

The Aspen | 4 bedroom home
The Tors, Tavistock



Sustainability Report

We focus our efforts in sustainability across all aspects of our strategy, with a particular focus on three key areas – our people, our operations, and our homes and communities

Sustainability report

Vistry has taken the opportunity of the Acquisition and creation of the new Group to reinvigorate and relaunch our focus on the sustainability of our operations. We are proud therefore to have formulated a new sustainability strategy sponsored by our Chief Operating Officer with full support from the Board.

We conducted a review focusing in particular on the Environmental and Social elements of the ESG agenda, considering our performance, our risks and our opportunities, consulting with our stakeholders, and deriving a series of key actions to drive our performance in these areas. Further details of the Group's sustainability materiality review and matrix are set out below. This work has been carried out by a team drawn from across the Group, ensuring that our plans are relevant to our business, inspiring to our teams and owned by our operating businesses. Our key targets for 2021, which are aligned to UN Sustainable Development Goals (UNSDGs) are also set out below. This will be an absolute focus and priority for 2021 and beyond and will be announced in detail during the spring.

This activity is not considered to have had any material impact on our financial statements of 2020, or our forecast 2021 activity.

We focus our efforts in sustainability across all aspects of our strategy, with a particular focus on three key areas – our people, our operations, and our homes and communities.

Our new sustainability strategy has been created using a risk-based approach taking inputs from key stakeholder groups:

Our sustainability priorities are therefore focussed on issues that are important both to our stakeholders, and to our business, be it addressing a business risk or opportunity, or strategy delivery. This was formulated through a materiality review that evaluated all sustainability matters using a balanced scorecard from these stakeholder groups (see page 67)

Excitingly, during 2021 we have committed to setting out a roadmap and investment requirements to achieve Net-Zero Carbon using a science-based approach. This will be supported by a dedicated sustainability team who will be fully empowered to coordinate and control current and future performance across the Group. During 2021 we will also set out in more detail how we intend to meet the recommendations regarding Task Force on Climate-Related Disclosures (TCFD) thereby improving our communication regarding our climate change performance to investors and other stakeholders.

As part of our sustainability review, we have engaged 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 58 to 64.

In November we convened our first Sustainability Forum, drawn from across the business, and including all

disciplines and levels of experience, to act as both a sounding board for our proposals, and as enthusiastic ambassadors throughout the business. Key to our plans going forward are two new senior roles, being a Group Sustainability Manager and Group Sustainability Technical Manager, which we are in the process of recruiting for appointment in early 2021.

For each of our sustainability priorities, which are aligned to our strategic priorities, we operate a framework of Group policies and procedures, all underpinned by our values of Integrity, Caring and Quality. 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.

An FW: ARA amends y suspected policy non-conformities can be raised in accordance with our "Speak Up" Policy. This policy continues to evolve and not only details the whistleblowing process but reflects the company's commitment to openness and proactively raising concerns.

Priorities for 2021

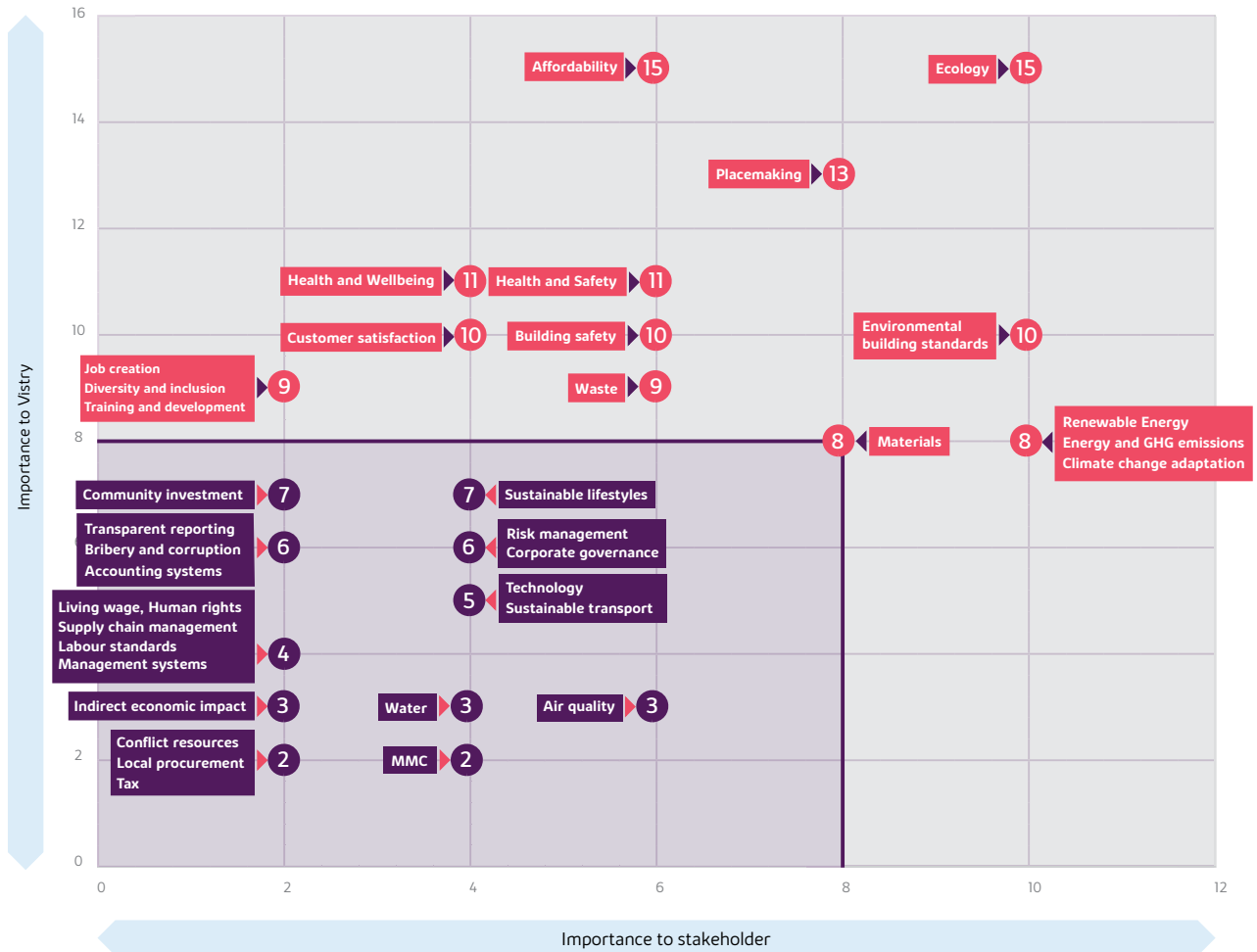
Our priority for 2021 is to lay the foundations of a sustainability strategy that reflects our position as one of the UK's leading homebuilders and our strategic priorities will deliver our purpose of building sustainable new homes and communities across all sections of the housing market.



Materiality Review Prioritisation Exercise

The Group materiality review assessed the impact of our business activities on 37 environmental, social and governance issues to identify which

issues matter most for our stakeholders and present long-term value creation risks and opportunities for our investors.



Our materiality review identified 11 material issues that are managed under the Group's core strategic focus areas:

Vistry Group exists to develop sustainable new homes and communities across all sectors of the UK housing market



Sustainability report

These 11 issues form the foundation of our Sustainability Strategy and will be managed across both our Homebuilding and Partnerships businesses. We have set targets for each of these issues for 2021, which reflect the objectives of the UN Sustainable Development Goals (UNSDGs) that are material to our business activities.

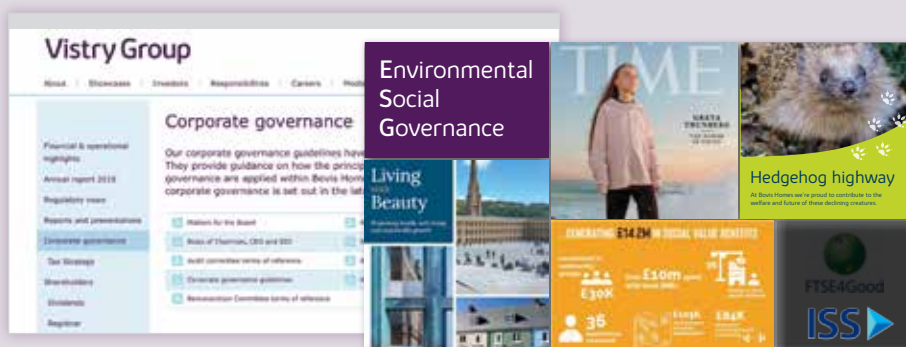
In addition Vistry is committed to upholding the highest standards of corporate governance, human rights and labour standards and our approach to these essential compliance issues are set out in detail in our corporate policies and throughout this report.

For information about how we manage the risk of modern slavery please see page 29. A light touch review of material issues and strategic objectives will be undertaken annually as part of our corporate reporting process, with a more detailed materially review to be carried out every three years.

To help us implement this strategy we will be investing in the following areas in 2021:

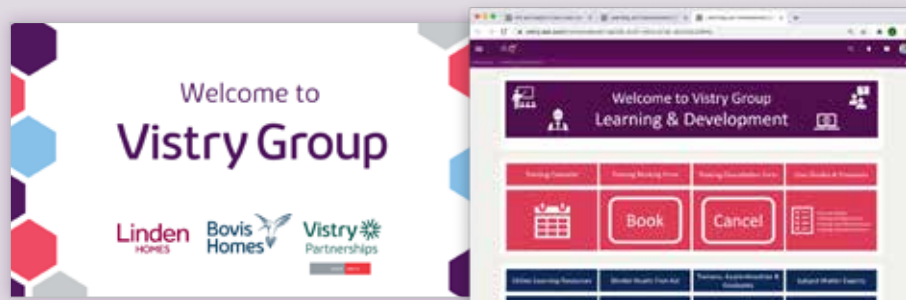
1 Organisational structure and governance:

Appointing two new senior roles to bolster our strategy execution and to oversee the design of sustainability in our homes and infrastructure. To ensure we have appropriate focus across the breadth of our Group, we will continue to further embed sustainability champions across all our business units.



2 Skills and mindset:

New training and policies to raise internal awareness, including a new induction programme and a graduate scheme that will be at the centre of the new focus on sustainability.



3 Collaboration & partnerships:


Enter into strategic conservation and environmental partnerships to help achieve bio-diversity net gain and our roadmap to net carbon zero. In addition, we will continue to leverage expertise with the Supply Chain Sustainability School.



4 Communications:

We will invest in our external website to include improved visibility of our strategy, targets and performance indicators. Our sales materials and brochures will promote green space, placemaking and sustainable benefits of our homes. Internally we will ensure our people receive updates on the strategy and our performance throughout the year.





Vistry is committed to upholding the highest standards of corporate governance, human rights and labour standards

Sustainability report

Aligned to our vision and strategic framework, our 2021 targets are set out below which are aligned to UN Sustainable Development Goals (UNSDGs). The SDGs, set in 2015 by the United Nations General Assembly are intended to be achieved by the year 2030, for which Vistry Group is fully committed.



Priorities	Issue	Target	UNSDG
Our people 	Jobs and training Page 28	Design and implement a new strategy for people development Extend skills academy concept to every new large regeneration site Implement a Learning Management system (LMS) that maximises employee learning opportunities	
	Health and wellbeing Page 29	Develop and implement an employee wellbeing programme Deliver year-on-year improvement in employee retention Deliver a year-on-year reduction in absenteeism Establish a national charity partnership with MIND	
	Diversity and inclusion Page 29	Develop and implement a diversity and inclusion strategy	
Our operations 	Waste and resources Page 36	Achieve an annual 5% reduction in waste intensity tonnes/unit Retain recycling rate of over 95%	
	Climate change Page 38	Deliver a 5% reduction of in GHG emissions intensity in 2021 (tCO ₂ e/m ²) Set a science based target for delivering Net-Zero Carbon across the Group's operations	
Our homes and communities 	Placemaking Page 40	Use the Vistry social value toolkit to implement placemaking strategies on at least one mixed-tenure development in all Vistry Partnerships business units in 2021. Invest equivalent of 0.1% of PBIT with charities and community organisations.	
	Ecology Page 42	Implement an action plan during the year to achieve 10% bio-diversity net-gain across the Group.	
	Building Standards Page 42	Develop a roadmap and set a target for all Vistry homes to be designed to Net-Zero Carbon standards.	
	Affordable housing Page 42	As part of Project 6,000, deliver a year-on-year increase in additional affordable homes delivered beyond policy compliance.	



Revised plans see new part of Cam community taking shape around Roman villa remains...

The new homes being built around Roman villa remains in Cam are proving popular with house buyers as a new part of the community starts taking shape around the historic find. The remains, at Bovis Homes' Millfields location in Cam, survived unprotected for almost 2,000 years before being uncovered during archaeological work ahead of the construction of new homes.

Artefacts have now been taken away from the site and the foundations of the villa extensively recorded before being carefully backfilled with specialist sand, in accordance with Historic England requirements, to ensure continued preservation. The development has since been redesigned by the Group so no homes are built on top of the villa site, and the new location that is taking shape near Cam and Dursley railway station is now proving popular with those looking to discover a modern property gem. Sharon Nash, regional marketing manager at Vistry Cotswolds, said: "Bovis Homes' Millfields location is proving very popular with home buyers, we've been so impressed with the high levels of demand and sense of community here in Cam.

"The Roman villa remains are a wonderful part of our Millfields development and we're delighted to preserve these finds and celebrate them with the local community." Following the discovery of the villa foundations and other materials, including pottery, last year, two public events were held to showcase the findings, with tours led by the housebuilder's consultant Thames Valley Archaeological Services (TVAS). To view a video of the remains, including an explanation of the findings and their historical context, visit Bovis Homes' YouTube channel. Nigel Lush, Cotswold regional technical director at Bovis Homes, said: "Bovis Homes is very proud to preserve a valuable part of Cam's history and an information board, at the location of the remains, has been placed for the community. We'd also like to thank TVAS for their commitment and support throughout the findings and preservation process. "We've been working closely with the local community and local councillors, to work through a coordinated approach to maintaining the villa and we're delighted to preserve these historical artefacts. "We redesigned our development after discovering the remains, so that no homes are built on top and have done all we can, with TVAS, to ensure these findings last forever."

Among the uncovered stonework is a bath house annexe, with a cold pool and a hypocaust – which would have heated the bath house – plus, some personal items including coins, pins, broaches and spoons. There are also fragments of pottery and animal bones. Agata Socha-Paszkiwicz, regional office manager at TVAS (South West) in Taunton, said: "With the condition of the walls and the setting within the site, the best action was to rebury the remains. They have been reburied by the specification provided by Historic England, using the proper method and record of the findings and their location is stored for everyone to see and for future works. "Bovis Homes decided to go much further than it is legally obliged to. We have full excavation and preservation by record and in situ, which Bovis Homes agreed to do and pay for, and agreed to redesign their development."

"The Roman villa remains are a wonderful part of our Millfields development and we're delighted to preserve these finds and celebrate them with the local community."

Sharon Nash, Regional Marketing Manager at Vistry Cotswolds



Sustainability report

Climate change

Vistry acknowledge we have a key part to play in minimising our environmental impact and carbon footprint of our operations to ensure the long-term sustainability of the homes we build.

A key and critical element of the work we have committed to following the review is to produce a roadmap towards a science-based approach to achieving Net-Zero Carbon emissions in advance of government requirements.

We plan to announce our targets no later than our half year results in September 2021.

We will comply with TCFD requirements (Task Force on Climate Related Disclosures) and in readiness are undertaking a comprehensive climate change and risk assessment, which is summarised below:

Climate change and risk assessment			
Governance	Strategy	Risk management	Metrics and targets
<p>Vistry Group's board's oversight of climate-related risks and opportunities:</p> <p>Responsibility for managing climate related risks and opportunities resides with the ELT and our COO is the executive sponsor</p> <p>Homes and Partnerships CEOs are responsible for managing climate related risks in their respective businesses and reporting performance to the ELT and PLC board. These responsibilities are cascaded down to business unit MDs who report at their respective boards to divisional CEOs.</p> <p>A central sustainability team is responsible for implementing our strategy to reduce the impact of our operations on the climate.</p> <p>Our COO chairs a quarterly sustainability forum which is attended by 25 champions with representatives from all business units and business functions. The management of physical and transitional climate risks are an agenda item for all meetings</p> <p>Mandatory standards will be embedded in to our control framework with each business unit entity self-assessing their compliance quarterly. Results will be presented to our Audit Committee.</p>	<p>The climate-related risks and opportunities Vistry Group has identified over the short, medium and long-term.</p> <p>Following the Acquisition of Linden Homes and our Partnerships business a carbon footprint baseline was undertaken in 2020. This included standardising our data collection processes across our Homes and Partnerships businesses.</p> <p>We also undertook a review of our energy providers as part of our Group buying practices and we are acting to merge all of our gas and electricity usage to one energy broker, who will provide 100% renewable energy across all of our offices and sites.</p> <p>Group Commercial and Technical teams have teams have undertaken a product review to identify the costs associated with meeting the future homes standards and the Group took the decision to allow for the additional cost of meeting new Part L Building Standards in all land acquisitions during the year. Further work will be undertaken in 2021 to mitigate the impact of changes to existing sites where homes will be subject to the new regulations.</p>	<p>Vistry Group's processes for identifying and assessing climate-related risks.</p> <p>Climate related risks were assessed as part of the materiality review undertaken in 2020. This included:</p> <ul style="list-style-type: none"> Review of legislative risks up to 2050 Review of planning policy in key local authority areas for the Group Consultation with RP and investor clients Consultation with shareholders to understand their priorities <p>A detailed risk assessment of climate related risks will be carried out in 2021 as part of approach to Net-Zero Carbon.</p>	<p>The metrics and targets used by Vistry Group to assess and manage relevant climate related risks and opportunities where such information is material.</p> <ul style="list-style-type: none"> KPIs are currently being formulated as part of our risk assessment and will form part of our science based approach to net carbon zero. <div>   </div>
			

Governance	Strategy	Risk management	Metrics and targets
<p>Management's role in assessing and managing climate-related risks and opportunities:</p> <p>At the end of 2020 the Group CEO directed a refreshed board report for the Homes and Partnerships Executives which requires monthly reporting of performance against climate change targets.</p>	<p>The impact of climate-related risks and opportunities on Vistry Group's businesses, strategy and financial planning.</p> <p>A full risk assessment of physical and transitional climate related risks will be undertaken in 2021. This will include:</p> <ul style="list-style-type: none"> Setting a science based target to deliver Net-Zero Carbon business operations – this will include indicative costs and plans for utilizing green finance Establishing a roadmap for ensuring all Vistry homes are designed to a zero-carbon standard – this will include different cost scenarios Undertaking a flood risk assessment of the Vistry Group land bank based on different climate change scenarios Undertaking a product review of the impact of overheating on our standard house types for different climate scenarios 	<p>Vistry Group's processes for identifying and assessing climate-related risks.</p> <p>Risk assessment activities to be undertaken in 2021</p> <ul style="list-style-type: none"> Carbon footprinting of scope 1 and 2 emissions to re-baseline following Covid-19 Scope 3 emissions footprinting – third party assessment of embodied carbon Product review to test resilience and efficiency to deliver zero carbon homes that can be designed to different climate scenarios Flood risk assessment of land bank for different climate scenarios 	<p>The metrics used by Vistry Group to assess climate-related risks and opportunities in line with its strategy and risk management process.</p> <ul style="list-style-type: none"> Electricity site & office kWh Diesel kWh Gas kWh Renewables kWh Scope 1 GHG emissions Scope 2 GHG emissions Renewable energy capacity installed (GW) SAP calculation & EPCs
<p>The role of Vistry Group's management in assessing and managing climate-related risks and opportunities.</p> <p>During 2021 and as part of our work to develop a Net-Zero Carbon strategy the ELT will oversee a detailed risk review into the physical and transitional climate related risks in line with TCFD guidelines and will report in 2022.</p>	<p>The impact of climate-related risks and opportunities on Vistry Group's businesses, strategy and financial planning.</p> <p>Vistry Group continues to work alongside government and industry to support the policy landscape of the Future Homes Standard and Net-Zero commitments. Our roadmap has identified the challenges that need to be developed, which we will work through during 2021 through research and engagement with all relevant stakeholders.</p>	<p>Vistry Group's processes for managing climate-related risks.</p> <p>Update to be provided in 2022 following risk assessment.</p>	<p>Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.</p> <p>Reported annually and available within Our operations section (pages 34 to 38)</p>
	<p>The impact of Vistry Group's climate related risks and opportunities on the organisation's businesses, strategy and financial planning.</p> <p>We have reviewed our assumed land viabilities and value to adjust for climate related risks and opportunities. This will be reviewed continuously as our risk assessment details further risks and opportunities.</p>	<p>Vistry Group's processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.</p> <p>Update to be provided in 2022 following risk assessment.</p>	<p>The targets used by Vistry Group to manage climate related risk and opportunities and performance against targets.</p> <ul style="list-style-type: none"> Deliver a 5% reduction of in GHG emissions intensity in 2021 (tCO₂e/m²) Set a science based target for delivering Net-Zero Carbon across the Group's operations Develop a roadmap and set a target for all Vistry homes to be designed to Net-Zero Carbon standards.