

3 September 2021

# Vistry Group

## Vistry Group PLC commits to ambitious carbon reduction targets

- The Group is excited to announce its commitment to ambitious carbon emission targets consistent with reductions required to keep warming to 1.5°C
- Vistry's first net zero regulated carbon emission homes about to be handed over
- We are working with the University of Exeter to develop future climate scenarios to respond to the requirements of the Taskforce for Climate Related Financial Disclosure
- Meaningful and measurable sustainability criteria will be incorporated into executive remuneration from 2022
- Vistry is making good progress across all areas of the Group's sustainability strategy

Vistry Group's purpose is to deliver sustainable homes and communities across all sectors of the UK housing market. Key to this purpose is a successful and ambitious sustainability strategy, which we launched earlier this year and is focussed on the three priority areas of (i) Operations; (ii) Homes & Communities; and (iii) People.

To ensure the successful implementation of the strategy we have made two new senior appointments this year, being a Group Sustainability Manager, leading our strategy implementation, and Group Design and Sustainability Manager, focusing on the technical improvement of our home designs. Both new appointments bring significant relevant specialist experience with them and have operated in either housebuilding or the wider construction sector previously.

Underpinning our commitment to our sustainability strategy, we will incorporate meaningful and measurable sustainability metrics into executive remuneration from 2022.

### **Operations: carbon reduction targets**

Climate change is a key issue within the priority area of "Operations" and today we are committing to carbon emission targets consistent with reductions required to keep warming to 1.5°C.

We are in the process of calculating and formalising our precise targets through approval by Science Based Targets Initiative (SBTI). Vistry Group will adopt 2021 as its baseline being the first full operating year (setting aside the abnormal conditions in 2020) since the Group took its current form following the combination with Linden Homes and Galliford Try Partnerships in January 2020. The details of these targets will be confirmed during 2022.<sup>1</sup>

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<sup>1</sup> Our current calculations set these targets at a 42% reduction in operational carbon emissions by 2030 against a 2020 baseline (scope 1 and 2) and a 56% reduction in value chain emissions by 2030 against a 2020 baseline (Scope 3).

### **Homes & Communities: a roadmap to net zero carbon homes**

Building standards is a key issue within the “Homes & Communities” section of our strategy and preparing for implementing the Future Homes Standard is an important target on the roadmap to deliver net zero carbon homes. This year we hand over the first of 54 homes achieving net zero regulated carbon emissions at Europa Way Triangle in Leamington Spa. The homes have improved insulation, air source heat pumps, solar PV panels and ventilation with heat recovery technology. A reduction in embodied carbon was achieved by substituting traditional masonry with timber frame construction.

Learning from this development has helped us shape our roadmap to delivering net zero carbon homes. The roadmap has been developed using the UK Green Building Council (UKGBC) definition for net zero carbon, and the target dates are as follows:

- 1. Zero Carbon ‘Ready’ by 2025:** This will be the Future Homes Standard of 75-80% reduction in carbon emission (from 2013 Part L baseline)
- 2. Net Zero Carbon Homes (in-use) by 2030:** The designed carbon emission rate is ‘zero’ for regulated energy with grid decarbonisation for unregulated energy
- 3. Net Zero Carbon Homes (Construction) from 2040:** Carbon emissions associated with building homes are zero, including the emissions from the building’s products and construction operations

### **Homes & Communities: assessing climate risk with support from the University of Exeter**

The Group is also conducting a full risk and opportunities assessment in line with the requirements of the Taskforce for Climate Related Financial Disclosure (TCFD). Vistry is working with the University of Exeter, world leaders in climate modelling, to develop two climate change scenarios on which to base this assessment.

### **Homes and Communities: using our Social Value Toolkit and enhancing biodiversity**

We continue to use the “Vistry Social Value Toolkit” to develop placemaking strategies on our regeneration sites. Environmental Wellbeing is a key part of the toolkit and we have created a biodiversity working group focussed on developing an action plan to ensure we can deliver biodiversity net gain across our developments.

### **People: tackling mental health and launching a Diversity and Inclusion Committee**

We have an active charity partnership with Mind and this year we have trained an additional 30 mental health first aiders, taking the total up to 115 across the Group. We have launched a Diversity and Inclusion (“D&I”) Committee to lead the development and delivery of the agenda and to monitor key areas of performance. A working group has also been established and has led several initiatives during the year. A key step for the Group has been the introduction of the D&I module into our Peakon staff survey, which is providing invaluable insights into the make-up of our team, and the experience of working at Vistry from diverse perspectives.

**People: over 600 learners have passed through our onsite skills academies**

Our focus on jobs and training extends beyond improving learning and development for our people and aims to support both young people not in employment, education or training and the long term unemployed into employment in the construction sector through our on-site skills academies. We have created 8 academies to date with a further 9 planned for 2022 and over 600 learners have completed and gained full work-ready qualifications.

Vistry Group will be holding a Capital Markets Day event on 9 November 2021, at which progress with our sustainability strategy will be covered in more detail.

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