

Sustainability report

Our sustainability strategy underpins the fulfilment of our purpose and is focused on the issues that are most important to our stakeholders and our business.

Our approach

Our sustainability strategy is split into three priority areas: our people, our homes and communities and our operations.

Our purpose: To deliver sustainable new homes and communities across all sectors of the UK housing market.

Our people

- Delivering safe and efficient operations.
- Putting people at the heart of what we do.

▶ See pages 35 to 38.

Homes and communities

- Putting our customers first.
- Creating quality homes and communities.
- Ecology and biodiversity.

▶ See pages 39 to 42.

Our operations

- Operating responsibly.
- Environmental management.
- Waste and resources.
- Climate change.

▶ See pages 43 to 48.

Social and Governance



Social and Environmental



Environmental and Governance



To ensure our approach remains focused and impact-driven, we regularly review progress and monitor our performance against our targets. Our sustainability targets and performance against them during 2022 are set out in the table on page 34.

Our sustainability strategy was developed in 2020 using a risk-based materiality assessment that considered inputs from key stakeholder groups. The assessment identified the priority areas detailed above, as the issues that are most important to both our stakeholders and our business. The assessment was undertaken by a team drawn from across the Group, ensuring that our areas of focus are relevant to our business, inspiring to our teams and owned by our operating businesses.

Information about our most recent materiality assessment (which was undertaken in 2021) is contained within our 2021 Annual Report and is available at www.vistrygroup.co.uk/investor-centre/results-reports-presentations.

Following the completion of our combination with Countryside, in the coming year we will undertake a review of our sustainability strategy to ensure that it continues to be relevant to the business and stakeholders of our enlarged Group.

As part of this review, we will look to incorporate a number of Countryside's best practice sustainability processes into our existing procedures. For example, reviewing the current waste collection procedures across the business to ensure a best practice approach across the enlarged Group. In 2023 we will conduct a full review of our materiality assessment, update our sustainability strategy as required and set new targets.

Information in this section

Unless stated otherwise, the data in this Sustainability report includes relevant Countryside data for the period 11 November 2022 to 31 December 2022.

Independent assurance

The Group engaged two assurance providers in 2022. In 2023 the data will be assured with one provider.

The Group engaged DNV Business Assurance Services UK Limited (DNV) to undertake independent limited assurance of Vistry's 2021 and 2022 sustainability data detailed in the table below. Countryside data was not included in the DNV 2022 assurance process.

The data assurance was completed in line with the International Standard on Assurance Engagements 3000. DNV's full Assurance Statement and supplemental information is available at www.vistrygroup.co.uk/sites/vistrygroup/files/Vistry/reports-and-presentation/2023/dnv-independent-assurance-statement-2022.pdf.

Going forward the Group intends to expand its assurance scope by including use of sold product (i.e. the gas and electricity used in the homes we build during occupation) and waste tonnage.

The Group engaged RPS, A Tetra Tech Company, to undertake independent limited assurance of the following Countryside 2022 sustainability data which is contained within this Annual Report:

- Scope 1: Natural gas, gas oil, business travel for company cars and LPG use.
- Scope 2: Electricity including EV company cars.
- Scope 3: Business travel, well-to-tank, and transmission and distribution.

Verification of the above Countryside data has been completed in accordance with the World Resources Institute/World Business Council for Sustainable Development Greenhouse Gas Protocol, Corporate Accounting and Reporting Standard, Revised Edition, and adheres to the best practice reporting principles of relevance, completeness, consistency, transparency and accuracy. In conducting the verification, RPS used the appropriate verification planning, validation, GHG assessment and evaluation steps in accordance with the requirements of ISO 14064:3, and in adherence to the standard's principles of independence, ethical conduct, fair presentation and due professional care.

Countryside carbon emissions have been reported as an apportioned figure based on data from 1 October – 31 December 2022. This is required due to the method of data capture being suited to quarterly reporting. There is risk that this may result in overstating the footprint as equal weighting has been given throughout the time period.

2021 Vistry assured data

- Scope 1 greenhouse gas (GHG) emissions:
Natural gas directly purchased fuels and Company fleet.
- Scope 2 GHG emissions:
Purchased electricity - Location based.
- Scope 3 GHG emissions:
Category 6: Business travel - Road and rail.
- Number of additional affordable homes completed beyond planning policy compliance requirements (see page 42).

2022 Vistry assured data

- Scope 1 GHG emissions:
Natural gas directly purchased fuels and Company fleet.
- Scope 2 GHG emissions:
Purchased electricity - Location based.
- Scope 3 GHG emissions:
Category 6: Business travel - Road, rail, ferry, air and overnight hotel stays.
- Number of additional affordable homes completed beyond planning policy compliance requirements (see page 42).

2025 sustainability targets and 2022 progress update

Target and Metric	2025 target	2022 target	2021 baseline	2022 performance	Further information
Our people					
Jobs and Training Increase the number of learners passing through our on-site skills academy. Metric: Number of learners	800 learners to have passed through our on-site skills academies ¹	50 learners to pass through our on-site skills academies	16 ²	233	▶ Page 41.
Our homes and communities					
Affordability To deliver a year-on-year increase in additional affordable homes beyond our planning compliance requirements. Metric: Number	Year-on-year increase	>744	744	898	▶ Page 42.
Social value and Placemaking Use the social value portal on every new land acquisition >500 units and on every project with an on-site skills academy. Metric: Number	100%	100%	0	100%	▶ Pages 40 and 41.
Ecology Ensure every site has a completed Biodiversity Action Plan. Metric: Number	100%	25%	0	100%	▶ Pages 41 and 42.
Our operations					
Waste Reduce construction waste. Metric: Tonnes	Reduce waste tonnes per plot by 20%	Reduce waste tonnes per plot by 5%	9.42 tonnes per plot	7.5 tonnes per plot	▶ Page 44.
Waste Increase in diversion of construction waste from landfill. Metric: %	100% of non-hazardous construction waste diverted from landfill	98% of non-hazardous construction waste diverted from landfill	98%	98%	▶ Page 44.
Resources Increase re-use of construction materials. Metric: Yes/No	n/a	Launch a material re-use database for sites	n/a	Yes	▶ Page 44.
Climate Change Reduce Scope 1 and 2 carbon emissions. Metric: CO ₂ e	Reduce Scope 1 and 2 emissions by 16.8% against a 2021 baseline	Reduce Scope 1 and 2 emissions by 4.2% against a 2021 baseline	17,685 tonnes ³	19,401 tonnes	▶ Pages 47 and 48.
Climate Change Reduce Scope 3 carbon emissions. Metric: CO ₂ e	Reduce Scope 3 emissions by 22.4% against a 2021 baseline	Reduce Scope 3 emissions by 5.6% against a 2021 baseline	1,560,506 tonnes ³	2,137,643 tonnes	▶ Pages 47 and 48.
Product design and life cycle management: Operational energy. Reduce carbon emissions from regulated energy of new homes. Metric: CO ₂ e	-75-80% reduction in CO ₂ e in new homes planned	-31% reduction in CO ₂ e in new homes planned	77 tonnes per plot (per annum) ³	79 tonnes per plot (per annum)	▶ Page 46.
Product design and life cycle management: Embodied carbon. Set a target for reduction in embodied carbon in line with the science-based target initiative (SBTi) reduction pathway. Metric: CO ₂ e	n/a	Develop a 2025 target	297kg CO ₂ e	No	▶ Page 46.

1. Enhanced target of 800 learners to have passed through our on-site skills academies (previously a target of 550) is to be achieved by 2026 to comply with the sustainability linked loan requirements.

2. Our 2021 baseline figure has been restated to 16 learners to account for more accurate reporting methods to meet limited assurance requirements (previously disclosed as 40 learners).

3. This is a restated 2021 baseline. We have restated following methodology improvements achieved through the DNV third party assurance processes. Further information about the assurance process and the Assurance Statement is available at www.vistrygroup.co.uk/sustainable-approach/policies-and-publications.

Maximising Vistry Works' capabilities

Following completion of the Combination we are integrating Countryside's timber frame manufacturing capabilities across our Vistry Housebuilding and Countryside Partnerships businesses. Using more timber frame construction aligns with our sustainability strategy and is a key part of our plan to deliver net zero carbon homes. Vistry Works, our new timber frame manufacturing operation, is focused on growing our MMC capabilities and improving operational efficiency. Prioritising safe working is our paramount priority. Safety audits are regularly undertaken across the business' manufacturing operations and on site to ensure our teams of erectors are working to the highest safety and quality standards.



Our people

Delivering safe and efficient operations

The safety of our people, and those who work with us, is our top priority. Health and safety is one of the first topics to be covered in every ELT meeting, and is highlighted early on in our new starter inductions, with clear linkage to our values and ethos.

Our Safety, Health and Environment (SHE) Leadership Team committee meets regularly to discuss performance and best practice. Meetings are chaired by a member of the ELT with representation from senior management from across the Group, including the General Counsel and Group SHE Director.

We operate a SHE Management system that complies with the international occupational health and safety standard ISO 45001:2018 & environmental management system ISO 14001:2015. These standards drive us to continually improve our performance through an iterative process of risk assessment, inspection, auditing and review. During 2022, we carried out 3,016 internal SHE site inspections (2021: 2,560) and for the second consecutive year achieved 94% compliance.

To reinforce our commitment to safety we are a Building a Safer Future Registered Signatory. We also work closely with Build Force, an organisation set up to create formal pathways between the military community and the construction industry. Their aim is to establish direct links with employers like Vistry and provide visibility on careers in the construction sector and the training required to access them. We also operate an Armed Forces Mentoring & Coaching Programme to help those with a keen interest in health and safety gain important practical experience and make the transition into the construction sector.

Accident incident rate

Whilst it is difficult to completely mitigate risk, we believe injuries are avoidable and we work tirelessly to improve performance and ensure our accident incident rate (AIR) remains below the construction industry standard.

Vistry started the year with an AIR of 270, which was slightly better than the Health and Safety Executive (HSE) construction industry average of 272 and we were very pleased to see AIR reduce further to 226 at the end of the year.

Utility strikes (also known as service strikes) continue to be an industry concern; however, Vistry started the year with a Service Strike Incident Rate (SSIR) of 439 and improved this by the end of the year finishing on 399. We will seek to improve this further by continuing to work with the Homebuilders Federation Safety Forum and exploring new technology and behaviour change programmes.

Health and safety performance for the 12 month period ended 31 December

	2022	2021
Vistry AIR ¹	226	270
Countryside AIR ²	232	181
Enlarged Group AIR	228	240
Vistry SSIR	399	439
Countryside SSIR	531	505
Enlarged Group SSIR	439	462

1. AIR and SSIR calculations in this table are based on number of reportable accidents divided by number of people on site x 100,000.

2. Countryside previously reported accident injury incident rates based on the number of accidents per 100,000 people during the business financial year.

There is no room for complacency within our businesses and we remain committed to reducing the likelihood of low-frequency, high-impact catastrophic incidents while aspiring to have a positive health impact on all those employed and affected by what we do. We operate a zero-tolerance policy regarding working under the influence of illegal drugs and alcohol and operate a rigorous testing programme designed to help improve the safety of our sites.

According to HSE statistics, being struck by a moving vehicle is one of the top common causes of fatal injury on a construction site according to HSE statistics. We are passionate about managing people and plant interfaces to ensure everyone returns home safely at the end of each day. Through enhanced learning and technology, we aim to raise more awareness of the hazards associated with people and plant interfaces. We use advanced technology installed to telehandlers to monitor how safely they are being operated. The data supplied enables an additional layer of proactive monitoring that contributes to improved safety across our sites.

Our health and safety priorities in the coming year include:

- Developing and implementing a combined SHE management system across the enlarged Group that compliments best practice previously identified within both Vistry and Countryside and meets the requirements of ISO 14001 & 45001.
- Ensuring all sites and factories meet the annual SHE Site Inspection target of 91% through regular recorded and scored SHE visits, to monitor compliance and identify non-conformance before there is opportunity for any type of negative impact, thus ensuring we provide a safe working environment.
- Continuing to drive standards to achieve a year-on-year reduction in reportable accidents and service strikes.

Putting people at the heart of what we do

We recognise that a committed, motivated and engaged workforce is essential if we are to fulfil our purpose and create value for all our stakeholders. We work hard to understand our employees' views and ensure that we provide a supportive environment in which they can thrive. We are committed to creating an inclusive and caring workplace and where everyone feels valued and has a sense of belonging.

As at 31 December 2022, the Group directly employed 5,213 people (2021: 3,145). This number includes 1,988 colleagues who joined the Group following the completion of the Combination with Countryside in November 2022.

This year the total employee turnover rate (dismissals and redundancies) decreased to 20.7% (2021: 24%) and our voluntary labour turnover (resignations) decreased to 17.7% (2021: 21%). This is reflected in our stability index which has increased to 82.6% (2021: 79%). Our stability index, which measures the retention of experienced employees, is the percentage of employees who have been employed for more than 12 months as a percentage of all employees. Much of this improvement is attributable to actions taken to address feedback gathered through our regular employee Peakon surveys and the effective delivery of our People strategy that is focused on attracting, developing and retaining our people.

Pleasingly our engagement score, which is measured via our Peakon surveys, increased to 8.6 (2021: 8.1). As was expected with the integration of Countryside, we saw a decline in our latest Peakon employee engagement survey carried out during March 2023, with the score at 7.8 (August 2022: 8.6), in-line with the Peakon benchmark. Our people play a significant role in the Group's success and undoubtedly their pride in the Group has contributed to our strong HBF 5-star customer satisfaction score.

An employer of choice

We recently achieved certification as a 'Top Employer' with the Top Employers Institute. This recognises our people strategies and workplace environment. As part of the certification process we were provided with a dashboard of suggested areas where we could make further improvements. To address this feedback, in the coming year, we will enhance technology to support personal development plans, create communities for knowledge and best practice sharing and use clear KPIs to measure the effectiveness of our development programmes. Throughout 2022 we successfully rolled-out the digitalisation of our people processes. This included the use of MyView, accessibility of documents, payslips and an improved holiday and expenses system. Following our combination with Countryside we are reviewing our people-related processes and during the coming year we will look to incorporate a number of Countryside's people processes to ensure a best practice approach across the enlarged Group.

Communication and engagement

We recognise the importance of keeping employees informed of operational, financial, and strategic business matters. The channels we operate to engage with our people, listen to their views and gather their feedback are detailed on page 28. Employee representatives were involved in collective consultation across the Group to ensure a fair and transparent approach to the announcement of the proposed Combination was gathered during an in-person employee roadshow hosted by members of the ELT in autumn 2022.

Making Vistry

Our Vistry Employee Value Proposition 'Making Vistry' was rolled out internally and externally during 2022. Our proposition showcases what Vistry stands for as an employer, and is based on Peakon employee engagement survey results and feedback from focus groups and one-on-one interviews. What makes us stand apart from our competitors is that we seek out opportunities. Then, we use them to build something brilliant. Every single person in the Group has their part to play in the building process, regardless of which brand they work for. We all have the same values, vision and ambition to do right by our customers and to make a difference in our industry.

Rewards

There is active engagement on workforce remuneration. During the 2022 ELT roadshows our people provided feedback on salaries, the cost of living and benefits. In response we:

- Introduced an additional minimum 4% pay rise for all employees.
- Put in place temporary cost of living allowances (COL) of up to 3.75% with effect from April 2022, ensuring the lowest paid employees received most support. From January 2023 the COL allowance became a permanent part of all annual salaries under £60k.

- Enhanced our benefits package including increasing life assurance policies, introducing subsidised health screening and further improving our industry leading maternity, paternity and adoption policies.

The Group became accredited as a Real Living Wage employer in November 2021. We apply the Real Living Wage as a minimum across the Group and continue to review rates of pay with each update. Our Group Commercial team are also working with our suppliers to update their contracts to ensure that all third party contracted colleagues are paid the Real Living Wage.

Learning and development

Following our combination with Countryside we are one of the UK's largest housebuilders and we are now able to provide even more opportunities for our people to develop and progress within the enlarged Group. We are committed to providing careers, not just jobs, and our career development plans help us retain and grow our talent.

A key part of our People strategy is our continued focus on developing and retaining our people. We use a range of engaging, blended, learning solutions including virtual classrooms, physical workshops, and e-learning modules to enable them to achieve their career goals and ambitions. During 2022 we continued to support our peoples' professional development and funded 324 yearly professional memberships on behalf of employees.

In January 2022 we launched 'Vistry Learn' our integrated Learning Management System (LMS) which provides all colleagues with access to comprehensive, engaging, learning solutions, tailored to their individual needs that can be accessed when working at home, in the office or on site. Our LMS has been very well received and as at 31 December 2022:

- Over 3,400 employees had used the system.
- Over 4,500 courses were booked.
- Over 8,300 online personal development courses were completed.

Leading Better Together

During Q2 of 2022 our 'Leading Better Together' executive framework was launched to ensure our senior and future leaders are fully equipped with the expertise and skills the Group needs to support its continued success. As at 31 December 2022 three cohorts totalling 39 senior leaders from across the business have attended our bespoke Cranfield School of Management programme. Formal feedback from attendees has been very positive averaging 4.8/5.

The future leaders programme is aimed at our middle, frontline and trainee managers with potential for senior roles. It provides essential learning pathways to develop key skills for managers and potential leaders as well as supporting the Group's succession planning. During the year, 68 people, over six separate cohorts, participated in the programme that was designed and delivered by internal experts. Again, formal feedback from attendees has been very positive averaging 9.5/10. Both programmes will continue and will be expanded in the coming year.

Apprenticeships and trainee programmes

We continue to focus on supporting early careers and emerging talent as well as encouraging the upskilling of existing employees. Across the enlarged group we currently have over 380 apprentice, trainees and graduates, as well people who are upskilling through the use of apprenticeships.

We are proud to be able to offer qualifications across many disciplines, such as; quantity surveying, accounting, legal, site supervision, civil engineering, business administration, marketing, carpentry and joinery, bricklaying and leadership.

During 2022 to support our supply chain we used the Government's apprenticeship levy transfer initiative to transfer some of our unused apprenticeship levy to support local trades by funding their apprenticeship qualifications. In 2023 we will focus our resources on supporting T-Levels and work experience across the enlarged Group and ensure that we integrate Countryside best practice to support this.

Supporting early careers

Lewis joined the company In June 2021, aged 16, as 'Apprentice Business Administrator'. We funded his 15-month long Level 2 Customer Service Practitioner City and Guilds Apprenticeship, which Lewis successfully completed in December 2022. He was promoted to 'Business Administrator' and he is now enjoying taking on more responsibility and is aiming to become an Admin Team Leader. Showcasing his commitment to the business he is also a fire warden, first aider and charity champion for his business unit.



Gender diversity across the Group as at 31 December 2022

Role	Female	Male	Total	Female %	Male %
Board	4	5	9	44	56
ELT ¹	2	3	5	40	60
Senior management ²	26	23	49	53	47
Other employees	1,739	3,411	5,150	34	66
Total	1,771	3,442	5,213	34	66

1. The ELT is the first layer of management below the Board and, for the purpose of this table, the three Executive Directors who are members of the ELT are included as members of the Board. 2. The ELT's direct reports.

Diversity and inclusion (D&I)

We believe in diversity, equality and inclusion for all. The table above shows our gender diversity across the Group. We have processes in place to attract and retain a diverse workforce and we continue to rigorously enforce and promote our Diversity and Inclusion policy. Our diversity and inclusion policy is available at www.vistrygroup.co.uk/sustainable-approach/policies-and-publications.

Key 2022 activities and developments included:

- Promoted 11 women into director roles across the Group.
- Continued to build a more equal workforce. For example women now represent 69% of the project management team at our Bovis Homes' Bay View development in Northam, covering a range of roles including electrician, carpenter, apprentice assistant site manager, senior quantity surveyor, buyer, area sales manager and sales consultant.
- Participating in Women into Construction's new nationwide employment programme that aims to address the gender imbalance in the construction workforce.
- Set up a D&I unconscious bias training programme and provided additional 'skills booster' D&I training.
- Launched successful mentor and reverse mentor programmes.
- Significantly improved existing family-friendly policies and continued to support agile working and continued to support agile working.

WM People promotes D&I best practice and we were pleased to be shortlisted for its 'Career Progression for Women' award which recognises initiatives aimed at developing women's leadership potential, including women's networks, training and return to work programmes.

Our D&I Committee leads the development and delivery of the D&I diversity agenda. It is supported by four active networks that operate across the Group: Accessibility Allies Network; Pride Network; Women's Network; and Culture & Communities Network.

During the year the D&I Committee commenced a review of our facilities with a view to ensuring they are accessible to all employees and visitors. During the year we celebrated all major events in the D&I calendar including Pride, Black History Month, International Disability Awareness Day and International Women's Day.

In the coming year our key D&I priorities include:

- Reviewing our D&I strategy, objectives and activities to ensure a combined and consistent approach across the enlarged Group.
- Recruiting across more diverse platforms.
- Working with our recruitment partners on diverse shortlisting of candidates.
- Graduate programme & formal working experience scheme.
- Collecting protected characteristic data to establish baseline data which we will use to monitor progress.

Gender pay gap

Our gender pay gap performance has significantly improved year-on-year. In 2022 the mean gender pay gap reduced to 11.7% (2021: 19.4%) and the median gender pay gap reduced to 25.31% (2021: 28.7%). Further information including what we are doing to further reduce the gap will be included in our 2022 Gender Pay Gap Report which will be published in due course.

Disability

It is Group policy to give full and fair consideration to the employment needs of disabled persons (and persons who become disabled whilst employed by the Group) to ensure requirements of these persons are adequately covered and to comply with any current legislation with regard to disabled persons. This includes: the full and fair consideration of applications for employment; the provision of training whilst employed, and; ongoing opportunities for career development and promotion. The Group's policies are supported by the Group's Dignity at Work policy which prohibits bullying, harassment or victimisation.

Mental health and wellbeing

Our intranet platform (DUG) has a dedicated section providing mental health guidance and support, as well as a platform for our people to share their own personal achievements, experiences and stories. In 2022, National Grief Awareness was marked with personal stories shared from across the Group in addition to a number of events during mental health awareness week in October. The intranet page also provides information to access our employee assistance programme, useful resources (such as posters and leaflets) and links to external organisations and helplines, such as Mind and The Samaritans. As part of our employee assistance programme, alongside Aviva who provide 24/7 support, all employees have free access to the Thrive: Mental Wellbeing App which was deployed onto all Group owned iphones and ipads during the first half of 2022.

We have a formal dedicated Mental Health Committee. Its members are charged with raising awareness of mental health issues that affect those in our industry. The committee introduced a network of health and wellbeing champions in each regional business unit during 2022 with aims of further supporting mental health and wellbeing initiatives.

To help spot the signs of a mental health problem and provide our people with an opportunity to talk to someone about their struggles, we have more than 200 trained volunteer Mental Health First Aiders. In 2022 we created a community network for our mental health first aiders to ensure they also have access to support and help where needed.

In February 2023 we were proud to be awarded WM People's Best for Mental Health Award in recognition of the steps we take to protect our peoples' mental health and well-being and our work with Papyrus to address suicide awareness within our industry (see page 42).

Our homes and communities

Putting our customers first

Our customers are at the heart of everything we do, from the range and quality of homes that we deliver to the journey that they have with us.

During 2022 we are proud to have welcomed nearly 10,000 customers into their new home with over 90% in the 8-week survey stating they would recommend us to their family and friends. Reflecting our quality homes and relentless focus on excellent customer service, for the fourth consecutive year, we have retained our 5-star rating based on the independent HBF customer satisfaction survey¹.

We also continue to track customer satisfaction using the HBF 9-month survey, which provides us with insight and feedback on our homes and developments once customers have settled in. In the last closed survey year, over 79% of customers stated they would recommend us.

To ensure the voice of our customers are embedded across the Group we have introduced the role of Customer Service Directors, who sit on the management teams of each business. We also utilise data and insights from the CRM to ensure continued focus and delivery of service improvement plans.

Feedback from our customers is critically important and during the year insights from customer research groups has informed the development of our 2025 product range as well as ensuring we meet future building standards.

Customer journey

Our Customer Journey continues to provide a framework to ensure we deliver consistent high standards of service to all our customers. Following its launch during 2021 we continue to use insights from our customers and best practice gathered from across our market leading retail brands to ensure it meets requirements. Information about the Bovis Homes', Linden Homes' and Countryside Homes' customer journeys are available at www.bovishomes.co.uk/buying-a-home/the-buying-journey, www.lindenhomes.co.uk/buying-a-home/the-buying-journey and www.countrysidepartnerships.com/helping-you-buy/new-home-buying-guide.



1. Based on responses from customers who legally completed between 1 October 2021 to 30 September 2022. Star rating awarded according to the proportion responding 'yes' to the question 'would you recommend your builder to a friend?' asked eight weeks after legal completion: 5-star rating 90% and above.

Enhancing the customer journey

To enhance the customer journey and provide increased transparency around each home's new-build properties, Countryside Partnerships' development in Sherford, South Devon includes a state-of-the-art 'Unwrapped Home'. Within the Unwrapped Home walls, flooring and ceiling fixtures can all be easily removed to reveal the inner workings of key construction features including plumbing and electrical and structural components. The development is part of a £1bn investment scheme to deliver a new community in South Devon which includes new homes, schools, retail and community buildings, and green spaces.



Our customer journey framework is embedded within our CRM system which ensures we interact with our customers in a cohesive and efficient way. In 2022 we rolled out our CRM system across our Partnerships business and now the business' sales and customer service teams all have access to full CRM capabilities enabling them to enrich the marketing, sales and service experience customers want, while at the same time supporting the teams to work more effectively together across the customer journey.

Our customers have access to our digital immersive portal which gives them more choice about how, when and where they do business with us. Available on our Linden Homes and Bovis Homes websites the portal offers a virtual personal experience including the opportunity to visit our developments, walk into any home and personalise it including changing worktops, cupboards and flooring. Over 77% of our customers are now choosing to use our portal, including our '6 Clicks' reservations process which allows customers to reserve their new home at any time.

2023 customer priorities

We continue to enhance our service offering to ensure we meet our customers evolving expectations and needs and at all time provide a 5-star rated service. Areas of focus in the coming year include:

- Continuing to train and develop our people and provide them with the skills and the tools they need to ensure they are fully equipped to meet our customers' expectations.
- Rolling out our full CRM capabilities across the Countryside business as part of our Combination integration programme.
- Utilising our multi-brand portfolio, including the Countryside brand, to target a broader range of customers and offer them more choice.
- Align our processes to meet requirements for activating and operating across the Group under the New Homes Quality Code following completion of our registration last year.

Creating quality homes and communities

Placemaking and social value

Placemaking and social value are both core to delivering our purpose. Quantifiable social value is important to our people and is becoming increasingly important to Local Authorities who are preparing their own social value strategies and starting to embed social values policies into their local plans.

Our Group Planning and Communities Director chairs the Future Home Hub's Placemaking sub-group and sits on the Place and Nature Steering Group. The two groups are designed to support the industry in responding to the Government's drive to improve design and placemaking. Our Group Planning and Environment Director is also engaging with the Future Homes Hub on the delivery of biodiversity net gain.

Countryside's commitment to placing people and communities at the heart of the development journey, is set out in their 'Building Communities' approach. During 2023, the key pillars of engagement, empowerment, partnership and stewardship will be reviewed, and consideration given to how these will influence the enlarged Group's placemaking approach going forward, particularly in light of the Government's agenda for planning reform and community participation.

Social Value Portal

During 2022, we adopted the use of the Social Value Portal to aid our sustainability reporting and monitor our delivery of social value. The portal has helped us to quantify and influence our approach to place making and social value for clients and partners at development stage. Vistry are part of the Social Value Portal Planning Taskforce, a cross sector collaborative group that is focused on how social value can be embedded in the planning process. In line with our 2022 target, we have used the Social Value Portal on 25 of our live developments which are either delivering over 500 units or are hosting a skills academy plus our corporate measures.

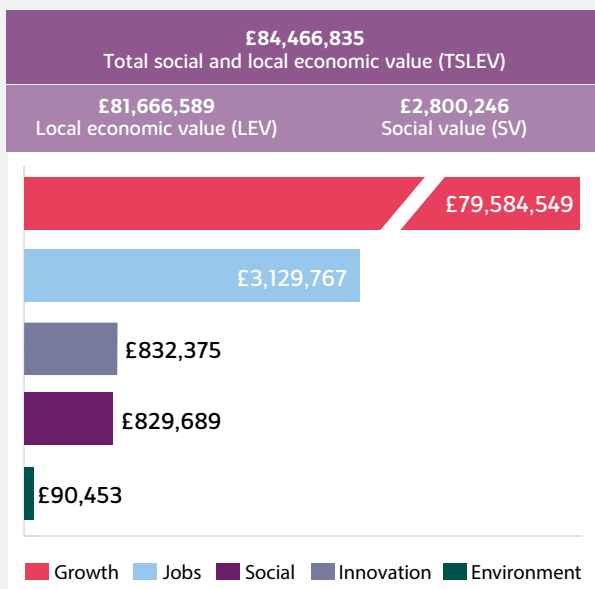
Creating a modern garden city

Countryside Partnerships' joint venture with Clarion Housing Group is working in collaboration with landowner Henley Camland and Ebbsfleet Development Corporation to deliver Ashmere a landmark scheme that is part of Ebbsfleet Garden City. The development comprises 2,600 mixed tenure homes, of which 25% will be affordable. In keeping with the garden city concept, Ashmere will also deliver extensive green open spaces including a neighbourhood green, landscaping and play area – promoting a healthy, safe and sustainable lifestyle for residents.



The key findings from these 26 live developments, which have been third-party assured, are detailed below. While the findings represent only a small element of the enlarged Group's social value output, they do indicate the type of outputs we would see if we were to expand use of the Social Value Portal to all developments. Use of the portal across the enlarged Group is currently being explored. More information is provided in the assurance report, which is available at www.vistrygroup.co.uk/sustainable-approach/policies-and-publications.

Breakdown of delivered TSLEV



Delivery overview

- More opportunities for micro, small and medium enterprises and local voluntary community and social enterprise.
- £107m spent in the local (15- miles radius) supply chain.
- 88.9 People FTE locally employed.
- £622,609 invested in innovative initiatives to promote local skills and employment.
- 1,788 hours of career support sessions provided.
- 1,206 weeks of meaningful work placements/pre-employment course delivered.
- £124,229 invested in innovative initiatives to safeguard the environment.

Our Vistry skills academies

We are passionate about creating employment opportunities within the communities in which we operate. Our academies create opportunities for the local existing workforce, create employment and skills pathways for those whose are unemployed and those looking to change career.

Our on-site skills academies offer opportunities for people to gain the required entry level qualifications needed to ensure they are on the correct pathway to gain employment. Delivered nationwide, each academy provides training, mentoring and skills development, creating opportunities, to gain work experience and vocational qualifications. Combining classroom and practical learning, the academies allow training to take place within a live site environment. Participants have the opportunity to engage and network with our subcontractors, and there have been many cases of participants being successfully recruited within the supply chain upon completion of an academy.

We have recently set a revised enhanced target of 800 learners to complete one of our academies by at least 2025. This target is linked to our employee remuneration and our sustainability linked loan. To date, the academies have supported more than 800 learners. Over the next 12 months, nine academies are planned to run across the UK, totaling 21 academies to date since the programme launched in 2017.

Ecology and biodiversity

Biodiversity as an increasingly important issue and we strive to not only mitigate our impacts in this area but also to positively support and enhance biodiversity. Last year in response to the provisions of the Environment Act 2021, which will require us to achieve a 10% biodiversity net gain on our new sites across the Group, we established a biodiversity net gain (BNG) working group. Biodiversity net gain is an approach which aims to leave the natural environment in a measurably better state than beforehand. The BNG working group met throughout 2022 and coordinated our response to DEFRA on the Biodiversity Net Gain Regulations, implementation consultation and on the Biodiversity Metric. The group also consulted on the Nature Recovery Green Paper: Protected Sites and Species and participated in DEFRA user research on the Statutory Credit Sale Service and prototype testing of emerging software.

Delivering affordable homes at a time when the need has never been greater

Rebecca and her six-year-old son Fin were renting privately in Kidderminster. After Rebecca was registered disabled, and living in a property that could not be adapted, she contacted her local council. She was subsequently offered one of our affordable homes at Lea Castle, Kidderminster, a joint venture development with Citizen New Homes Limited, that includes 240 affordable homes and 360 homes available for open market sale by Linden Homes and Bovis Homes.

Rebecca, who hopes to be able to adapt her new Lea Castle home said: *"My home means everything to me, it's going to change our lives"*.



We anticipate the need for some gains to be secured off-site where they cannot be achieved on-site in accordance with the mitigation hierarchy. In response to this, we have engaged with a wide range of off-site credit providers to understand how the market is functioning and have also undertaken a high-level review of our freehold assets to establish where there are opportunities to consider creating our own habitat banks.

Biodiversity action plan

During 2022 the BNG working group embedded a Biodiversity Action Plan (BAP) into relevant documentation and business management processes to ensure that all new developments are evaluated consistently. To support this activity the group also ran several online workshops for colleagues to enhance their awareness surrounding biodiversity and ecology risks and opportunities in developments.

We were targeting completion of the new BAP by 25% of our new sites by 2022 and 100% of new sites by 2025. As at 31 December 2022 100%¹ of new sites completed a BAP. Our Strategic Land teams are ensuring that all the group's strategic sites are capable achieving at least a minimum of 10% BNG, in line with adopted or emerging policy.

We have continued our partnerships with the Bat Conservation Trust, The British Hedgehog Preservation Society and the Bumblebee Conservation Trust. In July 2022 we began creating dark corridors and roosting habitats to support bats and other wildlife at new-build locations across the country and continued to install hedgehog highways in all existing and future developments where possible.

Our 'Pollinate in Partnerships' project, which was shortlisted in the 'Big Biodiversity Awards' in June 2022, is aimed at supporting the declining UK bumblebees' species and other insects. We adapt our landscapes including creating mini orchards, sub-rain gardens and edible hedgerows, and provide wildflower seeds and information leaflets to the communities where we build.

Affordable housing

Building quality, affordable homes is the right thing to do for our communities, as it addresses the biggest supply / demand gap in the housing sector. As the largest developer of affordable homes in England, we are committed to delivering a year-on-year increase in additional affordable homes beyond our planning compliance requirements and during 2022 we delivered 898² affordable homes (2021: 744). Following our combination with Countryside we are well placed to deliver affordable homes beyond policy compliance.

Charitable support

Our charity committee, that is supported by a network of charity champions in each business unit, drives the delivery of engaging events throughout the year. While the committee leads on Group events, the business unit charity champions and leadership teams are encouraged to support local causes that are important to them including sponsoring local sports teams and food banks. In addition to participating in events, employees are able to take two days paid leave in a 12-month period to undertake volunteering activities.

We are proud to have raised over £257,000 (almost £100k more than our target) on behalf of our 2022 Group charity Papyrus, the UK charity dedicated to the prevention of suicide and the promotion of positive mental health and emotional wellbeing in young people.

Raising awareness of suicide prevention

A 'book', signed by employees pledging their support to raise awareness of suicide prevention was transported to all business units without the use of motorised transport. The book's 1,163-mile Vistry Voyage' began in September 2022, the week of World Suicide Prevention Day. The journey was in memory of a colleague we sadly lost in late 2020.



1. Calculated from Vistry only new sites that have started since 31 August 2022, when the new documentation was published.

2. Vistry figure of 858 plus apportioned Countryside figure of 40 for the period 11 November 2022 to 31 December 2022 (Q4 2022: 65) .

Our operations

Operating responsibly

Our purpose and our values (see page 2) help to embed our One Vistry culture and 'Doing the right thing' is at the core of everything we do. The Board is responsible for imparting and monitoring our culture and the mechanisms it uses to do this are described on page 75.

Our Ethical code of conduct policy outlines our commitment to high ethical and moral standards and the responsibility framework we have embedded to deliver our standards and appropriate behaviours. Following our combination with Countryside and the critical importance of aligning the Vistry and Countryside cultures, a new Code of Conduct is being created and will be rolled out across the enlarged Group during 2023.

The Board is also responsible for setting the overall direction of the Group's sustainability strategy and its execution is led by our Head of Sustainability who is supported by a sustainability team. Dedicated forums, policies, procedures and management systems support our best practice governance, while our sustainability targets, reporting and verification drive continual improvement.

Our Speak Up hotline is operated by an independent third party, Ethics Point, and can be used by employees report suspected wrongdoing including concerns in relation to modern slavery.

Modern slavery

We recognise that modern slavery can occur in the construction industry. We operate an Anti-Slavery and Human Trafficking Policy which outlines our zero-tolerance approach to modern slavery and human trafficking and supports our efforts to combat modern slavery. Our Modern Slavery Act working group oversees the Group's approach to eliminating modern slavery from the business. It comprises a collaborative cross-functional team which meets on a quarterly basis to drive forward our work against modern slavery. Our people have access to a dedicated Modern Slavery awareness training which provides guidance on understanding modern slavery in the construction industry, how to spot the signs of modern slavery, contact details for relevant agencies and details of our SpeakUp hotline. No reports of modern slavery within the Group were made to the hotline in 2022.

We are a partner with Supply Chain Sustainability School and are a member of the Modern Slavery Engagement Programme which aims to increase awareness and provide guidance and training to our supply chain. We have also pledged our commitment to the Gangmasters and Labour Abuse Authority Construction Protocol.

Our supply chain onboarding process ensures that our suppliers and subcontractors confirm compliance to the Modern Slavery Act, provide details of their own modern slavery policies and are aware of our modern slavery commitments and expectations.

Preserving history for the nation

In December 2022 Vistry-funded archaeologists working on ground being prepared for new homes at Harpole, Northamptonshire, discovered a 1,300-year-old precious necklace in what is believed to be one of the most significant female burial sites of the early medieval period.

RPS Archaeology Consultant Simon Mortimer said: *"This find is truly a once-in-a-lifetime discovery. It shows the fundamental value of developer-funded archaeology. Had Vistry not funded this work this remarkable burial site may never have been found."*

The Group has gifted the necklace to the nation and waived all ownership rights to ensure it remains protected for years to come.



Environmental management

We take our responsibilities for environmental management very seriously. Our Group Environmental Team with support from the wider Safety, Health & Environmental (SHE) team are dedicated to protecting our natural environment. In collaboration with our sustainability function they ensure potential impacts are identified and that appropriate control measures are implemented.

Our environmental standards and policies are fully integrated into our Business Management System. Use of our Standard Operating Procedures ensures consistency, governance and control and effective risk management including mitigating issues at source. Throughout the year we have focused on further embedding our environmental management practices at project incept by enhancing the procedures themselves and the communication of them with our regional teams.

We make our people aware of standards and policies through coaching, mentoring and training to ensure we plan, manage and implement robust site-specific control measures. In October 2022 our Group Environmental Team began the roll-out an environmental awareness training programme to our regional commercial and technical teams. This programme is expected to complete by summer 2023.

The Group Environmental Team also works with our regional offices and sites to identify any potential risks from our operations which may result in a negative impact to the environment. We work closely with Natural England and local authorities to preserve protected species and ensure appropriate translocation where appropriate. For example, at Freight Village (part of the Gateshead Regeneration Partnership in the North-East) we are currently in the process of relocating an area of butterfly habitat (Birdsfoot Trefoil) and creating gabion walls to mitigate the impact upon the Dingy Skipper and Grayling population in the area.

Waste and resources

Reducing waste and maximising re-use, recovery and recycling is an important part of our strategy. We look to promote circularity in our supply chain at every level. This means operating take-back schemes with many of our suppliers and collaborating with organisations offering innovative solutions to the industry's waste problem.

Non-hazardous waste	2022	2021
Produced (tonnes) per plot	7.5	9.42
Produced (tonnes) per 100m ²	8.08	10.23
Diverted from landfill (%)	98	98

During the year we have continued to support the Community Wood Recycling Scheme, a nationwide network of social enterprises that reuses wood materials and provides workplace opportunities for disadvantage people. In 2022, 975 tonnes of timber were collected from our sites (2021: 1,202 tonnes). In addition, in 2022 we had over 53,034 pallets collected from our sites for re-use (2021: 46,936 pallets).

In line with our target, we launched a material re-use database on our intranet to facilitate resource sharing. However, uptake has been limited (beyond office supplies) and we recognise that more work is needed to leverage regional relationships.

Our 2022 consolidated reported waste figures have been reported through our waste brokers using weighbridge data and waste carrier reports. Last year our Vistry reported waste figure was manually reported via our site teams. Therefore, our 2022 reported figures do not necessarily represent a reduction in waste volume, and are indicative of more accurate reporting and less human error.

As part of our strategy development in 2023, we will consider amending our target to be against floor area rather than plot for improved accuracy.

Developing our waste reduction strategy

To ensure our future projects reduce waste as far as possible we are conducting a research study at our Cam site in the Cotswolds.

All the waste produced from the start to completion of two standard Linden house types is being collected and analysed and resulting data will be used to develop more sustainable site practices including standardising materials and reducing supply chain packaging.

The outputs from the study will also be used to identify cost saving opportunities as a result of more effective waste management.



Climate change

Reducing our carbon emissions is a key priority. To demonstrate our commitment, we have signed up to the Business Ambition for 1.5°C and therefore also the United Nations Framework Convention on Climate Change Race to Zero. We also support the TCFD recommendations and our relevant disclosures are set out on pages 49 to 55. Our carbon reduction targets, which are set out on page 34, were verified by the SBTi during 2022. We will reconfigure these for the enlarged Group and submit for re-verification in 2023.

In December 2022, we published our Carbon Action Plan focused our direct emissions, which complements our existing roadmap to net zero carbon homes and outlines the steps we will implement to meet our stretching carbon reduction targets.

It is based on trials of carbon reduction technologies, such as hybrid generators, eco cabins, remote energy monitoring and hydrotreated vegetable oil fuel. The full plan is available at www.vistrygroup.co.uk/sustainable-approach/policies-and-publications.

Climate Disclosure Project

In 2022 Vistry scored a B on the Climate Disclosure Project (CDP) an improvement from a D score in 2019. Countryside also scored a B (an improvement from a D score in 2020). A combined disclosure for the enlarged Group will be submitted in 2023.

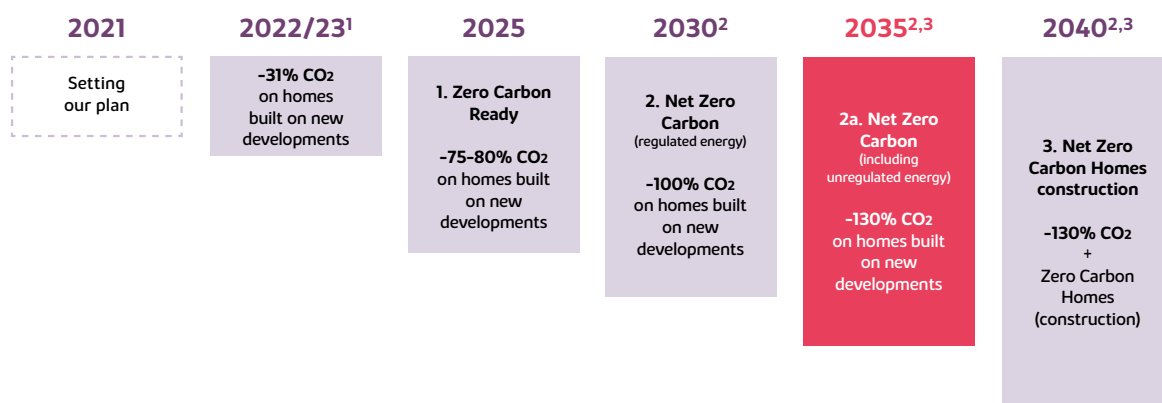
Building standards

Based on lessons learned and experience on recent projects we have developed our own roadmap to delivering net-zero carbon homes which was published in 2021 and will be submitted to the SBTi during 2023 for verification.

To make homes zero-carbon ready the Future Homes Standard is introducing a 75-80% reduction and a move away from gas fired fossil-fuel heating. We are gearing up to this and trialing technology that will ensure we meet these requirements. We are also trialing net zero carbon developments as part of our business plan for 2030, and carefully reviewing materials and completing whole life carbon assessments. Using more timber frame construction throughout the Group is also a key part of our plan.

During the year a key focus area has been how we address changes in building regulations relating to energy efficiency and other areas, such as ventilation, and new areas such as the risk of overheating, and providing electric vehicle (EV) charging points to our homes. As part of our Vistry25 Project, we are designing new house type ranges to meet future requirements for energy efficiency and many other elements to make our homes fit for the future. We are designing our homes to have adequate space requirements for low-carbon technologies such as air source heat pumps, rather than trying to fit it into existing designs, as well as ensuring our house types are resilient to the changing climate.

Our low / zero carbon homes roadmap



1. June 2022 new developments/June 2023 existing developments.

2. We are committed to build net zero carbon homes (regulated energy) by 2030 and net zero carbon homes (unregulated energy) by 2035. Regulated energy includes emissions coming from lighting, heating and ventilation. Unregulated energy includes emissions coming from plug-in loads such as TVs, laptops and white goods and is currently estimated to be c.30% above regulated energy.

3. We will achieve our -130% target by reducing emissions from both the regulated and unregulated energy sources described in footnote 2 above.

Meeting zero carbon requirements

We are working with Warwick District Council to deliver 310 net zero carbon homes (regulated energy) at Stoneleigh View, Kenilworth. The homes are all designed to meet a net zero carbon specification in relation to heating, hot water, lighting and ventilation, and will be constructed using a mix of timber frames and masonry. They will also utilise low carbon technologies including air source heat pumps and solar panels, supported by high performing building fabric. The project will help further support and enhance our journey to delivering net zero carbon homes.



Working with our partners to deliver sustainable solutions

At North Whitley near Fareham we are building 54 highly energy efficient homes on behalf of Winchester Council, to support the Council's zero carbon strategy. Accredited by the Association for Environment Conscious Building, the homes are designed to Passivhaus principles, utilising a high-performing fabric standard and supported with increased levels of airtightness meaning homes stay warmer as less heat escapes and less energy is required to heat. Alongside the high levels of insulation, mechanical ventilation with heat recovery is installed to ensure adequate levels of ventilation are maintained.



Embodied carbon

We are committed to reducing our embodied carbon by 2025, in particular by using more timber frame construction. We have seen an increase in local authorities requesting Life Cycle Analysis (LCA). We have undertaken an embodied carbon analysis of a standard house type (The Beckett). This was to help set a benchmark for embodied carbon and enhance our understanding on how embodied carbon can be reduced in the future. Our analysis shows that our current design produces less than 300kg of CO₂e per 100m² which is ahead of the 2030 benchmark set by the London Energy Transformation Initiative (LETI).

We are continuing to monitor any recommendations from the House of Commons Environmental Audit Committee to Government to keep abreast of any future regulations. We are working closely on the Embodied and Whole Life Carbon: 2023-2025 implementation plan with the Future Homes Hub, from which we will take any necessary actions.

Operational energy

Our specification for existing house types has been updated to meet Parts L1A, O and F of the building regulations and achieve the required 31% reduction in carbon. All new homes planned are now being delivered with a 31% carbon reduction (regulated energy) and all new homes starting construction from 15 June 2023 will be delivered to the new building regulations to meet the required 31% carbon reduction (regulated energy).

Research and development

During the year we established a Technical Innovation team that provides sustainable and innovative solutions to support the delivery of our carbon reduction plan and respond to changing building regulations. The team's current 2022 areas of focus included identifying our Parts L, F, O and S specification, as well as research into low carbon heating and hot water solutions, and MMC. A programme of carbon literacy has also been developed for all employees to educate them on the changes to building regulations and what this means for the way we build homes.

Delivering greater energy efficiency

98% of the homes we built in 2022 had an energy performance certificate of an A or B.

We commissioned an independent study by Elmhurst Energy to look at the energy and carbon savings that can be made from living in a new home over an older, less efficient home. Due to modern construction methods and designs, new-build homes are typically more energy efficient than older properties as they have lower heating demands and higher performing fabric. By analysing a number of Bovis Homes and Linden house types, Elmhurst reported an average three-bedroom home saved 4,381kg CO₂e per year compared to an equivalent Victorian-era home (75% saving) and over £1,448 on energy bills (65% saving), with this figure growing since energy prices increased.

Our energy consumption and carbon emissions

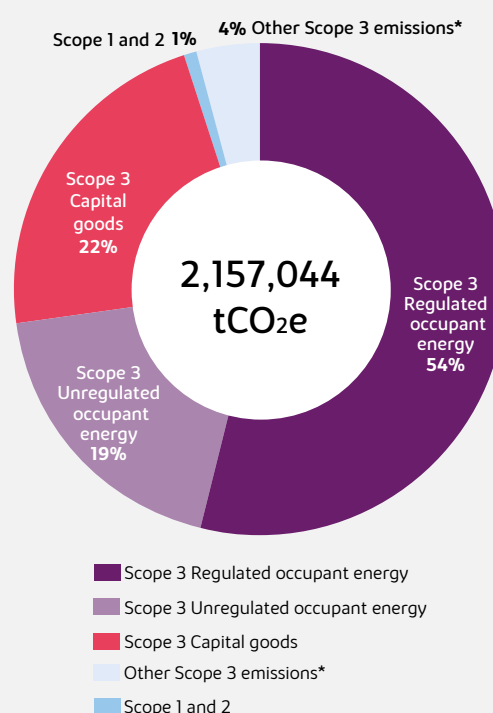
Our carbon footprint has been calculated on an operational control basis. The operational boundary covers emissions arising from the Group's direct operations and includes Scope 1, 2 and 3 emissions from our live construction sites, offices and manufacturing facilities.

Summary of our 2022 carbon footprint

Our Scope 3 emissions represent more than 99% of our overall footprint, with the most significant impact from occupant energy use in the homes we build.

The percentage of our goods and services Scope 3 emissions has decreased to less than 1% due to our switch to using more recent and reliable US EEIO factors instead of Quantis factors. This change in approach has led to a subsequent rise in percentages for both regulated and unregulated occupant energy and capital goods, shifting our carbon footprint composition.

To ensure data completeness of Scope 1 and 2 emissions, we have completed an extrapolation of gas and electricity consumption. Details of this methodology can be read in our basis of reporting which is available at www.vistrygroup.co.uk/sustainable-approach/policies-and-publications.



Group carbon emissions

Emissions ¹	2022 ²	2021 ³
Scope 1 emissions tCO ₂ e	16,797	14,911
Scope 2 location-based emissions tCO ₂ e	2,604	2,774
Scope 1 and 2 location-based emissions tCO ₂ e	19,401	17,685
Scope 3 emissions tCO ₂ e	2,137,643	1,560,506
Scope 1, 2 and 3 emissions tCO ₂ e	2,157,044	1,578,191
Scope 1 and 2 emissions tCO ₂ e per plot completed ⁴	1.32	1.60
Scope 1 and 2 emissions tCO ₂ e per 100m ² completed ⁵	1.42	1.73
Scope 3 emissions tCO ₂ e per plot completed ⁴	146	141
Scope 3 emissions tCO ₂ e per 100m ² completed ⁵	157	153
Energy consumption		
Scope 1 energy consumption (kWh)	72,925,000	38,679,970
Scope 2 energy consumption (kWh)	13,466,000	13,114,160

1. 100% of our Scope 1 and 2 emissions are UK based. Elements of Scope 3 emissions relate to the UK including commuting and business travel, use of sold product (emissions from occupant energy use) and emissions from fuel use on site. Other elements of our Scope 3 emissions relate to a global supply chain and we are unable to specify to what extent they are UK based.

2. 2022 consolidated Vistry and Countryside data (for the period 11 November 2022 to 31 December 2022). Vistry: Scope 1 = 16,224 tCO₂e, Scope 2 = 2,502 tCO₂e, Scope 3, business travel = 245 tCO₂e (assured by DNV see page 33); Countryside: Scope 1: 573.74 tCO₂e, Scope 2 = 102.35 tCO₂e, Scope 3 = (WTT, T&D and business travel) = 168.96 tCO₂e (assured by RPS see page 33). Countryside carbon emissions have been reported as an apportioned figure based on data from 1 October – 31 December 2022. This is required due to the method of data capture being suited to quarterly reporting. There is risk that this may result in over- or under-stating the footprint as equal weighting has been given throughout the time period. For the full quarter, Countryside's Scope 1 = 1034.98 tCO₂e, Scope 2 = 184.64 tCO₂e and Scope 3 (WTT, T&D and business travel) = 304.79 tCO₂e, with 129,971 m² of build completion.

3. This is a restated 2021 baseline. We have restated following methodology improvements achieved through the DNV third party assurance processes. Further information about the assurance process and the Assurance Statement is available at www.vistrygroup.co.uk/sustainable-approach/policies-and-publications.

4. Intensity measure of per plot completions is based on: 2021: 11,084 and 2022: 14,687.

5. Intensity measure of per 100m² completions is based on the following developed areas: 2021: 1,020,818m² and 1,363,263m².

Scope 1 and 2

Our total Scope 1 and 2 carbon emissions have increased by 9.7% against our restated 2021 baseline (2022 target: 4.2% reduction against 2021 baseline). This increase in carbon emissions is a result of our business growth and the inclusion of a combined heat and power (CHP) system in 2022 that was not accounted for in the 2021 emissions. The CHP contributed 1,110 tCO₂e (7%) to the 2022 Scope 1 emissions.

The largest challenge we face to achieve our absolute carbon reduction targets is realising the ability to decouple our business growth from our carbon emissions. However, in terms of plot consumption, we have observed a decline in both electric and gas usage, resulting in a 18% reduction in intensity of our Scope 1 and 2 tCO₂e per plot and 18% per 100m². This can be attributed to two main factors. Firstly, as Covid restrictions have eased, average metered periods have reduced to a more typical business-as-usual level. Secondly, due to the rising energy markets, there is an increased awareness of consumption, resulting in more restrictive usage on site.

Electricity consumption has decreased by around 7% overall, with only sales showing a slight increase. This increase can be attributed to more showhomes in 2022 than in 2021. Gas usage has significantly decreased by almost 44%. This is due to the implementation of restrictive heating profiles used in the plots, resulting in a cut in consumption.

Our approach to carbon reduction is centred around behaviour change and creating meaningful efficiencies in our activities and designs before switching to lower carbon emitting fuels.

Although we are still developing the right systems, procedures, and programmes to drive down our Scope 1 and 2 carbon emissions, during 2022 we trialled various technologies. This is to ensure we are confident in their performance before rolling them out at scale across the Group. For example, at our Meridian Water development we are utilising battery storage technology to supplement power to our office accommodation which we estimate over 30 days saved over 2,300 litres of fuel (the amount of fuel that would have been required by a diesel generator had it been running the equivalent time as the battery).

In 2022, we embedded carbon considering measures into our project environmental plans (part of our business management documentation) to ensure that site set-up and low carbon energy provision are considered during the project planning stage of all our developments.

Countryside reduced its Scope 1 and 2 emissions by 32% during 2022 and we will look to embed the learnings from this achievement into the enlarged Group's revised carbon action plan and carbon reduction activities throughout 2023.

Scope 3

During the year Scope 3 emissions intensity increased by 3% per 100m². This increase is partly due to an increase in regulated energy consumption. In addition, because different methodologies were used to estimate Countryside and Vistry's respective Scope 3 emissions, comparison to the 2021 data is not reliable. In 2023 a single methodology will be used and our Scope 3 emissions will be restated. In 2023 we expect emissions to decrease due to a reduction in regulated energy use following the Part L Building Regulations changes that came into force during 2022.

Scope 3 emissions account for around 99% of our total emissions. The greatest impact is from the energy used in the homes we build. We recognise that significant impact on our carbon footprint sits within our supply chain, and we are continuing to work collaboratively to address this. We are addressing the reduction of Scope 3 emissions as part of our carbon reduction targets. Given the relative maturity of the technologies available to deliver these reductions, will be delivering most of these reductions in the years 2025 to 2030 (all in line with our SBTi targets).

Supply chain and collaboration

Our business is dependent on a complex supply chain and our ability to build responsibly relies on our partners to procure safe, ethical and sustainable labour and materials. Our supply chain is also pivotal if we are to deliver net carbon homes and Future Homes Standard.

We are a member of the supply chain sustainability school (SCSS) and sit across multiple SCSS leadership groups. We collaborate with peers on some of the biggest sustainability challenges, which keeps us up to date with industry developments.

Throughout the year we have attended various collaboration workshops with some of our biggest suppliers to facilitate cross-industry collaboration and a joined-up approach to some of our most important (and shared) challenges. A key 2023 priority is to ensure adoption of a consistent approach to responsible sourcing across the enlarged Group.

Sustainable timber

As we increasingly use modern methods of construction, we must sustainably source timber and use it efficiently. We require that all timber supplied to Vistry across all methods of construction must be PEFC (Programme for the Endorsement of Forest Certification) or FSC (Forest Stewardship Council) chain of custody.

We only stipulate and report on the timber we procure directly, but we are working with subcontractors so that in the future we can also report on our indirect timber use and its sources. This will give us greater confidence that all timber used in our operations is purchased through internationally recognised certification.

Climate-related Financial Disclosures (TCFD)

We are committed to minimising the environmental impact and carbon footprint of our operations and managing the risks and opportunities associated with climate change.

TCFD statement

In accordance with Listing Rule 9.8.6(8) our disclosures in relation to the Task Force on Climate-related Financial Disclosure (TCFD) recommendations are set out in the table below. We have assessed the TCFD's updated October 2021 guidance on implementing its recommendations, including 'The Guidance for All sectors', and confirm that the disclosures are consistent with the TCFD recommendations other than:

- **Metrics and targets:** Our sustainability strategy was developed in 2020. The metrics and targets we use to monitor and measure its progress are detailed on page 34. Currently these do not cover physical and transitional risks and all opportunities. Following our combination with Countryside, in the coming year we will review our sustainability strategy to ensure it continues to be relevant to our enlarged Group and its stakeholders. As part of this review we will consider whether additional metrics and targets will be introduced.
- **Impact of climate-related risks and opportunities on the business, strategy, and financial planning:** We do not disclose the impact of overheating and water stress. This is because additional modelling is required for the impact to be quantified. Additional modelling will be undertaken during 2023 and reported in our next disclosure. Other than the impact of the Future Homes Standard we do not take account of other climate-related risks and opportunities in our financial planning for the reasons explained below. Additional modelling and more confidence in the potential financial impacts is required before this can be completed.
- **Risk management:** Currently management of our climate-related risks are not integrated into our existing risk management framework. In the coming year such risks will be integrated into the framework.

Progress in 2022 and priorities for 2023

During the year, we have focused on improving our data collection processes and have achieved limited assurance of our Scope 1 and 2 carbon emissions (see page 33). We also gained approval of our carbon reduction targets through the SBTi and published a Carbon Action Plan outlining how we will reduce our Scope 1 and 2 emissions. This action plan for our direct emissions compliments our net-zero carbon pathway which outlines how we will deliver net-zero carbon homes and reduce Scope 3 emissions (see page 45). In 2022 carbon targets formed part of senior management and executive incentive targets for the first time.

Our priorities in relation to climate change in the year ahead include:

- Evolving our disclosures in the areas highlighted above to be consistent with the TCFD recommendations.
- Resubmitting our post-Combination carbon reduction targets to the SBTi.
- Increasing the scope of our assured carbon data to include additional Scope 3 emissions.
- Implementing a consistent and efficient carbon-related data collection and internal reporting processes.
- Implementing our Carbon Action Plan (Scope 1 and 2) and net-zero carbon pathway (Scope 3).

TCFD recommended disclosures

Recommended disclosure	Our disclosure
<p>Governance</p> <p>➤ See page 77.</p> <p>Describe the Board's oversight of climate-related risks and opportunities.</p>	<p>The Board approves the sustainability strategy and associated targets. In 2022 climate change was discussed at the Board strategy day, with a particular focus on a Carbon Action Plan. Performance reports that include general updates on progress against sustainability strategy targets are reviewed and discussed at each Board meeting. A more detailed report, including an update on climate change targets, is considered by the Board on a bi-annual basis.</p> <p>A Non-Executive Director will attend each meeting of the new Sustainability Committee (see below).</p> <p>Climate-related issues are embedded in our purpose – To deliver sustainable new homes and communities. They are also embedded in and underpin the delivery of the Group's strategy through alignment with our sustainability priorities: Our people, our homes and communities and our operations.</p> <p>Climate-related metrics also form part of the Group's executive remuneration (see pages 101 and 102) and sustainability linked loan.</p>




















Recommended disclosure	Our disclosure
<p>Describe management's role in assessing and managing climate-related risks and opportunities.</p>	<p>Responsibility for climate-related issues resides with the ELT and the COO is the executive sponsor.</p> <p>The Group's Commercial Director and Head of Sustainability are responsible for the implementation and monitoring of our sustainability strategy and climate-change targets. These individuals have the requisite qualifications and experience to take responsibility for climate-related issues.</p> <p>'Sustainability champions' operate across the Group and regularly gather climate-related data from all business units. Data is also gathered by the Group Sustainability team. This data is collated and reported at Group level. Guidance notes and standard operating procedures to help address climate change are included within our ISO14001 Environmental Management System. Updates on climate-related issues and our sustainability strategy form part of our regular internal communications.</p> <p>In 2022 our COO chaired a Sustainability Forum. The forum met three times in 2022 with representatives from across the Group in attendance. In 2023 we will establish a Committee that will replace the Sustainability Forum. The new Committee's objectives will include making recommendations to the ELT relating to the effective implementation of our sustainability strategy and monitoring the Group's performance and progress against its sustainability targets (see page 34).</p>
<p>Strategy</p> <p>▶ See pages 18 to 21.</p> <p>Describe the climate-related risks and opportunities identified over the short, medium and long term.</p>	<p>Our sustainability strategy drives our approach to sustainability and climate change. It is based on an extensive materiality assessment undertaken in 2021 which considered climate-related risks and opportunities by geography. Information about this assessment is included in our 2021 Annual Report which is available at www.vistrygroup.co.uk/investor-centre/results-reports-presentations. During 2023 the materiality assessment process will be reviewed to ensure it serves the enlarged Group and all its stakeholders.</p> <p>Risks and opportunities have been identified for the short, medium and long term. Despite our scenario analysis looking as far ahead as 2070, the time frames below have been chosen to align with our strategic planning cycles.</p> <p>Short term (0-5 years)</p> <p>We see risks and opportunities associated with the forthcoming future homes standard including the following which have been highlighted by the HBF:</p> <ul style="list-style-type: none"> • Consumers will need to be consulted and educated for emerging technologies (to ensure technology performs as designed). • Supply chains will need to be developed, for example for air source heat pump supply and installation as well as lower carbon alternative fuels for plant and equipment (e.g. Hydrotreated Vegetable Oil). • New skills and training will need to be developed and person capacity built, for example air source heat pump engineers. <p>We are part of the HBF Future Homes Task Force that is working to address these issues. We are also already delivering homes beyond the Future Homes Standard and our experience and learnings from these projects is informing our plans to deliver these homes at scale and helping to shape our net-zero carbon roadmap.</p> <p>Medium term (5-10 years)</p> <p>In line with the HBF we believe there are risks associated with electrical infrastructure as the shift to electric heating and car charging increases pressure on local networks. We have undertaken simulations of various scenarios based on typical developments to help understand potential future cost uplift, so that these can be considered as part of overall development costs.</p> <p>We also recognise that there are medium-term opportunities including an increase in the use of MMC and timber frame which we are already utilising through our three manufacturing operation locations. These opportunities will be considered as part of the review of the Bardon site. Countryside Partnerships is an established market leader in the delivery of low carbon homes.</p> <p>Long term (10+ years)</p> <p>We have considered how risks associated with flooding, overheating, water stress and subsidence may increase in the long term. To mitigate climate change across the whole building lifecycle, in particular embodied carbon, we are exploring how increasing our timber frame manufacturing capabilities can be utilised to reduce embodied carbon in our standard house types.</p>

Recommended disclosure	Our disclosure
<p>Describe the impact of climate-related risks and opportunities on the business, strategy, and financial planning.</p> <p>▶ See climate change risks and opportunities table on pages 54 and 55.</p>	<p>Products and services</p> <p>We have developed a road map to deliver net zero carbon homes by 2040 (aligned to the UK Green Building Council definition) based on our learnings from several developments that go beyond the Future Homes Standard (see page 45). In particular our approach has been informed by:</p> <ul style="list-style-type: none"> • Completing post-occupancy evaluations relating to energy-efficiency measures and testing future technology. • Working with our regional business units to understand the impact on trades, site management and sales staff and helping to develop training courses to support future projects. • Understanding the impact of electric heating and EV installation on substations and network upgrades, producing guidance for future uptake and providing scenario options. • Gathering real project cost information arising from energy-efficiency measures for future cost modelling and undertaking value engineering exercises that enable us to accurately consider these costs in land viability and financial planning. <p>Supply chain</p> <p>New supply chains are emerging in response to increasing demand for low carbon homes. This is a key development that underpins the delivery of our strategy. At Group level our technical and commercial teams are working to ensure we have the most technically robust solutions, that are cost effective and at the right capacity. Group deals will be put in place to ensure we have the right level of availability. This will help us to meet our growth ambitions whilst also delivering on our net zero carbon road map (see page 45).</p> <p>Adaptation and mitigation activities</p> <p>Site specific flood risk statements/assessments are prepared for all Vistry sites. The majority of our developments take place within Flood Zone 1 which has the lowest risk of river or sea flooding.</p> <p>We have:</p> <ul style="list-style-type: none"> • Approved carbon reduction targets through the SBTi. • Linked our carbon reduction commitments to executive remuneration and a sustainability linked loan. • Completed an overheating analysis. Its findings will be considered in the development of our 2025 standard house types. <p>Operations</p> <p>We have produced a Carbon Action Plan, outlining how we will meet targets associated with our Scope 1 and 2 emissions (see page 45). A significant challenge will be achieving ambitious targets for absolute emissions reductions, whilst pursuing our committed targets for business growth. The Carbon Action Plan compliments our net-zero carbon pathway that addresses our Scope 3 emissions.</p> <p>Pricing for the cost of climate change</p> <p>We continue to categorise the risks relating to climate change into two classes – transitional risks and physical risks. Requirements relating to the mitigation of transitional risks are well defined and are accordingly priced into the financial statements as outlined below. Physical risks are less well defined, and whilst an estimation of their potential impact is assessed and disclosed they are also reviewed regularly to assess if their potential realisation has changed.</p> <p>Transitional risks: The requirements for mitigating these risks are defined for the Group, and the industry more broadly, through government regulation in particular the Future Homes Standard which will come into effect in 2025 and the nearer term progressive steps including Part L and Part F.</p> <p>To meet these requirements, we have designed new house types to meet these standards. The build of these house types is then priced using today's costs for materials and labour. For sites yet to be acquired new house types are factored into our land appraisals to ensure the cost of meeting these new regulations is factored into the targeted returns.</p> <p>For existing sites that will need to meet these standards build costs are included in our site Cost Valuation Reports (CVRs) which impacts site wide margins and gross margin.</p> <p>As a Group we target improvements in both technical design and procurement to continue to reduce the costs of meeting these new standards. These improvements will either improve gross margins or ensure we are more competitive when acquiring new land.</p> <p>Both CVRs and future land appraisals are rolled into our in-year and multi-year planning cycles which form the basis for our cash and funding requirements over these periods. As a result, they are a key component part of our going concern, viability and goodwill impairment assessments and acquisition accounting where relevant.</p>




















Recommended disclosure	Our disclosure
	<p>Physical risks: These risks are outlined below and on pages 54 and 55 and relate to the potential impact of meeting climate change risks. These risks are priced using the services of a third-party consultancy and their approximate financial impact is disclosed in the respective risk outlines.</p> <p>As there is inherent uncertainty as to the timing and size of any realisation of these impacts these risks are regularly reviewed to assess whether their potential has advanced. When the costs associated with these risks are actually realised it is possible that no direct link can be made to meeting climate change challenges but that does not detract from the relevance of continual risk scanning. For example, recent rises in UK energy prices - which impacts both customer affordability and materials pricing - stems in part from the lifting of energy price caps to meet Government emission reduction targets but also from the impact of the war in Ukraine on the security of energy supply.</p>
<p>Describe the resilience of the strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<p>We have considered the resilience of our strategy under two different climate scenarios, including a '2°C scenario with an orderly transition' and a '>4°C scenario and with a failure to transition'. Both scenarios were developed with the University of Exeter, using Inter Governmental Panel on Climate Change (IPCC) RCP2.5 and IPCC RCP8.5 scenarios. The risks and opportunities identified in the scenarios were discussed in a workshop facilitated by external consultants and attended by Finance, Risk, Sustainability and Technical teams. The key findings are summarised below.</p> <p>2021 - 2030 An orderly transition to a low carbon economy</p> <p>Transition risks and opportunities:</p> <ul style="list-style-type: none"> • Embodied carbon: Our strategy is resilient. Our roadmap to 2030 goes beyond current legislation and the embodied carbon of our standard house type is below the LETI 2030 benchmark. We are considering the impact of the Future Homes Standard on embodied carbon as part of our standard house type review and see opportunities to reduce embodied carbon through increased timber frame construction through our manufacturing operations • Increasing demand for low carbon homes: Our strategy is resilient. We are in a strong position based on our experience of delivering low carbon homes to satisfy increased demand, particularly from Countryside Partnerships' clients. We need to build a more detailed understanding of demand within our market sale customers. Industry research indicates increasing demand for low carbon homes (https://group.legalandgeneral.com/en/newsroom/press-releases/legal-general-research-shows-buyers-will-pay-up-to-20-premium-for-low-carbon-homes). We are also continuing to work with the HBF, as part of the Future Homes Task Force, to address market challenges. <p>Physical risks:</p> <ul style="list-style-type: none"> • Heat stress: Our strategy is resilient. Following the Government proposal to mitigate overheating risks, we have carried out dynamic assessments of all our house types to help us understand this risk to our business. In summary there is a very low risk of overheating in the area representing regions outside London, Southampton and the South East. There are risks of overheating in London, Southampton and the South East area that are being addressed. • Water stress: Our strategy is resilient. Water efficiency is addressed in Part G of the Building regulations and our homes achieve at least a 16% reduction of water use compared to these regulations. This is achieved through low flush toilets with part flush options, water efficient showers with low flow rates, basins and baths that are designed for water efficiency and taps with low flow restrictors. There is a geographical consideration here, for example one third of the water resource zones in the UK's East and South East regions are already in water demand deficit. This is expected to increase to 54% within the next five years. We are exploring how we can achieve improved water efficiency in these areas through water reduction and reuse technology, such as rainwater harvesting. <p>2030 - 2070 A failure to transition</p> <p>Physical risks:</p> <ul style="list-style-type: none"> • Heat stress: Overheating could become an issue in our properties as summers become hotter and risk of heatwaves increases. This could increase demand for cooling and increase operational energy use as well as impact occupant comfort. Overheating risk will be considered in the development of our 2025 house type. Further modelling is required to assess the impact of this risk. • Subsidence: Within the South East region there is a future risk of subsidence as a result of soil shrinkage within areas of shrinkable clay due to hotter, drier summers. Further modelling is required to assess the impact of future precipitation anomaly projections for different scenarios. • Extreme weather: The increase in frequency of extreme weather events such as storms has the potential to delay construction due to heavy rain and high winds which may impact cranes and other site machinery. This could impact construction programmes. Further modelling is required to assess the impact of this risk.

Recommended disclosure	Our disclosure
<p>Risk management</p> <p>• See page 56 and 57.</p> <p>Describe the processes for identifying and assessing climate-related risks.</p>	<p>Climate change and sustainability is one of our principal risks (see page 62). Specific climate risks were identified as part of a research project we undertook with the University of Exeter. The project's findings formed the basis of a workshop which was facilitated by independent consultants, and involved representatives from our finance and sustainability team and members of the RO Committee and Sustainability Forum. Climate risks and opportunities identified in the workshop with a medium or high impact are described on pages 54 and 55.</p>
<p>Describe the processes for managing climate-related risks.</p>	<p>Our risk management process is explained on pages 56 and 57. During 2023 management of our climate-related risks will be integrated into our existing risk management framework.</p> <p>As part of its annual strategic review the Board considers the Group's five-year financial plan, the core assumptions underpinning this plan and how the current economic, regulatory and sustainability environment may impact this plan. The climate change impacts considered in relation to the plan are those related to pricing the cost of climate change. See pages 51 and 52.</p>
<p>Describe how processes for identifying, assessing, and managing climate-related risks are integrated into overall risk management.</p>	<p>In the coming year climate-related risks will be integrated into our existing risk management framework. Climate change risk is identified, assessed and managed as a principal risk through our RO Committee. See pages 56 and 57.</p>
<p>Metrics and targets</p> <p>Disclose the metrics used to assess climate-related risks and opportunities in line with strategy and risk management process.</p>	<p>Key metrics used to assess climate-related risks and opportunities and our targets are set out below.</p> <ul style="list-style-type: none"> • Metric: Scope 1 and 2 emissions: By 2025 reduce by 16.8% against a 2021 restated baseline (see page 34). • Metric: Scope 3 emissions: By 2025 reduce by 22.4% against a 2021 baseline (see page 34). • Climate change is linked to senior management and executive incentive targets (see page 102). <p>See our TCFD statement on page 49 which explains the steps we will take in the coming year to determine whether additional metrics and targets are required to assess and manage our climate-related risks and opportunities.</p>
<p>Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks.</p>	<p>Our Scope 1, 2 and 3 emissions and historical data is set out on page 47.</p> <p>Our carbon action plan outlines how we intend to meet our Scope 1 and 2 targets and our net zero carbon pathway indicates how our Scope 3 targets will be met. Information about our plan and net-zero roadmap is available at www.vistrygroup.co.uk/sustainable-approach/policies-and-publications.</p> <p>Our targets together with our progress during 2022 are set out on page 34. Our carbon reduction targets have been approved by the SBTi and our Scope 1 and 2 data has achieved limited assurance (see DNV's assurance statement which is available at www.vistrygroup.co.uk/sites/vistrygroup/files/Vistry/reports-and-presentation/2023/dnv-independent-assurance-statement-2022.pdf).</p>

Climate change related risks and opportunities

Risk/Opportunity	Point of contact TCFD type	Type of financial impact (£)	Time horizon and likelihood ¹	Magnitude of impact	Potential annual financial impact ²
<p> Alternative fuel use</p> <p>The introduction of a carbon tax on fuels is likely. Supply chains are likely to pass this cost on to their customers. This is likely to cause a mass move to alternative fuels such as Hydrogenated Vegetable Oil, increasing demand and putting pressure on supply. We have trialled the use of HVO fuel during 2022 and will review our strategy in 2023.</p>	<p>Upstream</p> <p>Direct</p> <p>Downstream</p> <p>Emerging regulation</p>	<p>Increased direct and indirect (operating) costs</p>	<p> Medium-term</p> <p> Likely</p>	<p> High</p>	<p> Low</p>
<p> Green skills gap</p> <p>Delays and constraint on installation of new technologies to meet the Future Home Standards. Group deals will be put in place to ensure we have the right level of availability.</p>	<p>Direct</p> <p>Market</p>	<p>Increased indirect (operating) costs</p>	<p> Short-term</p> <p> Very likely</p>	<p> High</p>	<p> Low</p>
<p> Extreme weather event</p> <p>Increased severity and frequency of flooding could delay construction due to heavy rain and high winds. Delays could impact employees, site workers and customers. More modelling is required to understand this long term risk.</p>	<p>Upstream</p> <p>Direct</p> <p>Acute physical</p>	<p>Increased indirect (operating) costs</p>	<p> Long-term</p> <p> Unlikely</p>	<p> Medium</p>	<p>Difficult to predict and quantify at this stage</p>
<p> Performance gap</p> <p>Negative feedback from customers due to the performance gap between design performance and as-built performance, leading to increased energy bills. Post-occupancy evaluations are planned for 2023.</p>	<p>Downstream</p> <p>Technology</p>	<p>Decreased revenues</p>	<p> Short-term</p> <p> More likely than not</p>	<p> Medium</p>	<p> Low</p>

Climate change related risks and opportunities (continued)

Risk/Opportunity	Point of contact TCFD type	Type of financial impact (£)	Time horizon and likelihood ¹	Magnitude of impact	Potential annual financial impact ²
<p> Embodied carbon</p> <p>Emerging regulation around embodied carbon and unintended consequences of replacing existing products with lower carbon alternatives (e.g. different types of insulation) may increase end product embodied carbon and increase cost of raw materials. We have completed a life cycle assessment to improve our understanding.</p>	<p>Upstream</p> <p>Downstream</p> <p>Emerging regulation</p>	<p>Increased direct costs</p>	<p> Long-term</p> <p> More likely than not</p>	<p> Medium</p>	<p> High</p>
<p> Subsidence</p> <p>Hotter and drier summers could lead to increased risk of soil shrinkage resulting in an increased risk of subsidence. More modelling is required to understand this risk.</p>	<p>Downstream</p> <p>Chronic physical</p>	<p>Increased indirect (operating) costs</p> <p>Increased costs due to remediation</p>	<p> Long-term</p> <p> More likely than not</p>	<p> Medium</p>	<p>Difficult to predict and quantify at this stage</p>
<p> Modern methods of construction (MMC)</p> <p>Increasing the use of MMC leads to construction efficiencies, lower embodied carbon and quicker construction times.</p>	<p>Upstream</p> <p>Market</p>	<p>Reduced indirect (operating) costs</p>	<p> Long-term</p> <p> Virtually Certain</p>	<p> Medium</p>	<p> Medium</p>
<p> Increased demand for low carbon homes</p> <p>Large scale trials of homes beyond the Future Homes Standard to help inform our net-zero carbon roadmap.</p>	<p>Upstream</p> <p>Market</p>	<p>Increased potential for more local authority contracts</p> <p>Increased revenue as better energy performant homes</p> <p>Decreased capital costs</p>	<p> Short-term</p> <p> Likely</p>	<p> High</p>	<p> Medium</p>

1. Short term 0-5 years, Medium term 5-10 years, Long term >10 years. 2. Low = <£1m, Medium = £1m-£5m, High = >£5m