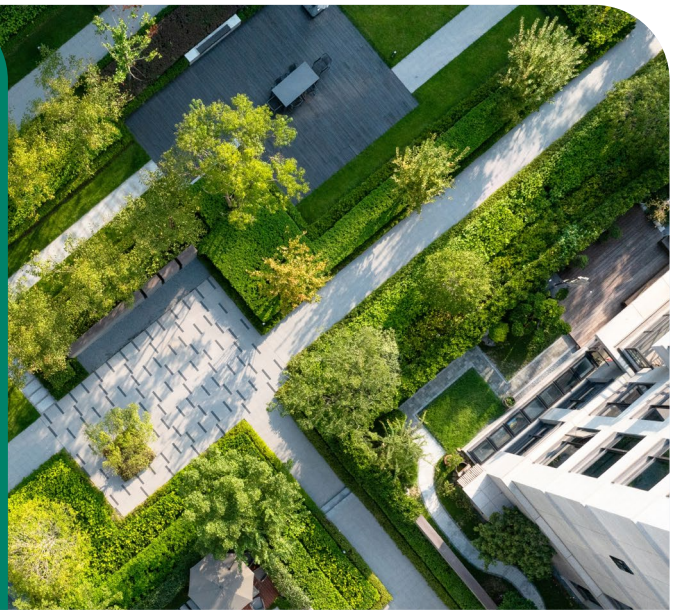
"Partnering, informing, shaping and challenging":

BARRATT REDROW: THE UK'S LARGEST HOUSEBUILDER



8 minute read

Barratt Redrow plc is the UK's largest homebuilder. Created from the merger of Barratt Developments and Redrow in 2024, the company has stated its commitment to making sustainable living a reality and building strong communities. A constituent of the FTSE 100 Index, Barratt Redrow operates under four familiar brands: Barratt Homes; Barratt London; David Wilson Homes; and Redrow.

Barratt Redrow has been on its climate and sustainability journey for many years and has invested heavily to build maturity in its strategy. Both Barratt Developments and Redrow had science-based **targets** validated in 2024, targeting net zero by 2040 and 2045, respectively. The combined business has also developed a **transition plan**, which emphasises levers such as reducing embodied carbon, reducing emissions from completed homes, and expanding the use of renewables. The plan has been embedded into financial decision-making, business planning, incentive structures and resourcing.

This case study was informed by a semi-structured research interview with **Geeta Nanda**, NED of Barratt Redrow plc, and **Bukky Bird**, Chief Sustainability Officer (CSO), Barratt Redrow plc. Chapter Zero thanks both Geeta and Bukky for sharing their insights.

> *"Policy can set the direction, but boards must ensure the journey happens. It will require leadership and collaborative action to deliver the homes we all need."*
>
> **Geeta Nanda, NED, Barratt Redrow Plc**

KEY TAKEAWAYS FOR BOARDS

1. Focus strategic interventions on the most important issues for the business and the customer
2. Champion an "inform, partner and shape" approach to policy engagement
3. Ensure robust governance and clear lines of accountability
4. Understand the problem to help shape the solution
5. Be patient and persistent

Homes shape lives and communities. They impact not only the land on which they are built, but also the surrounding environment for generations to come, playing an integral part in constructing a climate-resilient future.

The UK government has set a target of building **1.5 million new homes by 2029** with an emphasis in its **National Planning Policy Framework** on **sustainable development to support economic, social and environmental objectives**.

Against this backdrop, Barratt Redrow recognises that its core assets and activities are directly connected to land use, the natural environment and the communities in which it builds. So, addressing climate- and sustainability-related impacts, dependencies, risks and opportunities supports long-term resilience and business value. Simply put, sustainability is central to the business, not a peripheral consideration.

As the UK's largest homebuilder, the company plays a leadership role, demonstrating what is possible, and using its influence and expertise to help move the market. Policy engagement is central to this proactive approach. Robust board oversight and insight help shape priorities, enabling the company to drive systemic change with the aim of growing value for shareholders and delivering better outcomes for customers.

Key policy engagement examples

Green mortgages

"I remember when we first set out to really develop and drive green mortgages, our head of mortgage lending, Adrian MacDiarmid used to say that his dream was for every mortgage conversation, every consumer is offered a green mortgage, which in turn would drive the demand for green homes. And we laughed. But actually, that is pretty much happening now."

Bukky Bird, CSO, Barratt Redrow Plc

Barratt Redrow's engagement on green mortgages stemmed from the observation that affordability, access to finance and lack of clarity on the value proposition were barriers to customer demand for green homes. After examining a number of possible solutions, Barratt Redrow concluded that green mortgage products could help connect customer affordability, lender opportunity, and the government's decarbonisation agenda. The company used sector organisations, existing partnerships, wide-reaching consultation, and government-facing channels to analyse alternative green mortgage interventions. As a new topic, it was important to bring stakeholders along on the journey in a measured way, beginning with awareness-building and education. As a shared understanding emerged, the company was able to raise its ambition.

Future homes

Barratt Redrow has concluded that achieving net zero for the UK will be impossible unless all new homes are "zero carbon". The company has therefore worked proactively with the industry and wider system to secure the technical standards, policy environment and other systemic changes needed to support that shift. As part of this, Barratt Redrow's former CEO, David Thomas, took a leadership role in the **Future Homes Hub**, an independent business-government partnership established to facilitate collaboration on the future homes agenda. Barratt Redrow helped to assess different regulatory proposals and worked with 30 to 40 partners on a future home pilot to showcase what a zero carbon home would look like in practice. This system-level engagement was successful in securing a **Future Homes Delivery Plan**, a **Future Homes Standard**, and a **Homes for Nature** plan. Together, these initiatives provide a roadmap for future action that can create a system-wide shift that allows Barratt Redrow to reach its own goals, create a level playing field across the value chain, and differentiate itself in the future sustainable housebuilding sector.

"The policy requirements for future homes should be viewed as more than a compliance requirement. We have a once-in-a-generation opportunity to shape the quality, affordability and resilience of the homes we build, and Boards have a critical role to play here. Policy can set the direction, but Boards must ensure the journey happens. It will require leadership and collaborative action to deliver the homes we all need."

Geeta Nanda, NED, Barratt Redrow Plc



Barratt Redrow's lessons in climate policy engagement:

5 KEY TAKEAWAYS FOR NEDS AND BOARDS

1 Focus strategic interventions on the most important issues for the business and the customer

Every company's transition plan is constrained by external factors that sit outside of its direct control. As a large homebuilder, many of the most important obstacles to Barratt Redrow's decarbonisation, resilience and sustainable growth are systemic.

> *"I think the most interesting thing about a transition plan is that it's impossible to solve by yourself. It's usually a systemic thing you're trying to tackle. So, in our annual report, for a few years now, we've been very careful to talk about the barriers almost more than we talk about the plan – whether it's effective regulation, targets, consumers, the grid, there are many issues."*
>
> **Bukky Bird, CSO, Barratt Redrow Plc**

Key dependencies that the company has identified are:

- **effective regulation;**
- **a long-term roadmap for the sector;**
- **a decarbonised electricity grid;**
- **green skills;**
- **supply chain decarbonisation;**
- **consumer demand for energy-efficient homes;**
- **green finance;**
- **and supportive infrastructure.**

Barratt Redrow is transparent about these challenges in its communications and is purposeful in raising awareness and mobilising support to address them.

While Barratt Redrow cannot *control* systemic outcomes, the company does have agency to influence them. Policy engagement is seen as a key lever. The company recognises that working collaboratively with government and local authorities – as well as others across the system, such as industry peers, mortgage lenders, suppliers, infrastructure providers and communities – can help to create the economic conditions for progress across the sector. A supportive environment can unlock competition and value creation through product design, innovation, customer proposition and high-quality execution.

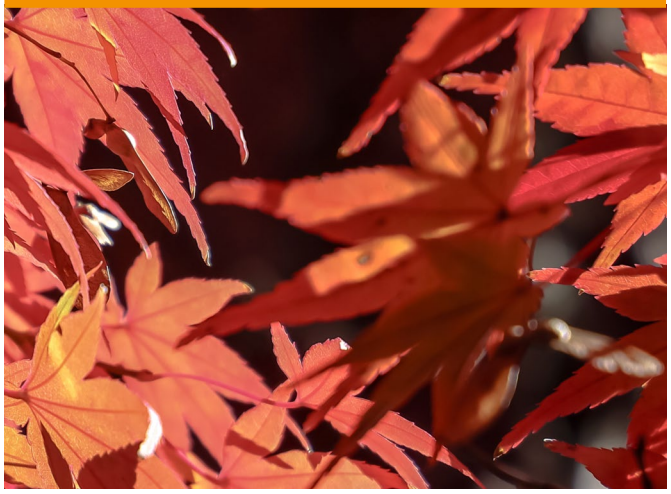
Board members play an important role in shaping systemic engagement priorities. By bringing their broader experience and long-term thinking, board members help to connect engagement priorities with other key business drivers. A board members' role is not to replace the executive's expertise, but to challenge whether the organisation is seeing the whole picture, whether priorities remain current, and whether these are properly linked to business strategy and customer outcomes.

> *"You're continuously looking at the priorities and challenging yourself to pursue the most important things for the business and for the customer."*
>
> **Geeta Nanda, NED, Barratt Redrow Plc**

2 Champion an "inform, partner and shape" approach to policy engagement

"We try to link the different agendas, highlighting the importance of the industry across all these different objectives and priorities. You can't put all these things in boxes, can you? You've got to see it across the whole piece. Obviously, the executive do that, but it's good because NEDs are involved in lots of different organisations and can see it from different perspectives."

Geeta Nanda, NED, Barratt Redrow Plc



Barratt Redrow takes an evidence-led and collaborative approach to policy engagement. The company is careful to distinguish its approach to policy engagement from the more-conventional notion of "lobbying". Its emphasis is instead on "partnering, informing, shaping and challenging". By leveraging its practical experience, data and sector position, the company works to help government and other stakeholders understand the barriers to transition and identify workable, value-enhancing solutions.

To build buy-in for action to address a barrier, both internally and externally, Barratt Redrow invests in developing a strong, evidence-based value proposition – e.g., quantifying the scale of risk avoided or the value created, or quantifying opportunities for customers, government or other stakeholders. A call to action is more persuasive when combined with a clear explanation of risk, opportunity, cost or benefit, along with tangible evidence. Quantification can also help with prioritisation and establish accountability for delivery.

Buy-in can also be strengthened by demonstrating how the action under consideration links with other internal or external objectives and priorities. This is where the perspective of a portfolio NED is especially valuable. For instance, infrastructure risks linked to electrification, grid capacity and water resources are increasingly relevant to land-buying decisions and to the feasibility of policies on housing growth in specific geographies. Policy engagement can help to raise awareness of such risks through concrete examples.

3 Ensure robust governance and clear lines of accountability

Board leadership and active oversight of sustainability-related drivers of value are critical. At Barratt Redrow, systemic collaboration falls within the board's strong sustainability mandate.

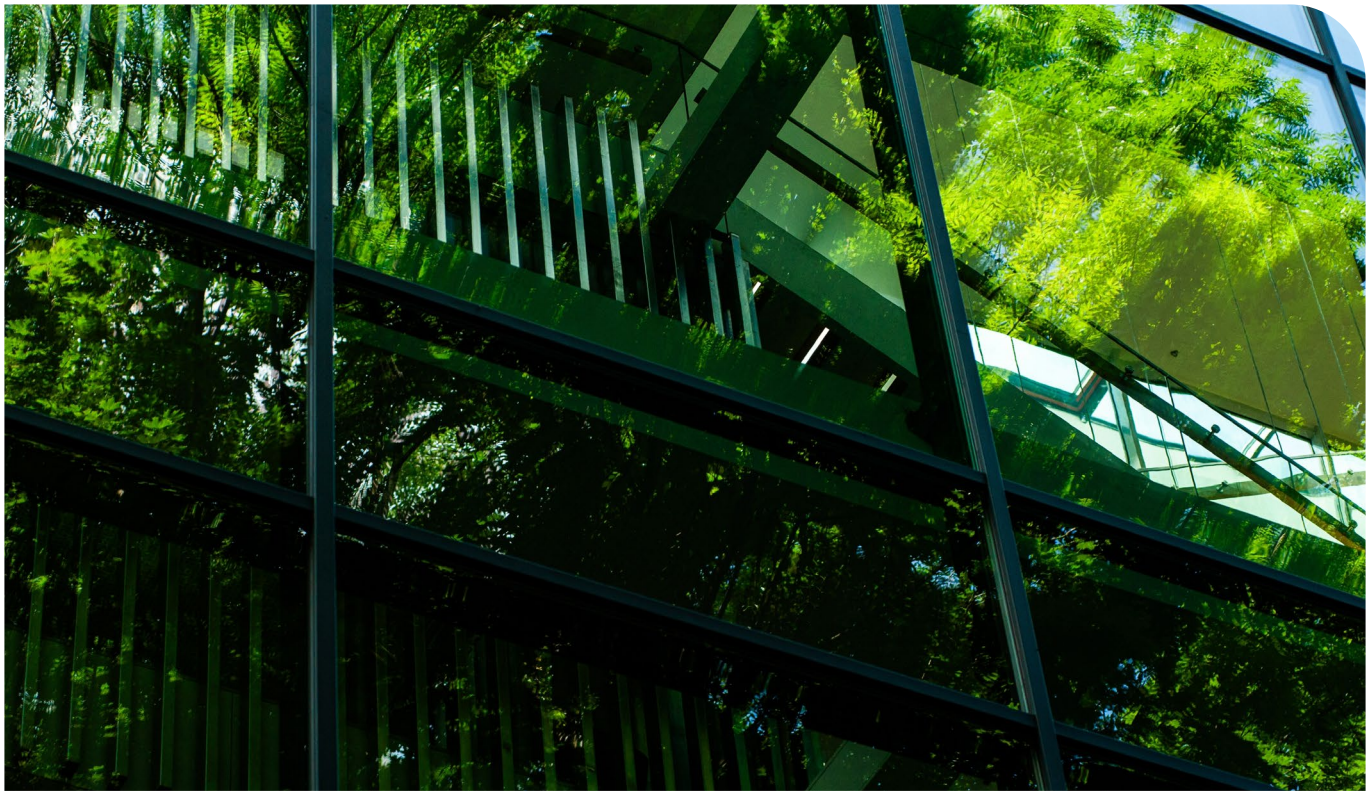
The company has a dedicated board sub-committee on sustainability, chaired by Geeta Nanda. Clear terms of reference ensure appropriate scrutiny, challenge and clear accountability. The committee's role is not passive endorsement. It is expected to review, challenge and interrogate progress.

The executive engages the Sustainability Committee regularly on the sustainability strategy – including on the approach to addressing policy dependencies and other systemic challenges. The Committee also oversees the associated sustainability framework, which establishes operational targets and priorities. Matters are escalated to the full board as required, and core policies are reviewed by the Committee before board approval.

There is also interaction with other board sub-committees – e.g., the Remuneration Committee in respect of sustainability targets in reward structures; and the Audit Committee in respect of sustainability-related data and reporting. Cross-membership between committees is helpful, reducing duplication and ensuring that the full board can rely on properly reviewed material.

"Having very clear terms of reference is important. And it's very, very helpful that the chair of the Audit Committee sits on the Sustainability Committee and that I sit on the Audit Committee. We make sure we're not just reproducing and talking about the same thing in different places. And the board knows that the Sustainability Committee and the Audit Committee have a good look at things. It can be dealt with because it's been through the Committee and it's had a very, very good review."

Geeta Nanda, NED, Barratt Redrow Plc



4 Understand the problem to help shape the solution

The nature of, and channels for, engagement depend on the specific issues being addressed. A flexible approach is essential. Some issues require direct engagement with government departments. Others are better pursued through industry bodies, government-industry partnerships, or other strategic partners (e.g., mortgage lenders, infrastructure providers, suppliers).

A policy engagement programme can also involve multiple steps and a wide range of activities. For instance: developing evidence; raising awareness; building consensus; co-creating solutions; piloting and showcasing new approaches; and securing commitments.

As an example, Barratt Redrow's initiative to partner with others to build a pilot zero-carbon home helped turn an abstract concept into something practical and visible. Showing stakeholders that a zero-carbon home is still recognisably a home, reduced anxiety, encouraged engagement and helped make the future tangible.

As NEDs and board members, it's critical to understand what problems the industry is facing to then ensure that policy engagement is being focused not just where it matters most, but crucially in the most effective way.

5 Be patient and persistent

Policy engagement may not bear fruit immediately. Initially, success may simply be moving an issue forward, improving understanding, or creating a shared point of view. Sometimes the timing may not be right. However, Barratt Redrow has learned that it is important to do the groundwork, build the evidence base, be patient and be ready to act when other conditions fall into place.

Linking engagement objectives to wider policy or industry priorities – e.g., skills, technical education, technology, AI, housing growth and industrial capacity – can help to move issues up the agenda. Again, NEDs' breadth of experience and broad perspective can help the executive identify the right moment to act.

> *"One of the things to remember is that sometimes when you start something, nobody's very interested in it, but they come around because things change. I always say it's never lost till it's lost."*
>
> **Geeta Nanda, NED, Barratt Redrow Plc**