

# Introduction

## 2019 Highlights:

### Gold award

We are the first dedicated housebuilder to be awarded the Ministry of Defence's Employer Recognition Scheme Gold Award.

### 5-star housebuilder

The HBF has independently measured the satisfaction of our customers and we're proud to be one of the top performing, 5-star housebuilders.

### Hedgehog highways

We're the first housebuilder to commit to building hedgehog highways on all our Bovis Homes branded developments.

### Mental Health First Aiders

We're training employees across the business in mental health first aid to raise awareness of mental health in the work, reduce the stigma and provide practical support to those affected.

We're committed to operating in a sustainable manner, for the benefit of our stakeholders and to support the delivery of our strategy.

We focus our efforts in four key areas – people, health and safety, the environment, and the community, with a view to delivering long-term sustainable success. A new sustainability strategy for Vistry Group is also in development. This will set out a new challenge in how we maximise the social contribution and leverage the unique opportunity that Vistry Partnerships provides in delivering positive change in local communities. Our CSR priorities are shaped around the issues that are both important to our stakeholders, and important to our business, be it addressing a business risk or opportunity, or strategy delivery. We actively engage with all our key stakeholder groups to shape our long-term approach and share details of our engagements in our Section 172(l) Statement on page 42.

For each of our CSR priorities we operate a framework of Group policies and procedures, all underpinned by a culture of Integrity, Caring and Quality. A summary of the CSR policies are shown below in our Non-financial Information statement.

These policies are introduced to employees in our induction process, are available on our intranet, and are shared with our suppliers.

Compliance is monitored quarterly, with all Group and regional leaders required to confirm that they, and their teams, have abided by the policies.

Any suspected policy non-conformities can be raised in accordance with our "Speak Up" Policy. This policy has been substantially evolved this year and not only details the whistleblowing process but reflects the company's commitment to openness and proactively raising concerns.

The Group recognises the importance of climate change and the collective responsibility we all have to mitigate its negative effects. We strive to continuously improve our CSR approach and drive this at both a Group and local level, empowering employees across the business to drive change.

Our Sustainability Committee, established in 2019, centrally co-ordinates our efforts and facilitates the sharing of best practice across our regional business units.

The outcomes from our efforts are measured by a series of key performance indicators which are detailed over the coming pages.

## Non-financial Information statement

In accordance with The Companies (Miscellaneous Reporting) Regulations 2018 a summary of the Vistry Group non-financial policies are detailed below. Copies of these can be found on our website here: [vistrygroup.co.uk/responsibilities/csr-reports/2019](http://vistrygroup.co.uk/responsibilities/csr-reports/2019). For details of our business model please see page 18.

Reporting requirement	Group principle risk	Relevant policies
Company employees	<ul style="list-style-type: none"> <li>People change and business continuity</li> <li>Health, safety and environmental</li> </ul>	<ul style="list-style-type: none"> <li>Health, Safety and Welfare Policy</li> <li>Diversity and Inclusion Policy</li> <li>Ethical Code of Conduct Policy</li> <li>"Speak Up" Policy</li> </ul>
Social matters		We do not operate a Group policy because social issues are assessed, managed and mitigated at a local level. Regardless, any concerns can still be raised via our "Speak Up" Policy.
Human rights		<ul style="list-style-type: none"> <li>Anti-Slavery and Human Trafficking Policy</li> <li>Diversity and Inclusion Policy</li> <li>"Speak Up" Policy</li> </ul>
Anti-corruption and bribery		<ul style="list-style-type: none"> <li>Anti-Bribery and Corruption Policy</li> <li>Anti-Money Laundering Policy</li> <li>Anti-Fraud Policy</li> <li>"Speak Up" Policy</li> </ul>
Environment	<ul style="list-style-type: none"> <li>Health, safety and environmental</li> </ul>	<ul style="list-style-type: none"> <li>Environment Policy</li> <li>"Speak Up" Policy</li> </ul>



# Focusing on our CSR priorities

Supporting sustainability,  
our people and communities

# Stakeholder engagement

We're committed to operating fairly, with integrity and with respect for the opinions and perspectives of our stakeholders. A summary of our engagements is outlined below, and this information forms our Section 172(1) Statement.

Our key stakeholder groups are our customers, employees, supply chain, investors, local and national government and the communities in which we operate. Throughout the year we conduct a series of planned engagements at a Group and local level, as well as informal and ad hoc meetings.

Engagements are conducted by employees at many levels of the organisation. The Board directly participates in some of these engagements and has visibility of some other engagements through the Board reporting process. The views of key stakeholders are used to shape the Company's long-term strategic approach and its CSR priorities – people, health and safety, environment and community.

Stakeholder Group	Key engagements	Outcomes
<b>Investors</b> Institutions and people who are shareholders of our business	<p><b>Director involvement:</b></p> <ul style="list-style-type: none"> <li>Annual General Meeting and other shareholder meetings following the announcement of final and half-year results</li> <li>One-to-one meetings with investors</li> <li>Consultation on the Remuneration Policy</li> <li>Investor feedback results</li> </ul> <p><b>Other engagements:</b></p> <ul style="list-style-type: none"> <li>Shareholder information is available on our website</li> <li>Responses to shareholder information requests</li> <li>Responses to voting agencies, including IVIS, ISS and PRIC</li> </ul> <p>For more information see pages 40 to 63 and pages 70 to 85</p>	<p>The Board has a deeper understanding of shareholder views as a result of one to one meetings with investors</p> <p>Implementation of the new Remuneration Policy is under consideration, taking the views of shareholders into account</p> <p>The Board has greater understanding of what our investors expect from our engagement with voting agencies</p> <p>Feedback received from investors regarding the acquisition of Linden Homes and Vistry Partnerships was extremely helpful and was used to shape various aspects of the transaction, including structure, financing and the Placing</p>
<b>Customers</b> The people who purchase our homes	<p><b>Director involvement:</b></p> <ul style="list-style-type: none"> <li>Engagements with housing associations</li> </ul> <p><b>Director visibility</b></p> <ul style="list-style-type: none"> <li>HBF customer satisfaction survey (8 week and 9-month)</li> <li>Group Home Buyers' panel</li> <li>Feedback from ad hoc engagements are made visible to the CEO as necessary by the Customer Experience Director who reports directly to the CEO</li> </ul> <p><b>Other engagements:</b></p> <ul style="list-style-type: none"> <li>Direct engagements with sales and construction teams on site</li> <li>Digital engagements via our CRM system</li> <li>Social media</li> </ul> <p>For more information see pages 40 to 63 and pages 70 to 85</p>	<p>The HBF has independently measured the satisfaction of our customers and we're proud to be one of the top performing, 5-star housebuilders</p> <p>We introduced a new customer care management system 'Keys' which delivers many of the new capabilities our customers have been asking for</p> <p>Our first Unwrapped Home was launched following feedback from the Home Buyers' panel</p>
<b>Employees</b> Our directly employed staff	<p><b>Director involvement:</b></p> <ul style="list-style-type: none"> <li>The Vistry Voice, a weekly podcast, usually by the CEO</li> <li>Regional roadshows</li> <li>People Forums</li> <li>Regionally located Board meetings</li> <li>Non-Executive Director business unit visits</li> <li>SAYE and SIP schemes</li> </ul> <p><b>Director visibility (board reports)</b></p> <ul style="list-style-type: none"> <li>Quarterly engagement survey</li> </ul>	<p>In 2019, the approximately 43% of employees were participants in a ShareSave plan, which represented approximately a 10% increase from 2018. The share plans encourage employee engagement in Group success</p> <p>We updated our whistleblowing policy to our "Speak Up" policy following employee feedback</p>

Stakeholder Group	Key engagements	Outcomes
<b>Employees</b> Our directly employed staff	<b>Other engagements:</b> <ul style="list-style-type: none"> <li>Employee representatives</li> <li>Update news (quarterly newsletter)</li> <li>Intranet</li> <li>Health and well-being training</li> </ul> For more information see pages 40 to 63 and pages 70 to 85	We're training employees across the business in mental health first aid to raise awareness of mental health in the work, reduce the stigma and provide practical support to those affected
<b>Supply chain</b> Our supply chain consists of material suppliers and subcontractors. Relationships with material suppliers are coordinated at a Group level and complemented by local business units. Relationships with subcontractors are driven by the local business unit	<b>Director involvement:</b> <ul style="list-style-type: none"> <li>The CEO and CFO maintain relationships with directors of the Group's key suppliers</li> </ul> <b>Director visibility</b> <ul style="list-style-type: none"> <li>Supplier 360° feedback survey results are shared with the Risk Governance Committee and Board</li> </ul> <b>Other engagements:</b> <ul style="list-style-type: none"> <li>Regional MDs host local supply chain engagement events</li> <li>Group Commercial deal with procurement and hold face-to-face account reviews with all key suppliers on a regular basis</li> <li>Local business units frequently meet with key subcontractors</li> <li>Supplier website hosting all technical specifications</li> <li>Project pipeline information is periodically emailed</li> <li>Supply Chain Sustainability School partners</li> <li>Performance questionnaire sent to group and local subcontractors and suppliers.</li> </ul> For more information see pages 40 to 63 and pages 70 to 85	We held roadshows rolling out SHE Standard Operating Procedures (SOPs) following engagement with supply chain  We provide access to CSR training resources to our supply chain through the Supply Chain Sustainability School  Feedback from suppliers and subcontractors is provided through Risk Governance Committee  The 360° supplier feedback has resulted in the implementation of fuel efficient telehandlers, a reduction in idling time and carbon emissions, and the launch of our project pipeline giving overall visibility to aspects of our construction activity to the supply chain
<b>National and local governments</b> Government departments that shape the legislative environment in which we operate and local planning departments	<b>Director visibility</b> <ul style="list-style-type: none"> <li>HBF Skills Panel</li> <li>Industry body memberships and events (including HBF and NHBC)</li> <li>Meetings with Housing Association partners</li> </ul> <b>Other engagements:</b> <ul style="list-style-type: none"> <li>Local planning meetings</li> <li>Environment Agency and local water authorities</li> </ul> For more information see pages 40 to 63 and pages 70 to 85	We have a better understanding of what our housing association partners expect from our engagement with them  Awarded six Pride in the Job awards and two Seals of Excellence from NHBC
<b>Environment and Community</b> The environment and communities local to our offices and sites	<b>Director involvement:</b> <ul style="list-style-type: none"> <li>Group-level charitable donations</li> </ul> <b>Director visibility</b> <ul style="list-style-type: none"> <li>Land purchase and planning application decisions</li> <li>Armed Forces Covenant initiatives and award (see page 60)</li> <li>British Hedgehog Preservation Society Partnership (see page 51)</li> <li>Feedback direct from Housing Associations through a questionnaire</li> </ul> <b>Other engagements:</b> <ul style="list-style-type: none"> <li>Public consultations</li> </ul> For more information see pages 40 to 63 and pages 70 to 85	Gold award received in the MOD's Employer Recognition Scheme for support for Armed Services  Formation of Sustainability Committee reporting to the Board  Commitment to build hedgehog highways on all 'Bovis Homes' branded developments  Feedback from housing associations on the company performance and communication is provided through Risk Governance Committee



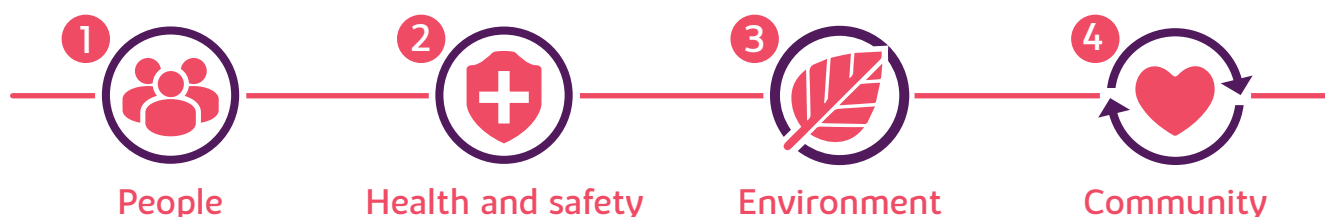
# CSR strategic priorities

Our CSR strategic priorities are shaped around our four pillars of people, health and safety, environment and community.



Hampton Meadow, Stadhampton







## Performance 2019

Improve our customer satisfaction rating ●	Reduce annual injury incidence rate ●	Refine our waste reduction strategy ●	Continue to develop our strategic offering to assist with affordable housing ●
Embed our core values across the Group and new joiners ●	Improving leadership behaviours ●	Reduce active waste per home ●	Continue to build on our relationships and support our subcontractors and suppliers ●
Continue to develop our apprenticeship programme ●	Enhancing quality of workforce engagement ●	Reduce active waste sent to landfill ●	Ensure our charitable giving maximises social impact locally and nationally ●
<b>Employee:</b> engagement score ●	Harmonise Health & Safety practices across the Group ●	Set target for active waste per plot ●	
<b>Employee:</b> wellbeing initiatives ●		Reduce our Greenhouse Gas (GHG) emissions against our chosen intensity measures ●	

## Priorities for 2020

<ul style="list-style-type: none"> <li>Align and enhance employee experience across the entire Vistry Group through a focus on communication, support and employee engagement</li> <li>Align and enhance rewards and benefits offering, leadership training and employee wellbeing initiatives, together with a revised recruitment strategy to attract talented individuals</li> <li>Continued investment in IT to improve ways of working and employee experience across the entire company, sharing the best practice from all areas of Vistry Group</li> <li>Investment in training to support our change programmes including investment in new processes and systems across Vistry Group</li> <li>Continue our focus on mental health training and awareness</li> </ul> <p>See page 46 ►</p>	<p>Strengthening our environmental, health and safety teams, committee structure and safety management system;</p> <ul style="list-style-type: none"> <li>Continuing to take a sensible, proportionate approach to managing the hazards associated with our work activities</li> <li>Roll-out the off-site induction video for workers and visitors accessible through a mobile app</li> <li>Introduce the online reporting system providing real time feedback. The system will be accessible via the intranet and SHE Advisors can complete reports as soon as an event ends providing immediate feedback</li> <li>Develop one Vistry Group health and safety management system</li> </ul> <p>See page 52 ►</p>	<ul style="list-style-type: none"> <li>Reduce our GHG emissions against our chosen intensity measures</li> <li>To reduce the cost and tonnes per sq ft built</li> <li>Measure and therefore maximise skip volume to ensure skip capacity is fully utilised on site</li> </ul>  <p>See page 54 ►</p>	<ul style="list-style-type: none"> <li>Continue to develop our strategic offering to assist with affordable housing</li> <li>Continue to build on our relationships and support our subcontractors and suppliers through regular meetings and training opportunities</li> <li>CSR volunteer days for our people</li> </ul>  <p>See page 58 ►</p>
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Key: ● Priority not met    ● Priority partially met / within range    ● Priority met



# Our corporate social responsibility (CSR) priorities



## People

KPIs	2019	2018
Staff turnover (unplanned)	17%	22%
Training days	4,548	4,505
Apprentices*	23	37
Customer satisfaction rating**	5-star	4-star

\* Our 2018 apprentice numbers represented our initial intake as a result of the launch of our new apprentice programme

\*\* Based on an industry recognised independent survey conducted by the HBF

### Our people are critical to the success of our business and the delivery of our strategy.

We recognise that not being able to attract and retain good people is a principal risk to our business, so we work hard to understand our employee views and ensure that we provide an environment they can thrive in.

Our approach to people is guided by a robust framework of Group policies and procedures and a network of HR professionals.

As at 31 December 2019, the Group directly employed 1,360 people (2018: 1,295). This year the total employee turnover rate decreased to 24% (2018: 28%) due in part to a reduction in the number of redundancies made during the year. Furthermore, unplanned staff turnover reduced significantly to 17% (2018: 22%) which is supported by a improved overall employee satisfaction score, which rose to 7.9 out of 10 (2018: 7.7) in November 2019.



### Culture and values

Our company culture is shaped by our three company values of Integrity, Caring and Quality.

We embed these into the business through our induction and appraisal processes and through leadership promotion. They are regularly referenced in the CEO's messages and those of other ELT members and regional directors.

Our values and the minimum ethical standards we expect are set out in our Code of Conduct Policy. As with our other policies, non-conformities can be raised in accordance with our "Speak Up" Policy.

### Communication and engagement

We recognise the importance of keeping employees informed of operational, financial and strategic business matters and do this in a number of ways, including:



#### • Vistry Voice

A weekly podcast from the Chief Executive or other ELT member provides regular light-hearted updates on a range of topics including business priorities, performance and an opportunity to provide individual and collective recognition across the business.

### Update news

#### • Update News

The quarterly staff newsletter.

#### • Regional roadshows

These biannual events see the CEO and CFO travel around the regional offices in the weeks following the full-year and half-year results to deliver a bespoke presentation to both site and office staff, supported by that business units Managing Director. During these roadshows there are opportunities for employees to ask questions.

#### • Employee representatives

Each regional business meets regularly with employee representatives to discuss matters that may impact staff.



#### • Intranet

Two-way communication is encouraged across all employee engagement platforms and specific exercises to understand employee viewpoints are conducted.

We run a People Forum periodically throughout the year. The two sessions in 2019 were hosted by one of our Non-Executive Directors and attended by employee representatives from each of our regional businesses. Feedback from these forums is directly fed back to the board by the Non-Executive Director.

In addition, a confidential employee engagement survey is sent to all employees every quarter covering a number of topics that are assessed regularly by the senior leadership team.



Alison Shipway | Sales Advisor



# Putting the focus on people

Supporting our staff to deliver quality for customers



# Our corporate social responsibility (CSR) priorities



## Training and development

We have continued our investment in training during the year to ensure our employees are equipped to undertake the functions for which they are employed, and to provide the opportunity for career development equally and without discrimination.

All new starters attend the centralised company induction on their first day, with personal emphasis on our values from the Chief Executive. They receive a welcome personally from a member of the ELT, followed by subject matter experts providing key information on subjects such as our values, HR, SHE, learning and development and IT. This is then complemented by regional and functional inductions at the employee's normal place of work from day two.

Any further training needs are identified during the employee's probation period and thereafter formally during the annual appraisal process, as well as when business or role changes require it. Training is offered on a range of topics, including health, safety and environmental matters (in accordance with the Group's SHE core training matrix), IT, General Data Protection Regulation, sales and customer care (supported by the Institute of Customer Service) and managerial skills.

Structured development programmes are also offered. These include trade, office and sales apprenticeships (our 23 places received a record 900 applications this year), a trainee assistant site manager programme (2 cohorts in 2019) and a leadership training programme for directors and middle management.

Professional qualifications are supported through our Group educational sponsorship policy which will meet course expenses, including allowing day release, where appropriate. We also partner with organisations such as the Royal Institute of Chartered Surveyors (RICS) to facilitate professional qualification for our surveying teams.

A total of 4,548 training days were delivered during the year via our Group Learning & Development team (2018: 4,505), equivalent to 3.3 days per employee (2018: 3.5).

## Respect for employee rights

The Group operates solely in the UK and complies with all relevant legislation and regulations. As a result, human rights issues are not deemed as a significant risk to the business and the Group does not operate a stand-alone human rights policy.

The Group does however operate policies covering our most significant human-rights related issues, a Diversity and Inclusion Policy and an Anti-Slavery and Human Trafficking Policy.

In addition, the Group believes that it has a key role to play in ensuring that employees have an appropriate work life balance. We aim for no employees to work excessive hours, seek to minimise weekend and late night working and allow the purchase and sale of holiday days. We also encourage flexible working and offer enhanced maternity, paternity, adoption and shared parental leave.

## Equality, diversity and inclusion

The Group passionately believes in equality and diversity for all and does not discriminate between employees, or potential employees, on the grounds of gender, sexual orientation, age, colour, creed, ethnic origin or religious belief. To that end, we have a Diversity and Inclusion policy which is rigorously enforced and promoted.

It is also 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) where requirements may be adequately covered by these persons and to comply with any current legislation with regard to disabled persons. The Group's policies are supported by the Group's Dignity at Work policy which prohibits bullying, harassment or victimisation.

We have undertaken a number of measures to promote an inclusive environment, including raising the profile of our diverse leaders and reflecting diversity in our communication materials. We're also proud to be signatories of the Government's Social Mobility Pledge which facilitates employment of people from disadvantaged backgrounds. Our latest employee survey affirmed our inclusive culture with 77% agreeing that colleagues welcome opinions different from their own.

A breakdown of our employee profile by gender and age as at 31 December 2019 is shown below.

#### Analysis by role and gender

Role	Female	Male	Total
Non-executive directors	2	4	6
Executive directors	0	2	2
Senior managers	6	20	26
Managers	89	171	260
Site based staff	143	428	571
Support staff	232	200	432
Apprentices	7	56	63
<b>Total</b>	<b>479</b>	<b>881</b>	<b>1,360</b>

#### Analysis by age

Age	No. of employees	%
<21 years	55	4.0
21 – 30 years	231	17.0
31 – 40 years	332	24.4
41 – 50 years	344	25.3
51 – 60 years	307	22.6
>60 years	91	6.7
<b>Total</b>	<b>1,360</b>	<b>100%</b>

In common with the construction industry as a whole, the majority of our workforce is male (2019: 64.8%). While a lower proportion of senior management and directors are female, the Group encourages and supports diversity, including gender.

The Group's gender pay gap report detailing performance and priorities is available on our website.

### Modern Slavery

We recognise that modern slavery can occur in the construction industry and it is a risk to our business. We operate an Anti-Slavery and Human Trafficking Policy which applies to all staff and is incorporated into our agreements with subcontractors and suppliers. It outlines our zero-tolerance approach to slavery and human trafficking and supports the Group's efforts to combat modern slavery.

The Modern Slavery Act working group oversees the Group's approach to eliminating modern slavery from the business and comprises a collaborative cross-functional team which meets on an at least quarterly basis. We are also a member of the Supply Chain Sustainability School Modern Slavery Engagement Programme which aims to increase awareness and provide guidance and training to our supply chain.

Any modern slavery related concerns can be raised in accordance with our "Speak Up" Policy. There were no reports of modern slavery in the Group made in 2019.

### Anti-corruption and anti-bribery

The Group is committed to high ethical, legal and moral standards but recognises that corrupt behaviours are a potential risk. To mitigate this risk the Group operates an Anti-Bribery and Corruption Policy, Anti-Money Laundering Policy and Anti-Fraud Policy. These policies are supported by a network of procedures and checks.

Our controls focus on our relationships with our customers and supply chain. We work hard to make sure we know all our customers and all customer interactions are logged in our new CRM system. We conduct mystery shopper activities and do not accept any cash payments. Cross-regional cost checks and land purchase processes allow for monitoring of potentially suspicious supply chain activity and all employees are subject to the Group's corporate hospitality policy. All subcontractors are made aware of our policies and are encouraged to adopt their own policies.

Our internal checks are complemented by our external lawyers who are made aware of all of our policies and take them into consideration when reviewing contracts.

The effectiveness of these policies is scrutinised and reviewed by the Audit Committee. As with our other policies, any suspected non-conformities can be raised via our "Speak Up" Policy.





## Health and safety:

# Vistry Group backs industry's mental health campaign

We were the first housebuilder to sign up to back the charity Mates in Mind that supports construction employees, and we're fully behind this new industry-wide initiative.





## Health and safety:

# Mental health is a priority for the Vistry Group

The Group is proud to have signed up to the Building Mental Health Charter, an industry initiative being driven by the Home Builders Federation and the Lighthouse Construction Industry Charity.



**Bob Wolstenholme**  
Safety, Health & Environment Director

The charter gives best practice guidance to companies on how to provide mental health support for workers in the housebuilding industry.

The Group trains staff as Mental Health First Aiders in every location and office in which they operate. We recognise that the symptoms of mental ill-health can be much harder to identify than physical ailments and this training will help equip our staff with the skills to spot the signs early.

The Mental Health First Aiders will be points of contact for employees or subcontractors to raise concerns to, and they will also proactively reach out to colleagues they feel may need support.



### Mental Health First Aid

Training delivered to Home Builders Federation staff by Sam Davey (Core Training and Planning Manager) and Rob Middleton (Training Development Officer)



## Environment:

# First housebuilder to install hedgehog highways on all developments

The Group has joined forces with the British Hedgehog Preservation Society (BHPS) to launch a trailblazing campaign to protect hedgehogs and other endangered creatures.

The population of hedgehogs is sadly in decline as they struggle to find enough food, mates and shelter. In response to this important issue, the Group has committed to installing hedgehog highways in all existing "Bovis Homes" branded developments, as well as all future sites.



These ground-level holes in fencing and other barriers facilitate the movement of hedgehogs and other small mammals between gardens.

As part of our ongoing partnership with the BHPS we have also donated £5,000, will build hedgehog homes in open green spaces and will work with the BHPS to provide our customers with literature on helping hedgehogs.

# Our corporate social responsibility (CSR) priorities



## Health and safety

KPIs	2019	2018
RIDDORs	21	21
Total Recordable Injuries	182	220
Lost Time Injury Frequency Rate (LTIFR)	0.13	0.11
Total Recordable Injury Frequency Rate (TRIFR)	1.14	1.14

**The safety of our people, and those who work with us, is our top priority.**

We mitigate the risk of incidents with a robust Health, Safety and Welfare Policy, associated procedures, a team of health and safety professionals and a culture of behavioural safety. Going beyond just safety, we recognise the impact of mental ill-health and are taking a number of steps to address this important issue.

### Safety

Achieving high standards of health and safety is an integral part of business performance. Its importance is evident throughout all levels of the organisation. Health and safety is one of the first topics to be covered in executive meetings, and it is highlighted early in our new starter induction, with clear linkage to our values and ethos.

Our approach is to comply with all statutory provisions at a minimum and strive for continual improvement by setting appropriate health and safety objectives and targets. We're very sad to report that this year we did incur a fatality on one of our construction sites. We are investigating this fully and continue to drive improvements in all aspects of safety to prevent this occurring again.

During 2019 we fully refreshed our health, safety and environmental system through the delivering of standard operating procedures (SOPs).

Promoted by a new Health, Safety and Environment Director, the SOPs set mandatory best practice design, management and implementation requirements that are regularly audited by our dedicated in-house team of SHE experts. This internal inspection regime features an overall H&S performance KPI which has been set for all sites and provides a "Gold – Green – Amber – Red – Black" dashboard indicator that is updated by the regions daily. This continues to be well received by site teams and has increased the level of engagement with both site management teams and contractors and is consistent with our strategy to bring about behavioural change.

A key facet of the new management system is stakeholder engagement. We involve contractors early in the project to deliver improved quality and safety of works. This approach has already resulted in a 30% reduction in service strikes.

Whilst the LTIFR has increased slightly (0.13 in 2019 compared to 0.11 in 2018), this is well within our tolerance levels and the marginal increase is due in part to a reduction in overall working hours, rather than an increase in injuries.

Furthermore, we actively promote worker engagement at site level through daily activity briefings ("DABs"). These provide an opportunity for site management to communicate with subcontractors in respect of tasks scheduled to occur that day and particular risks that may arise as a result.

They also provide a forum for subcontractors to provide feedback, for example in respect of near-misses and agree improvements implemented.

We think it's important to recognise and encourage excellence in safety and run an annual safety award scheme, the Best Sites Award. This year there were awards for the overall site winner, two divisional site winners, two regional winners and two that were highly commended. Winners were selected based on their approach to safety planning, attitude, team relationships as well as performance.

### Health and wellbeing

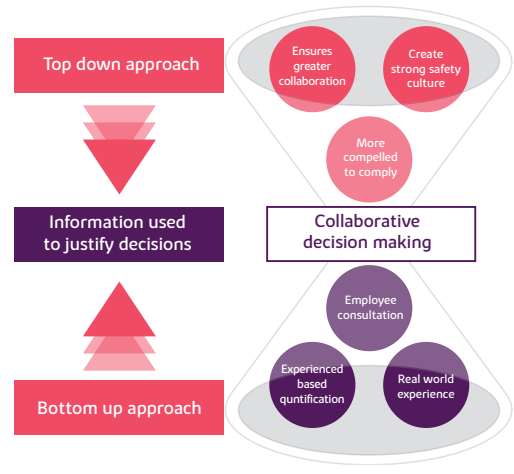
Sadly, incidents of suicide in the construction industry are high. We recognise the importance of this issue and are determined to be an industry leader in tackling mental health.

We were the first housebuilder to become a supporter of Mates in Mind, a construction industry initiative which aims to increase awareness of mental health and to reduce the stigma attached to it.

Building on this, this year we have committed to ensuring there are qualified Mental Health First Aiders (MHFA) available in all areas of our business. The role of the MHFAs will be to raise awareness of mental health in the workplace, reduce the stigma surrounding mental health issues and provide practical support to anyone personally effected.

We also strive to facilitate wellbeing with a range of regionally co-ordinated activities, including regular teambuilding exercises, away days and yoga sessions.

## Bottom up safety management



Jack Allen | Site Manager



# Committed to health and safety

Comprehensive health and safety training for all employees



# Our corporate social responsibility (CSR) priorities



## Environment

KPIs	2019	2018
Recycling	96%	94%
Waste per plot	6.77	5.94
GHG emissions	1.55	1.59

The Group recognises its responsibilities to protect and enhance the environment and to minimise, so far as it is safe, practicable and economically sound, any adverse environmental impact of its activities.

The Group's commitment to the environment is set out in the company's Environment Policy, which is underpinned by associated procedures.

Our key environmental risks are waste, climate change, biodiversity, flooding and sustainable timber. We strive to minimise our impacts in these areas and to have a positive impact where we can.

### Waste

The 2019 reporting period showed an increase in overall waste per plot, driven by less waste being removed by ground workers. Reducing this will be a focus for 2020. One solution to this issue that we have introduced this year is the use of green waste soil improvers. In certain circumstances these can be added to existing topsoil to make it suitable for use, thus reducing the need to landfill and replace the pre-existing soil.

Overall our level of recycling increased to 96%. To drive further improvements we continue to enforce waste segregation on all sites and have increased transparency of waste performance metrics with monthly waste reports.

We continue to research and develop more efficient build processes and modern methods of construction which should reduce the amount of waste generated from our activities.

### Climate change

We continue to recognise the importance of climate change and strive to minimise the long-term impact of our homes, as well as our operational footprint.

For our homes we take a fabric first approach, using design and careful material selection to reduce the need for heating. In some cases this will be complemented with the provision of renewable energy sources.

From an operational perspective our focus this year has been on revising our company car policy to limit CO<sub>2</sub> emissions. We have also renewed our forklift truck fleet and specified machines that are no more than two years old, to ensure improved efficiency.

Our overall GHG emissions for the year are 6,245 tonnes, a small increase from last year due to an increase in the number of homes built.

GHG emissions have been reported from all sources required under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. These sources fall within the Group's operational control.

Tonnes	2019	2018
<b>Total waste diverted from landfill</b>	<b>25,133</b>	<b>23,972</b>
Comprising: Timber	2,965	3,094
Plasterboard	2,920	3,291
Hazardous	6	19
Light Mixed Compactable Waste	17,937	16,399
Other	1,306	1,169
<b>Total waste to landfill</b>	<b>1,057</b>	<b>1,469</b>
Comprising: Timber	0	0
Plasterboard	0	0
Hazardous	1	0.2
Light Mixed Compactable Waste	1,028	1,430
Other	28	39
<b>Total waste</b>	<b>26,191</b>	<b>25,441</b>
Number of plots	3,867	3,759



# Protect and enhance the environment

Aiming to take a sustainable approach

# Our corporate social responsibility (CSR) priorities

The Group does not have responsibility for any emission sources that are not included in the consolidated financial statements and are outside the boundary of operational control.

During the year, measures were operated to collect emissions data from our construction sites. Where this data was incomplete at the year end, we have extrapolated total emissions by using

(i) an averaging approach to extend data to a full year for sites with part-year data, and (ii) applied an average calculated from all sites to sites returning inadequate data. The calculations allow for sites which opened and closed during the year.

## Greenhouse gas (GHG) emissions data for the period 1 January 2019 to 31 December 2019 (with prior year comparatives)

Emissions from:	2019	2018	2017	Unit
Combustion of fuel at our facilities and construction sites as well as fleet vehicle use (Scope 1 emissions)	5,275	4,902	5,683	*
Purchased electricity (Scope 2 emissions)	970	1,336	1,522	*
Total GHG emissions (Scope 1 and Scope 2)	6,245	6,238	7,160	*
Company's chosen intensity measurements:				
(i) Total GHG emissions per legally completed unit <sup>(1)</sup>	1.61	1.65	1.96	**
(ii) Total GHG emissions per 1,000 sq ft legally completed	1.55	1.59	1.81	†

\*Tonnes of CO<sub>2</sub>e. \*\* Tonnes of CO<sub>2</sub>e per legally completed unit. †Tonnes of CO<sub>2</sub>e per 1,000 sq ft legally completed.

GHG emissions have been calculated using emission factors from UK Government's GHG Conversion Factors for Company Reporting 2019. Scope 1 emissions arise from the consumption of gas at our facilities, diesel on construction sites and UK business mileage in fleet cars.

Emissions from air conditioning in offices have been excluded as not being material. Scope 2 emissions represent purchased electricity.

## Waste management – a joined up approach



*"All waste and recycling services for the Group are managed by its appointed partner, Reconomy – the UK's leading provider of outsourced waste management services. Since first joining forces in 2009, the two companies have formed a close working relationship, with an ongoing commitment to minimising waste volumes, increasing recycling rates and reducing waste sent to landfill.*

*During the start of 2019 the waste policy was reaffirmed by both the*

*Group and Reconomy to support the new housing range and focus trades on the importance of waste segregation. Reconomy also welcomed the Regional buying team to their Head office to demonstrate the new 'Sitebuddy' app, which enables site teams to efficiently order skip exchanges and to take part in the National meeting.*

*Regular review meetings with Build Directors, together with the production of a monthly management dashboard*

*to monitor cost and waste have enabled the swift identification of any corrective actions, thereby ensuring the delivery of waste management KPIs.*

*Regular reporting and communication has also led to the creation of a regional league table for waste performance, which has fuelled internal competition and driven further improvements."*

**Tony Filson,**  
Corporate Account Manager, Reconomy



## Biodiversity

We see biodiversity as an increasingly important issue and strive to not only mitigate our impacts in this area but also to positively encourage biodiversity where we can.

To do this we first conduct extensive pre-construction ecology assessments. These assessments evaluate the suitability of habitats for protected species and log proposals to mitigate the impact of our developments more generally.

Mitigations may include the retention and protection of trees, hedgerows and existing landscape features, new landscaping which provides enhanced habitats for local wildlife and the provision of amenities for the community (e.g. open spaces for community food production). The ecological enhancements provided during 2019 include:

- Hedgehog Highways
- Bird and bat boxes
- Bat garage
- Reptile hibernacula
- Insect hotels
- Orchard planting with associated rough grassland
- Wildflower areas
- Native planting of trees, hedgerows and scrub areas

Two notable Group-wide biodiversity initiatives this year have been the introduction of hedgehog highways on all sites (see page 51) and making improvements to our handling of topsoil.

For the latter we worked closely with a specialist soils consultancy to produce clearer guidance to our sites on the handling of soils at different stages of the project.

This has resulted in improved establishment of planted and seeded landscape schemes and reduced issues with plot gardens.

Going forward we are working to enhance stakeholder awareness of the ecological benefits that our development designs and material choices can create.

## Flooding

All sites are reviewed at acquisition stage to determine the likely ground conditions and the type of surface water measures required to limit surface water discharge and any potential for localised flooding. This involves active consultation with the Environment Agency and relevant water authorities to ensure that there is, as a minimum, no impact from our development on local flood conditions.

Our approach is not to acquire sites on flood plains and to incorporate Sustainable Drainage Systems where appropriate for the development.

## Sustainable timber supplies

We specify Forestry Stewardship Council (FSC) or PEFC certified timber is used for all our developments.



# Our corporate social responsibility (CSR) priorities



## Community

KPIs	2019	2018
Affordable housing completions	1,189	1,192
Planning obligations spend	£37.0m	£25.7m

**We take our social responsibilities very seriously. We create spaces where communities will thrive, provide affordable housing, support Force's personnel and contribute to the economy and charitable causes.**

### Creating thriving communities

We collaboratively design our developments to foster a sense of community.

All of our developments are subject to extensive public consultation prior to commencing on site. We incorporate this feedback into the design process.

Our approach to development design focusses on the principles of Green Infrastructure (GI) – networks of multi-functional green space which includes parks, open spaces, playing fields, woodlands, street trees, allotments, private gardens, sustainable drainage systems and soils. This holistic approach supports peoples' mental and physical health, encourages active travel, improves drainage and improves carbon storage. This year we have been working closely with landscape and ecology consultants to deliver improvements to our GI design and delivery.

Where possible we seek to incorporate leisure and amenity areas, together with integrating developments into local public transport infrastructure. In some cases local resident travel vouchers may be provided to encourage use of public transport.

Where play spaces are included, we work with specialist play space designers to ensure they are inclusive, fun and encourage healthy lifestyles.

Our larger developments will often include provision of a local school or other building of benefit to the local area. As a minimum we commit to provide resources and improvements to the local area in agreement with the local authority.

All of our sites have defibrillators installed and staff are trained how to use them. These can be called upon by local communities and we have also taken the step to ensure that these defibrillators remain within the local area once our developments have been completed.

### Affordable housing

We recognise that we have a fundamental role to play in tackling the country's housing supply challenge. We work collaboratively with local authorities and registered providers (RPs) to provide affordable housing across a range of different tenure types. The Government's Help to Buy Scheme and our own Trinity Discount Scheme for Armed Forces personnel are offered on all our developments.

This year we have been working with a number of providers to develop a bespoke specification for the homes we deliver to RPs in response to the growing demands they are under.

Of our 3,867 homes (2018: 3,759) completed in 2019, 31% were sold to RPs (2018: 1,192 and 32%).

### Armed Forces Covenant

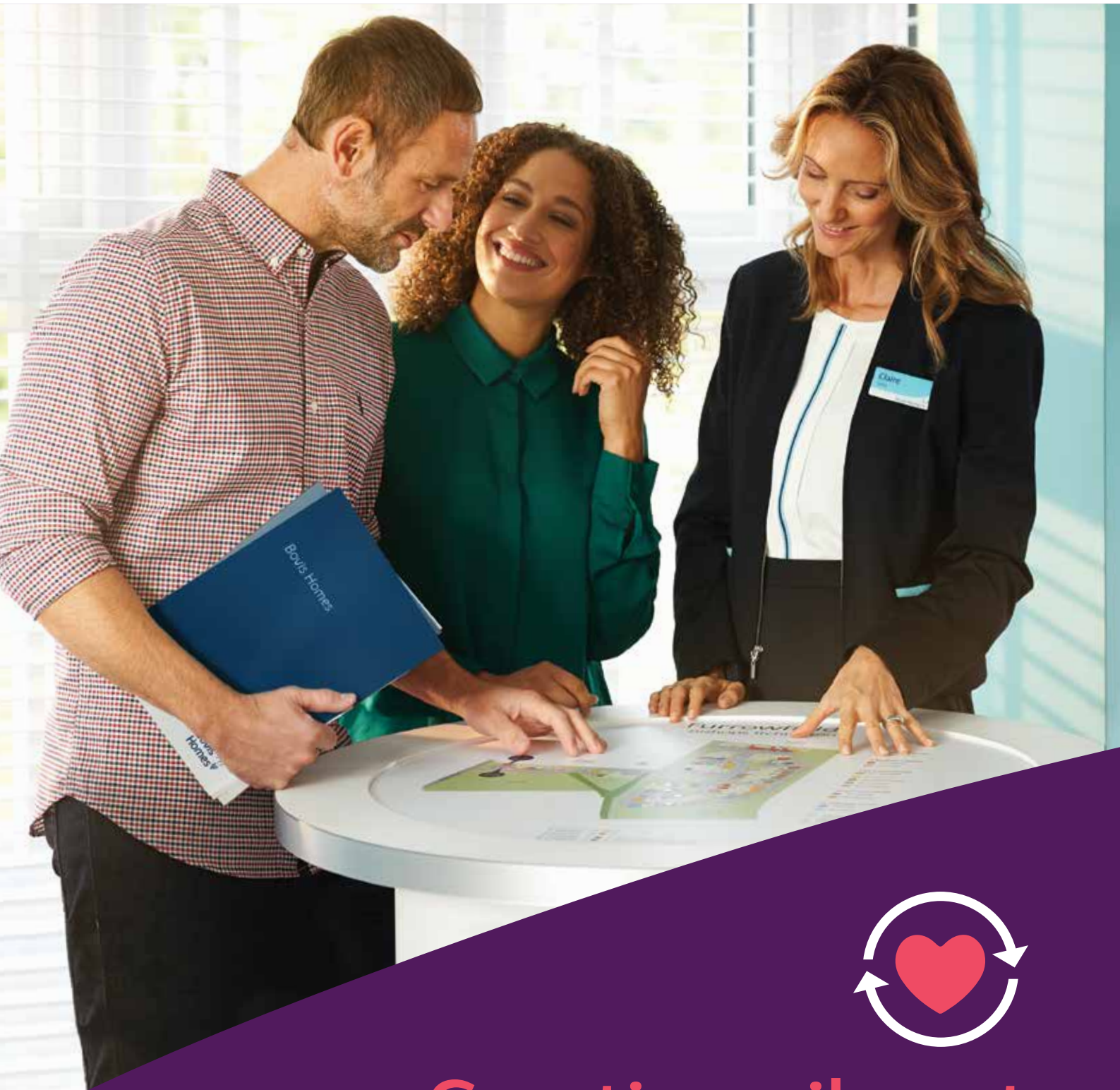
The Group is proud to be a supporter of the Armed Forces Covenant and to be the first housebuilder to have achieved gold status in the MOD's Employer Recognition Scheme.

We are committed to ensuring that our nation's Forces personnel (past and present), and their families, are treated with respect and fairness and have implemented a number of initiatives to support them. A copy of our commitments can be found on our website.

### Driving the local economy

The majority of our site-based population are employed by local subcontractors. The use of local and regional suppliers means that our developments provide benefits for the wider community, through job creation and opportunities for other local businesses to support the development.





# Creating vibrant new communities

Supporting our customers on their  
new home adventure



# Our corporate social responsibility (CSR) priorities

We collaborate with our supply chain on the development of skills for the industry, and our apprenticeship programme incorporates supply chain secondments to learn key construction skills. We offer work experience placements to those attending school and college.

We upskill our supply chain by providing training on topics such as health and safety and site supervisor safety.

As members of the Supply Chain Sustainability School we also leverage their resources to educate our supply chain on sustainability-related matters.

Our suppliers and subcontractors are involved at an early stage in site development to ensure adequate resource planning is in place and health and safety remains a number one priority. We continue to work with our supply chain to ensure timely delivery of our homes in an environmentally and socially aware way. We actively seek and respond to feedback from our suppliers through quarterly 360 surveys.

## Charitable giving

Bovis Homes regularly supports charitable fundraising events and local sponsorship opportunities, as well as facilitating staff-led fundraising activities.

Charitable donations and sponsorship (one-off and ongoing) are managed by each regional business to ensure that local causes and charities important to staff are given priority.

Causes supported include schools and school fetes, local sports clubs, hospitals and hospices, roundtables, elderly care, local community initiatives and other local and national charities.

A payroll giving initiative is offered to employees to enable them to contribute to their chosen charities directly from their salary.



## Community:

# The Group is proud to have achieved the highest award from the Ministry of Defence for supporting Armed Forces personnel

**The Group is the first dedicated housebuilder in the industry to receive the recognition.**

The Group received the Government's Defence Employer Recognition Scheme Gold Award for a raft of initiatives put in place to support Forces personnel. These include:

- Being a signatory to the Armed Forces Covenant; a promise to ensure that those who serve or who have served in the Forces, and their families, are treated fairly
- Offering a discount scheme to help those connected to the Military onto the housing ladder

- Introducing a trainee assistant site manager programme, specifically targeted at ex-armed forces personnel
- Offering mentoring and work placements to those with military background
- Sponsoring the 2019 Armed Forces Day National Event in Salisbury, which marks the service of men and women in the Armed Forces and includes three days of celebrations including a military parade
- Regularly attending Career Transition Partnership recruiting events for members of the Armed Forces
- Supporting staff members who choose to be members of the Reserve Forces

The Group currently employs around 100 people with ex-military backgrounds, including site managers, technical staff and trainers.

Former Welsh Guard Josh Beesley, who is trainee assistant site manager at the Group's Filton location, was medically discharged from the Army before we offered him a second career.

The 26-year-old said: *"For many young people leaving the Armed Forces, it can feel quite daunting trying to find Civilian work. The Group was there to give me an opportunity and train me and I'm not surprised the Company has won the Gold award."*

## Strategic report approval

The strategic report outlined on pages 2 to 67, incorporates the financial highlights, the Chairman's statement, the strategic review, the Chief Executive's report, the financial review, the principle risks and uncertainties review and corporate social responsibility review.

By Order of the Board  
**Earl Sibley**, Chief Financial Officer  
27 February 2020



From left, Roger Morton, Josh Beesley, Chris Pugh, Darren Partridge at Bovis Homes' Faringdon Fields in Oxfordshire



## Community:

Bovis Homes first to gain  
**MOD Gold award** for  
backing military personnel

