

Building on sustainability





Our reporting

Our integrated Annual Report and Accounts 2022 covers key sustainability and financial disclosures, and details how we drive performance and achieve our purpose. We have increased our disclosure on sustainability topics in the report, including against the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD).

Our supporting Sustainability Supplement and ESG Addendum further summarises the key sustainability issues for our business. More detail can be found online, along with our case studies and key policies.



www.taylorwimpey.co.uk/corporate/sustainability

This Sustainability Supplement and ESG Addendum summarises progress on the most important sustainability issues for our business and our stakeholders during the period 1 January 2022 – 31 December 2022.

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Our approach to sustainability

We are one of the UK's leading national homebuilders operating at a local level from 22 regional businesses across the UK. We also have operations in Spain.

Our purpose is to build great homes and create thriving communities and our commitment to sustainability is key to this.

We will continue to integrate sustainability into the way we work to create a strong and resilient business for the long term and generate value for all our stakeholders.



Sustainability integrated within our strategy



Sustainability has always been an important part of how we do business. In 2022, sustainability was formally integrated into our strategy as one of our four strategic cornerstones, reflecting its importance to our business and our stakeholders.

During 2022, we have continued to make good progress in a number of areas, including health and safety, quality and skills, reducing our environmental footprint and improving workplace diversity and inclusion; but we know we can go further.

I'm really pleased to be publishing our target to become net zero in our operations by 2035 and across our value chain by 2045, five years ahead of the UK's target. Our target is aligned to the science and is supported by our Net Zero Transition Plan,

with a four-stage roadmap detailing our actions. We are also pleased to be publishing quantitative targets on diversity that will help us become more reflective of the communities in which we work.

We are proud of our culture that emphasises doing the right thing – for our customers, our colleagues and partners, our shareholders and the communities we work in. Our net zero commitment and the other work outlined in this supplement is about doing the right thing for all these stakeholders while protecting the planet for future generations. We believe that playing our part in tackling societal and environmental challenges makes us a stronger and more resilient business.

Read more from our Chief Executive in our Annual Report and Accounts 2022.

“Sustainability is formally integrated into our strategy as one of our four strategic cornerstones, reflecting its importance to our business and our stakeholders.”

Delivering value through our strategic cornerstones



Land

Land is the key driver of value for any housebuilder and we are differentiated by the strength of our landbank. We measure this by length, weight, shape, efficiency and quality. Our strategic pipeline is a competitive advantage in its own right, giving increased optionality and opportunities to protect value.



Operational
excellence

An efficient business model is needed to minimise risk, manage headwinds and protect value.

We are taking a future focused approach to modernisation of construction methods and build innovation including expanding our use of timber frame, and driving standardisation and efficiencies.



Sustainability

We build quality homes and design communities to enable customers to enjoy a good quality of life while protecting the environment and ensuring development brings economic growth and skilled employment.

Our energy efficient homes can play a critical role in helping the UK meet its decarbonisation targets, and in reducing cost of living for customers.



Capital
allocation

We have a clear and disciplined framework that balances investment for future value creation with sustainable annual dividends and excess cash returns for investors as appropriate through the cycle.



Our net zero commitment

We have set an ambitious target to be net zero aligned in our operations by 2035 and reach net zero across our value chain by 2045 - ahead of the UK's national target.

Our net zero target and roadmap will enable us to reduce our emissions in line with the 1.5°C ambition of the Paris Agreement. It will support the wider transition to a low carbon economy through the changes we are making to our homes, enabling customers to reduce their emissions, and through our collaboration with suppliers to reduce embodied carbon in the materials used to build our homes and developments.

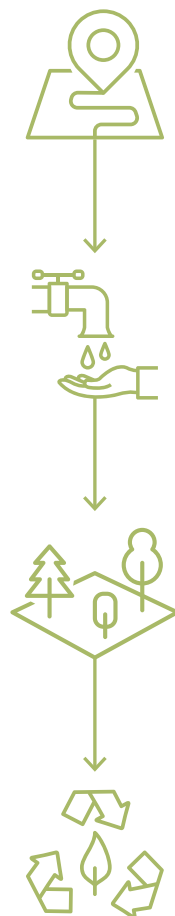
Our main target incorporates our existing science-based reduction target for Scopes 1 and 2 and is supported by several near, medium and long term emission reduction goals. We have also set targets for how we will adapt our business to the impacts of climate change and support customers and communities to do the same, see page 35.

Science-based approach

Our target was developed with the Carbon Trust in line with the requirements of the Science Based Targets initiative (SBTi) Corporate Net Zero Standard. We have submitted our target for validation by the SBTi and expect to receive this during 2023.

In developing our target we have also taken into account the 'Metrics, Targets, and Transition Plans' guidance issued by TCFD. We have modelled the costs and investment required to reach our goals as well as our approach to neutralising residual emissions.

Read more in our Net Zero Transition Plan, available on our website.



Our main target

By 2045 we will reach net-zero greenhouse gas (GHG) emissions (Scopes 1, 2 and 3) across our value chain on a 2019 base year (comprising at least a 90% reduction and neutralising residual emissions).

Supporting targets

- By 2025 Scopes 1 and 2 GHG emissions will be reduced by 36% per 100m² of completed floor area against a 2019 base year.
- By 2030 all our homes will be zero carbon ready (becoming true net-zero on decarbonisation of the electricity grid).
- By 2030 Scope 3 GHG emissions will be reduced by 52.8% per 100 m² of completed floor area from a 2019 base year (based on a reduction of 46.2% in absolute emissions against the base year).
- By 2035 Scopes 1 and 2 GHG emissions will be net-zero.

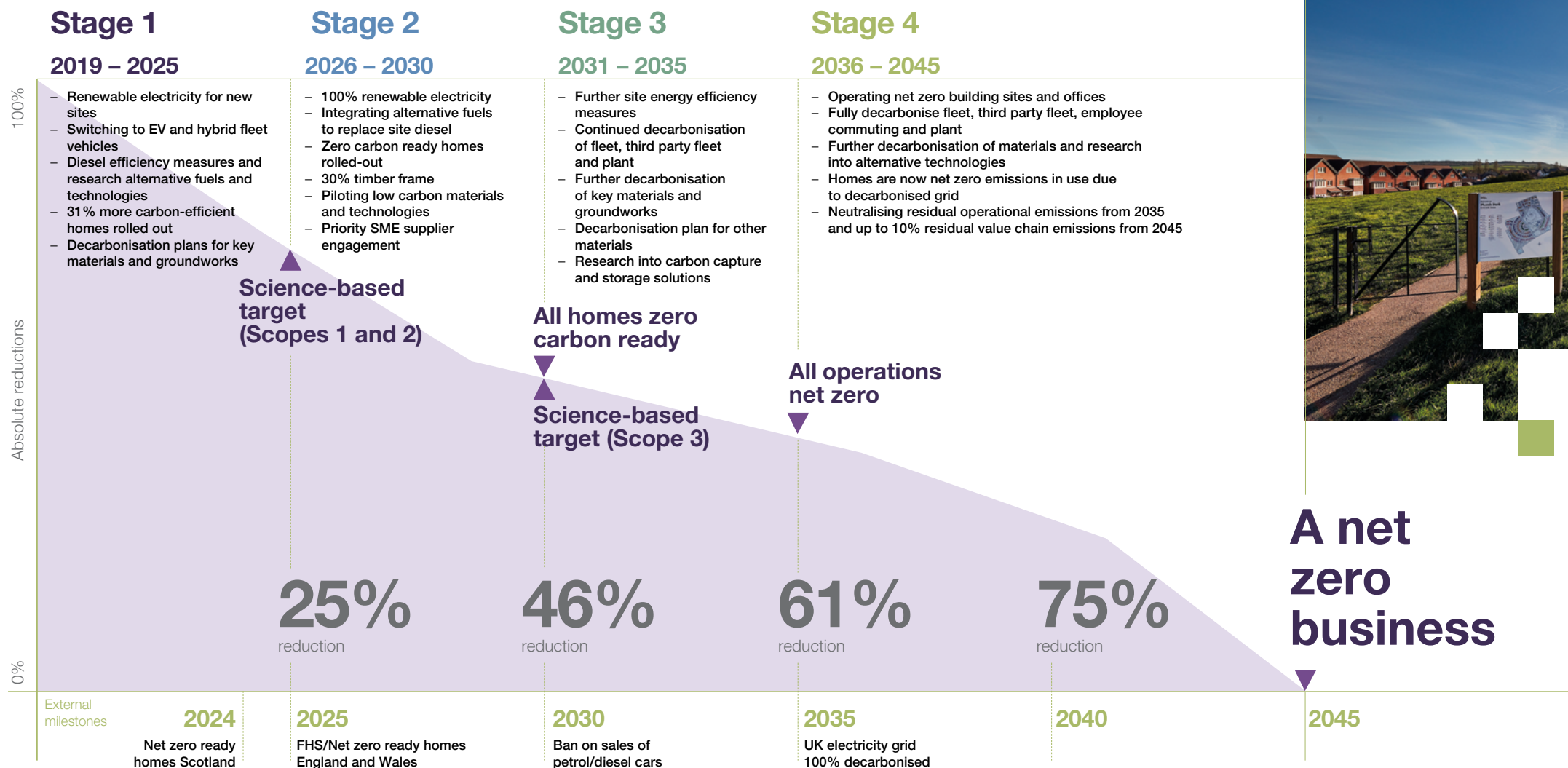
Neutralising residual emissions

We will meet our targets by reducing absolute emissions by at least 90% and will neutralise the remaining up to 10% of emissions through the removal and storage of carbon from the atmosphere, in line with SBTi requirements.





Our path to net zero





Our materiality process

We conduct a regular materiality assessment to make sure we focus on the sustainability issues (environmental, social and economic) of most importance to our business and our stakeholders.

To determine materiality, we look at the impact or potential impact of an issue on our business strategy (from a performance, cost or risk perspective). We also consider the impact of our business on the issue and the importance of the issue to our stakeholders such as colleagues, customers, investors and communities.

We use the results of our assessment to inform our reporting and disclosure, development of our environment strategy and our approach to ESG governance and risk management.

We are in the process of updating our materiality assessment and will publish the results in 2023.

Materiality process

1. Issue identification

A long list of issues was identified based on our current priorities, our previous materiality assessment, business strategy, our main impacts and risks, long term and market trends, the UN SDGs and other external frameworks.

2. Stakeholder research

We sought the views of investors, local government, non governmental organisations (NGOs), academics, registered social landlords and sustainable business organisations. We also drew on consumer research, a government policy review and a media scan.

3. Internal interviews and research

We carried out internal interviews and research with senior leaders, functional leads, and graduates.

4. Review

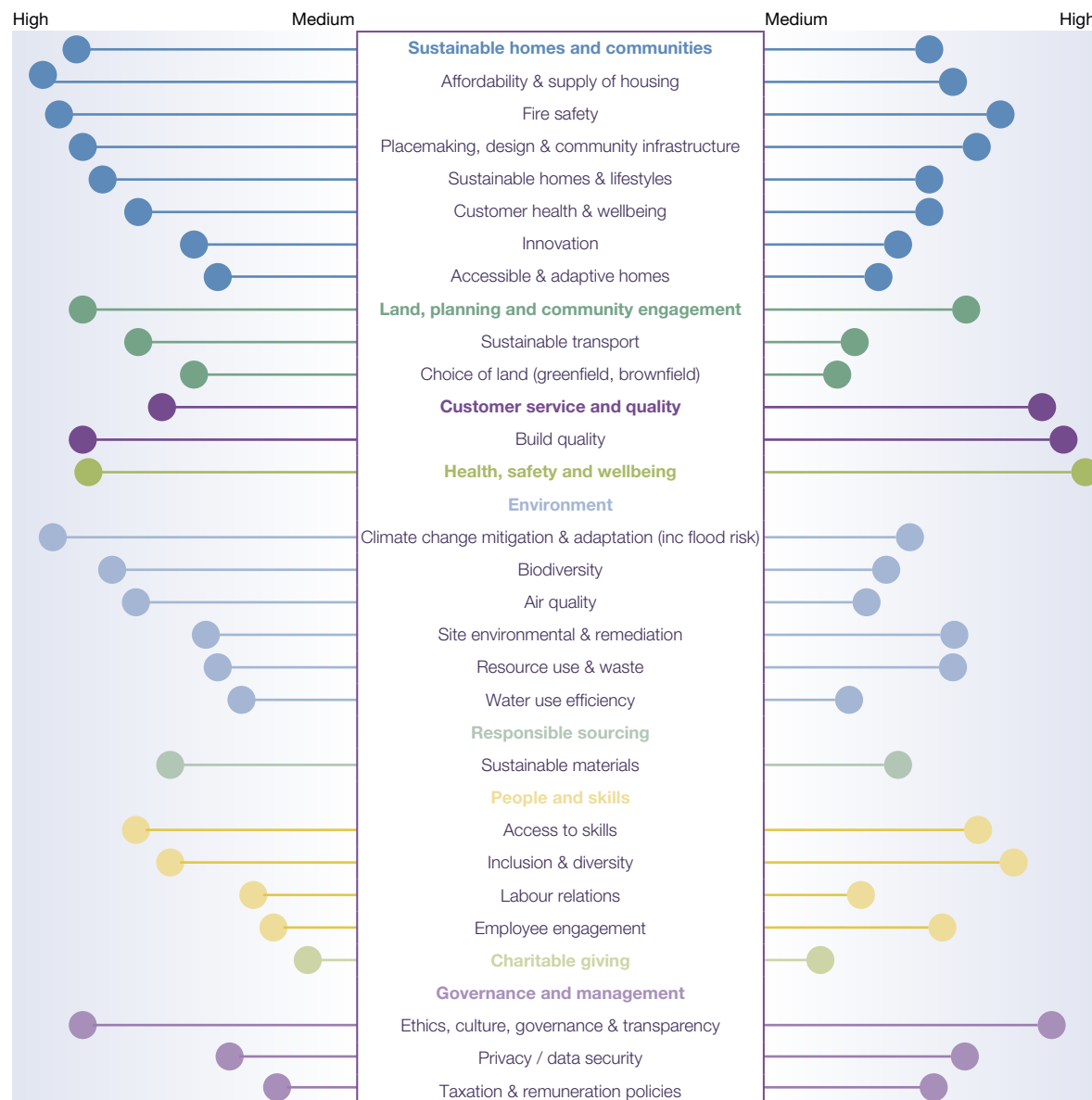
The long list of issues were grouped and plotted on our materiality matrix. This was then reviewed and refined, including through meetings with our Chief Executive and members of our Group Management Team.

Our materiality assessment

External view – importance to stakeholders

Material issues

Internal view - impact on business strategy





Our material issues

Understanding what matters most to our stakeholders

We focus on the sustainability issues that are most material for our business and where we can have a positive impact on people or the environment.

Sustainable homes and communities

We focus on placemaking and design and invest in affordable homes, infrastructure and research and development to help us create great places to live and enable customers to adopt a more sustainable lifestyle.

£455m

contributed to local communities via planning obligations

Land, planning and community engagement

We work closely with local communities, landowners, local planning authorities and others to develop sustainable new communities that meet local needs and are resilient to the future impacts of climate change.

17%

of our homes were built on brownfield land

Customer service and quality

We want every customer to enjoy a high-quality new home and great customer service. We aim to lead the industry in quality standards.

90%

customer satisfaction 8-week score

Health, safety and wellbeing

Safety is our first priority and we want everyone to go home safe and well from our sites each day.

166

Annual Injury Incidence Rate (per 100,000 employees and contractors)

Environment

We are determined to play our part in tackling climate change and supporting the transition to a net zero society, creating a greener, healthier future for our customers, colleagues and communities.

51%

reduction in our direct CO₂ emissions intensity since 2013

Responsible sourcing

We expect suppliers to meet high standards and we work with them to achieve our targets for quality, safety and the environment.

87%

of our priority suppliers registered with the Supply Chain Sustainability School

People and skills

We want to be known as an employer of choice in our sector and beyond, recruiting a diverse workforce, building skills and offering industry leading development opportunities.

95%

employees feel they can be their authentic self at work

Charitable giving

We give money and time to support charities doing important work on issues connected to our business. We aim to build long lasting partnerships, to get our people involved and to maximise the impact of our giving.

£1.2m

donated and fundraised for charities and local community causes

United Nations Sustainable Development Goals

We support the United Nations Sustainable Development Goals (SDGs), which aim to unite governments, businesses and the third sector to end poverty, fight inequality and address climate change.

**SUSTAINABLE
DEVELOPMENT
GOALS**



Sustainable homes and communities

We build energy-efficient homes in high-quality developments where our customers can feel part of a community and enjoy a good quality of life.

These pages provide an overview of our approach. There is more detail and data on our website at www.taylorwimpey.co.uk/corporate/sustainability/sustainable-homes-and-places

Placemaking and design

We equip our teams to plan, design, layout and deliver schemes that create successful and sustainable new communities. Our guidance and training help to embed placemaking best practice, which is aligned to Building for a Healthy Life.

Our Director of Design and Group Urban Designer work with our regional teams on placemaking and review and sign off every scheme. Both are qualified architects and urban designers. We have a Design Lead in each regional business and strategic land team to champion good design at the regional level.

Infrastructure and facilities

We fund a range of infrastructure and facilities on and around our development sites through our planning agreement obligations (Section 106 agreements in England and Wales, Section 75 agreements in Scotland, and Community Infrastructure Levy payments). These enhance our schemes and benefit the wider community.

Active travel and sustainable transport

Our layouts integrate paths and cycle routes that connect with existing networks and street design that encourages slower vehicle speeds and safer cycling conditions. We also invest in public and community transport, walkways and cycle paths through our planning obligations.

Action in 2022

- Updated our design review process so our Group Design team has a monthly call with every business unit and conducts an in-process design review for all schemes to identify potential placemaking improvements at an early stage.
- Ran our Placemaking Competition to celebrate best practice design and placemaking in our business.

Towards zero carbon homes

Our homes are already highly energy efficient. On average, our standard house types are designed to achieve an Energy Performance Certificate rating of B and data from the Home Builders Federation (HBF), suggests that buyers of a new build house will save on average around £2,600 per year in energy bills. In 2023 we are rolling out changes to our homes that integrate enhanced fabric standards, further energy efficiency measures and low carbon technology including wastewater heat recovery systems, thermally enhanced lintels and PV panels. The specification complies with the updates to Building Regulations Parts F, L, O, S. Our Road to Net Zero Carbon Working Group is guiding our preparations for the Future Homes Standard and zero carbon ready homes from 2025.

Sustainable living for customers

We integrate water, energy and resource efficiency features in our homes and on our developments

and provide information and inspiration to help customers to live more sustainably.

Action in 2022

- Made preparations to roll out our new homes specification which is 31% more carbon efficient.
- Distributed 2,195 welcome packs with wildflower seeds, bug hotels and products to help customers create nature friendly gardens.
- Carried out customer research to explore attitudes to the environment and new build homes. This showed that a third of people view climate change as one of the top three issues facing the country and almost half of respondents said environmental performance was a key factor in choosing a housebuilder.

Research and innovation

We are investing in research and product trials to help us improve the sustainability and quality of the homes we build. Our Head of Research and Technical Innovation coordinates our research efforts and chairs our Functional Interface Group that tests and trials new, innovative and alternative products.

We are increasing our use of off-site construction techniques improve our environment and business efficiency.

Action in 2022

- Launched our build trial of five zero carbon ready homes, see page 7.
- Secured our own timber frame facility, see page 14.



Affordable housing

We can support efforts to tackle the UK's housing shortage by increasing the supply of new housing and making our homes affordable to a wide range of people.

Our approach includes:

- Building houses and apartments to suit a wide range of budgets
- Supporting new initiatives that can improve affordability and mortgage accessibility
- Working with local authorities and registered provider partners (housing associations) to integrate high-quality social housing on our developments

We have a discount scheme for key workers and participate in Forces Help to Buy. We work with Helyo Housing to offer Home Reach, a government-backed shared ownership scheme.

Action in 2022

- Launched Deposit Unlock at some of our sites enabling some customers to get a mortgage for a new build home with just a 5% deposit.
- Trained our teams on First Homes, a discounted homes scheme, available to certain customers in England such as key workers, supported by local councils.
- Updated our standard affordable house types integrating feedback from housing associations on optimal sizes and layouts.



How did we perform in 2022?

We contributed £455 million (2021: £418 million) towards affordable housing; green spaces; community, commercial and leisure facilities; transport infrastructure; heritage buildings; and public art.

67% of our UK completions were within 500 metres of a public transport node (2021: 67%) and 90% were within 1,000 metres (2021: 86%). 9% had on-plot EV charging points (2021: 7%).

The average selling price of our homes in the UK was £352,000 (2021: £332,000). 35% of our total completions were to first time buyers (2021: 41%).

We delivered 2,920 affordable homes (2021: 2,501).

18% of our homes integrate timber frame and around 90% use off-site components such as spandrel panels, smart roof panelised cassette roofs and prefabricated porches and dormers.

21%

affordable homes (2021: 18%)

17%

of homes with PV panels (2021: 14%)

£455m

contributed via planning obligations to fund community infrastructure and facilities (2021: £418m)

Testing zero carbon ready homes

Reaching the UK's net zero target requires big changes across the economy, including to our homes. Our own net zero target is even more ambitious so we are already testing technologies that can enable us to deliver zero carbon ready homes.

We started building our first trial of five plots at our site in Sudbury, Suffolk, in 2022. The five homes will be 100% electric with triple glazing and enhanced fabric to reduce heat loss. Inside we are testing a range of energy efficient and low carbon technologies including air source heat pumps, electric panel heating, smart cylinders, underfloor heating, heated skirting boards, infrared radiant heating and battery storage. Each of the five plots is being built to a different specification to enable us to compare the benefits. We believe this is the first trial of multiple specifications at a live construction site in our sector.

The site also includes an innovative sustainable heating network using large-scale air-source heat pumps to supply homes with heat and hot water, reducing carbon emissions by up to 80% compared to gas boiler systems.

For more information on our progress against targets, please see page 34



Land, planning and community engagement

We take account of sustainability issues from the start of the landbuying process and work closely with local communities, landowners, local planning authorities and others to develop sustainable new communities that meet local needs and are resilient to the future impacts of climate change.

These pages provide an overview of our approach. There is more detail and data in our online report at www.taylorwimpey.co.uk/corporate/sustainability/sustainable-homes-and-places

Sustainability and landbuying

The land we buy and develop is our most important asset. Sustainability issues such as biodiversity net gain, flood risk, proximity and access to infrastructure and services, sustainable transport, community wellbeing and economic development are all considered when determining whether or not to buy a piece of land.

We have established internal processes and guidance documents to help our teams and we use a digital platform for assessing and managing sustainability and technical risks associated with land, called LEADR (Land and Environment Assessment of Development Risk). This draws on external environmental databases to help us manage risks associated with land and environmental impacts, including remediation, flooding, biodiversity and archaeology. It includes a pre-acquisition screening and risk assessment process for potential new sites.

Climate resilience

We build our homes and developments to be resilient to the impacts of a changing climate.

For example, we have a rigorous process for managing flood risk. We carry out a flood risk assessment on all our sites and do not buy land unless we can mitigate flood risk. We minimise overheating risks by reducing the potential for solar gain through the design and positioning of windows and use of ventilation systems.

Action in 2022

- We conducted detailed scenario analysis covering the potential physical impacts of climate change, see our Annual Report and Accounts page 59.
- Aligned our approach with the changes to Building Regulations Part O coming into effect during 2023 to address overheating risks.

Community engagement

Community engagement plays an important role in developing effective schemes and supports good relationships with the communities we work in.

We use a range of methods to inform local people about our plans, including our website, meetings, exhibitions, workshops and information boards. We aim to reach a wide range of stakeholders, including neighbouring residents and property owners, potential customers, local authorities, businesses, schools and other groups. Many consultations take place online and we use social media, online exhibitions and virtual forums to ensure a broad section of the community can participate.

Our Political and Community Engagement Toolkit helps our teams to consistently engage a wide range of stakeholders in the planning process and to use research to understand local needs and priorities.

Action in 2022

- Launched our Engagement Academy, see page 9.

Local economies

Our developments provide a boost to the local economy, both during construction and once new residents move in. Our Economic Benefits Toolkit helps us understand and communicate socio-economic benefits to stakeholders during the planning process including the number of direct site and indirect supply chain jobs that our developments will create and their economic value, expected revenue gains for local businesses, the impact of new infrastructure and amenities, and new revenue for local authorities.

We often transform previously developed, derelict or contaminated land (brownfield land) into new communities, supporting urban redevelopment and regeneration.



Working with local and central Government

We engage with local authorities, parish councils, Homes England, the Greater London Authority (GLA), the Scottish and Welsh governments, the Department for Levelling Up, Housing and Communities (DLUHC), Department for Environment, Food and Rural Affairs (DEFRA), Natural England and other public sector organisations to understand their priorities and share our views. We engage directly and through trade associations such as the Home Builders Federation.

As well as site-specific engagement, we participate in the development of strategic frameworks, Local Plans and Neighbourhood Plans, which consider broader development needs and enable local people to shape new developments in their area. This often includes working closely with local authorities to develop the local design code as part of the local development plan.

Compliance with planning requirements

We aim to work constructively with planning authorities to agree the details of our planning obligations for each development, including affordable housing, local infrastructure, and facilities.

We use the results of our community engagement to help us develop planning proposals that are financially viable and meet local needs. Applications also integrate a development plan, enabling planning authorities to monitor progress.

Once planning permission is granted, our technical teams monitor compliance with planning agreements and obligations. We also track build rates to make sure that each scheme is being managed efficiently and new homes are delivered on time. This is overseen by the Managing Director in each regional business.



Engagement Academy

We want to make sure all our people involved in community engagement have the skills, knowledge and confidence to run best practice engagement processes.

We rolled out our new Engagement Academy in 2023 for our land and planning and technical teams. This included an online module for all colleagues followed by one-day in-person training for those colleagues involved in setting up or attending public engagement events – around 125 people. The in-person training included role plays to help colleagues practice engagement techniques.

The training covers the planning process, the roles and responsibilities of local planning authorities and their members, legal requirements, the purpose of engagement, how to deal with difficult issues and questions and a range of other topics. It updated our teams on changes to our policies including our environmental targets, new regulations and other developments relevant to planning and communities.

For more information on our progress against targets, please see page 34

How did we perform in 2022?

We participated in Government consultations on topics including biodiversity net gain, building safety, OFWAT price reviews, compulsory purchase orders and proposed reforms to the planning system in England and Wales and in Scotland. A summary is included on our website.

All our sites had a tailored planning and community engagement strategy and point of contact.

Launched our Engagement Academy training.

Around 17% of our homes in 2022 were built on brownfield land (2021: 21%) which includes infill sites.

17%

of homes built on brownfield land supporting urban regeneration (2021: 21%)

98%

of sites with implementable planning being built on at 31 December 2022, or due to start in first quarter of 2023 (2021: 97%)



Customer service and quality

We set high standards for quality and service and have clear processes and oversight to make sure we achieve these consistently.

These pages provide an overview of our approach. There is more detail and data in our online report at www.taylorwimpey.co.uk/corporate/sustainability/customers

Build and product quality

We aim to lead the industry in quality standards. We invest in training and process improvements to ensure consistently high standards and we reduce quality issues through inspections throughout the build process.

Our Consistent Quality Approach guidelines and Build Quality Checklist ensure Site Managers, subcontractors, production and customer service teams have a consistent understanding of the build quality and finishing standards we expect on all our homes.

At the start of each new site or build phase, product suppliers train our subcontractors, Site Managers and Quality Managers on the correct installation of their products and carry out a site inspection.

The National House Building Council (NHBC) carries out independent Construction Quality Reviews for each site twice a year, as well as inspections at key stages of the build. These check the quality of our build against the NHBC standards.

We set a quality improvement plan for any sites not fully meeting our quality targets and regularly raise the minimum threshold at which an improvement plan is required. Progress on each plan is reviewed monthly by our Group Management Team (GMT).

Action in 2022

- Introduced a 'CQA plot' on each site where colleagues and subcontractors can see what our finishing standards look like in practice.
- Trained our teams to submit photographic records at key build stages.
- 472 employees were enrolled in our Academy of Production Excellence.

Customer service

We want customers to receive a great service, clear information about their new home and the construction process and a prompt response to any issues that arise.

Each of our regional businesses has a Customer Director who sits on the management team to elevate the voice of the customer in our regions. Our training academies help us build the functional skills we need to deliver great customer service.

We track customer satisfaction for each regional business using the Home Builders Federation (HBF) 8-week and 9-month independent survey results. If these fall below our minimum level, we put in place a customer service improvement plan to address the causes.

If issues are not resolved to our customers' satisfaction, they can raise a complaint with our customer service teams. We have trained our teams on handling complaints effectively and sympathetically, and only trained employees are authorised to manage complaints.

Action in 2022

- Signed up to the New Homes Quality Code and aligned our processes to its requirements.
- Introduced customer service improvement plans for regional businesses that fall below our minimum level with progress reviewed monthly by our GMT.

Incentivising performance

Customer service and quality are incentivised from the top of the organisation, linked to a significant portion of our Executive Incentive Scheme. We track progress and calculate bonus payments using a combination of internal and independent external measures. In addition, in 2022 20% of our senior leadership's performance-related bonus was dependent on achieving customer satisfaction targets. We also integrate customer service and quality into our all employee bonus scheme.

Responsible marketing

We aim for all our marketing and advertising to be honest and accurate and comply with the UK's Green Claims Code. We engage with our marketing agencies to ensure they have quality assurance, review and sign off processes in place.



Fire safety

It is our long held view that leaseholders should not have to pay for the cost of remediation and our priority has always been to ensure that customers in Taylor Wimpey buildings have a solution to cladding remediation. We took early and proactive actions, first committing funds to remediation of ACM cladding in 2017. Having already committed £165 million to remediation work, we voluntarily signed the Government's Building Safety Pledge for Developers in April 2022, and made an additional £80 million provision, bringing our total financial commitment to £245 million.

We have signed the Government's Self Remediation Contract, which makes the principles of the Building Safety Pledge legally binding. Throughout recent industry negotiations with Government regarding the contract, we have continued to remediate affected buildings as planned and we will continue to progress our remediation schedule in line with the terms of the final contract.

Action in 2022

- Signed the Government's Building Safety Pledge and increased our total financial commitment to £245 million.
- Continued to remediate affected buildings.

How did we perform in 2022?

We scored an average of 4.81 (2021: 4.67) out of 6 in the independent NHBC CQR which measures quality at key build stages. The industry benchmark average score was 4.6. We rank first nationally amongst volume housebuilders.

We maintained our five-star status in the HBF survey for customer satisfaction.

90% of customers in the HBF 8-week survey would recommend us to a friend (2021: 92%). We were disappointed that our score dropped slightly. Our primary aim is to always deliver a high-quality home and great service for our customers and this will be an area of focus in 2023. We achieved 78% in the 9-month HBF recommend score (2021: 79%).

We had 4 out of 5 star rating on TrustPilot at the end of the year, with a Trust Score of 3.9.

Our Site Managers received 62 Pride in the Job Quality Awards, 15 Seal of Excellence Awards and 3 Regional Awards from the NHBC Pride in the Job scheme.

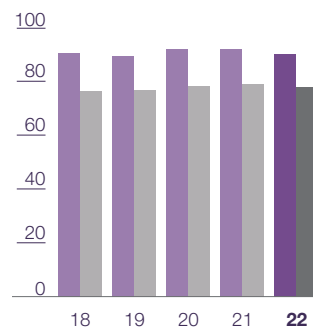
4.81

CQR score for build quality, the highest for a volume housebuilder (2021: 4.67)

90%

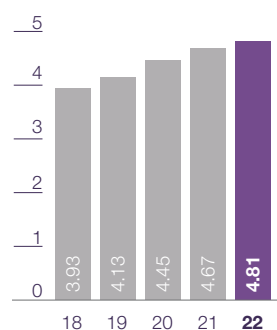
of customers would recommend us to a friend in the HBF customer satisfaction survey (2021: 92%)

Customer satisfaction 'would you recommend us to a friend?' (%)



■ Customers who would recommend us to a friend (8 weeks)
■ Customers who would recommend us to a friend (9 months)

Construction quality review scores (out of 6)



■ Taylor Wimpey CQR score (average out of 6)



New Homes Quality Code

We have signed up to the New Homes Quality Code and aligned our processes to its requirements.

These include enabling customers to complete a third-party pre-completion inspection and providing a statement of any incomplete works at move-in as well as details about service charges and likely maintenance costs for their new home.

We have trained all our customer-facing employees on the new Code as well as many colleagues in our commercial and technical functions and some of our subcontractors.

For more information on our progress against targets, please see page 34



Health, safety and wellbeing

Safety is our top priority and this starts from the highest levels of our business. We have rigorous policies and procedures in place to address safety risks and continually improve our performance, and we embed a safety culture through training, communication and visible leadership. We want everyone to go home from work each day safe and well.

These pages provide an overview of our approach. There is more detail and data in our online report at www.taylorwimpey.co.uk/corporate/sustainability/colleagues

Health and safety performance is the first item reviewed at every meeting of our business unit management teams, our Group Management Team and our Board of Directors. Our Head of Health, Safety and Environment reports directly to our Chief Executive.

Our Health, Safety and Environment (HSE) management system

Our HSE management system is based on OHSAS 18001 and includes:

- Our HSE operational manuals and Site HSE Manual with an HSE plan for each site
- Monthly reviews of safety performance at site, regional business, GMT and Board level
- Internal and external audits and spot checks

We are a member of the HBF Health and Safety Committee, contribute to the HBF's Action Plan for Health and Safety, and are members of the British Safety Council.

Action in 2022

- Rolled out a digital 'safety observation' system, see page 13.
- Chaired the HBF Steering Group on Working Near Live Buried Services and began developing a competency framework for dig teams.

Working with contractors

Many workers on our sites are employed by our subcontractors, so we work closely with them on safety. Our approach includes:

- Vetting and risk assessment procedures to confirm that all contractors have the right knowledge, skills, resources and experience to manage health and safety to our standards.
- Annual third party health and safety accreditation to demonstrate that contractors have an adequate HSE management system, training and risk assessment. We require contractors to check that safety critical workers are medically fit to operate mobile plant.
- Our 'Operative's Journey' process including our HSE site induction, regular poster campaigns and site safe briefings. Our HSE site support teams monitor and improve site safety. Team members are given a blue hat in recognition of their role and to make them visible on site. Operatives can talk to them about HSE issues, concerns or suggestions for improvement.

Action in 2022

- 94.6% of subcontractors renewed their third party health and safety accreditation.
- 400 groundwork supervisors completed our bespoke safety training course.
- Began rolling out a 'telemetry data' system to monitor operative's behaviour when driving telehandlers and follow up on any unsafe practices.

Responding to near misses

As well as monitoring accident data we pay close attention to near misses. If a serious near miss or unsafe practice (Category A) is identified on one of our sites, work must stop immediately and cannot recommence until the Managing Director of the regional business has visited the site and confirmed that the issue has been addressed. All such incidents are reported to the CEO and GMT within 24 hours. By responding to such incidents and sharing the lessons learned, we reduce the likelihood of accidents occurring.

Training our teams

Training starts with our HSE induction for all employees and site operatives and includes a full day's health and safety refresher training every year for production and site management teams as well as functional training, workshops and briefings. All new Directors including functional and regional Managing Directors complete senior management HSE training.

We require our subcontractors to train their employees on health and safety and also conduct our own training for site operatives such as our HSE site induction.



Action in 2022

- Continued to roll out our digital safety passports to monitor training completed by apprentices, directly employed trade operatives and telehandlers.

Occupational health

We manage a range of occupational health risks on our sites.

Dust control: We provide protective equipment and follow procedures to reduce and control construction-related dust. We use powered respirators on our sites which are more effective than face masks at reducing dust inhalation.

Sun safe: We run a sun safe campaign in the summer months and provide free high factor sun screen.

Mental health: Our Mental Health First Aiders support managers and employees when mental health issues arise.

Defibrillators: In partnership with the British Heart Foundation (BHF), we've installed defibrillators on all our construction sites and regional offices and donate these to the community once construction has finished.

Action in 2022

- Ran awareness campaigns on traffic management and preventing falls from height.



How did we perform in 2022?

Annual Injury Incidence Rate (AIIR) 166 reportable injuries per 100,000 employees and contractors in 2022 (2021: 214), a 22% reduction year on year. This is below the average for the housebuilding sector and wider construction industry.

AIIR for major injuries per 100,000 employees and contractors was 68 in 2022 (2021: 73). There were no fatalities.

The lost-time injury frequency rate (LTIFR) for employees (per one million hours worked) was 1 (2021: 1). For contractors, the LTIFR was 0.9 (2021: 1.35).

There were no safety prosecutions or fines. We received six notices of contraventions from the HSE with a fee for intervention applied.

Our latest employee survey showed that:

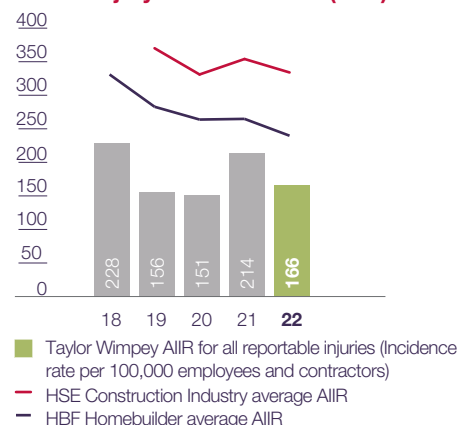
- 99% of employees report knowing how to manage Health and Safety issues in their area of work
- 98% of employees agree that Taylor Wimpey takes Health and Safety in the workplace seriously

98% **166**

of colleagues believe we take
health and safety in the
workplace seriously

Annual Injury Incident rate
(2021: 214)

Health and safety performance Annual Injury Incidence Rate (AIIR)



Keeping safety top of mind

We want everyone to keep safety top of mind and to recognise good practice across our business.

By calling out good safety behaviour and colleagues and operatives who consistently do the right thing, we can strengthen workplace safety culture, and increase the likelihood that safe behaviour will continue.

In 2022, we rolled out a digital 'safety observation' system which our senior leaders and business unit management teams are using when visiting our sites to record positive safety performance as well as any concerns or observations.

Users can input easily make observations via a mobile phone and in the first few months we have seen excellent engagement and participation. Over time we will be able to use the data collected to support engagement and performance measurement.

For more information on our progress against targets, please see page 35



Environment

Our Environment Strategy, Building a Better World, is our response to the environmental crisis and the physical and transition risks posed by climate change. It sets out how we will play our part in creating a greener, healthier future for our customers, colleagues, and communities, with ambitious targets up to 2030.

These pages provide an overview of our approach. There is more detail online at www.taylorwimpey.co.uk/corporate/sustainability/environment

Our TCFD disclosure is published in our Annual Report and Accounts at www.taylorwimpey.co.uk/corporate

Our Net Zero Transition Plan is available at www.taylorwimpey.co.uk/corporate/sustainability/net-zero

Climate change

Climate change is one of the biggest challenges of our age and we are determined to play our part in tackling it. In early 2023, we announced our commitment to reach net zero emissions by 2045 across our value chain, building on our existing science-based target, see page 2.

We are reducing operational emissions through a focus on improving energy efficiency, purchasing 100% REGO backed electricity, and switching our fleet to electric and hybrid vehicles. Scope 3 emissions are challenging to reduce and we are working with suppliers to tackle embodied emissions from the materials used to build our homes.

We are reducing the carbon footprint of our homes through improvements in fabric energy efficiency and use of renewable technologies, see page 6. We started building our first trial of five low carbon homes at our site in Sudbury, page 7.

We were the first UK homebuilder to achieve the Carbon Trust Standard for our overall approach to carbon management, including our policy, strategy and verification of our data and processes. We remain the only volume housebuilder to hold this standard.

Actions in 2022

- Developed our net zero commitment.
- Included a carbon measure in our Executive Incentive Scheme.
- Conducted further climate scenario analysis to deepen our understanding of the likely impacts of climate

transition and physical risks and opportunities on our business.

- Successfully trialled a hybrid generator on one of our sites during 2022 and achieved a significant carbon saving. We are extending the trial to further sites during 2023.
- Started rolling out our new specification for our homes which is 31% more carbon efficient and launched build trials of all electric plots, see page 7.
- Developed a more accurate methodology for Scope 3 supply chain emissions, combining quantity and spend data.
- Analysed the carbon footprint of key materials and worked with suppliers to identify brick and block products that reduce embodied carbon.

Nature

We want to create space for nature on our sites and contribute to improving biodiversity to benefit both our customers and the environment. Our approach starts with site design and layout, and encompasses use of green infrastructure, habitat improvements, wildlife enhancements and wildlife friendly planting.

Some of our sites are already integrating a biodiversity net gain approach and this will be rolled out to all new sites in England and Wales from late 2023.

We are partnering with nature organisations to ensure our actions reflect best practice. Our current partners are Hedgehog Street, a campaign by the British Hedgehog Preservation Society and People's

Trust for Endangered Species, and Buglife – The Invertebrate Conservation Trust. We aim to integrate enhancements to benefit native species on all suitable new sites and have started with hedgehog highways, bee bricks and bug hotels.

We are encouraging customers to adopt nature friendly gardening practices through advice and inspiration online and in our show homes and through nature-friendly home welcome packs (see page 6).

Expanding our use of timber frame

Timber frame can have a significantly lower carbon footprint than traditional 'brick and block' building techniques due to the materials and use of off site construction techniques. It can also help to reduce waste volumes and improve efficiency in the build process.

In 2023 we are opening a new timber frame production facility near Peterborough to help us expand our use of timber frame. Alongside the carbon benefits, this will help us to improve logistics efficiencies and provide security of supply.

We aim to increase timber frame usage from 18% to 30% of completed homes by 2030.



Actions in 2022

- Published guidance and ran training sessions for our regional businesses and land teams to support them to manage the risks, costs and opportunities associated with net gain.
- Continued to install hedgehog highways and bug hotels and bee bricks on new sites.
- Developed internal guidance on bat and bird boxes and beehives for launch in 2023.

Resources and waste

During 2022, we developed our Towards Zero Waste strategy and action plan. This sets out a three year programme of action and capacity building across all stages of development from land acquisition to construction, occupancy and end of life. The strategy covers several waste streams including soils, demolition waste, embodied waste in materials, packaging waste and construction waste. It focuses on three key objectives:

- Achieve and build on the resource targets in our Environment Strategy.
- Quantify value chain resources and wastes to improve our data and enable us to adopt more circular approaches. This covers soils, demolition, packaging, materials and construction waste.
- Other actions including setting targets, incentivising resource efficient behaviours, supplier engagement and action plans for key waste streams.

We engage our teams on waste reduction through: our Waste and

Resources Working Group with representatives from key functions, our Waste Dos and Don'ts guide and induction process for site teams; a waste league table for our regional businesses; and 15% of the potential bonus for Site Managers linked to performance on waste reduction.

We use materials with recycled and renewable content to improve resource efficiency and to reduce embodied carbon. This includes insulation made from recycled glass, recycled uPVC in our window frames and recycled board and chipboard in our kitchens.

Actions in 2022

- Developed our Towards Zero Waste strategy and held a workshop with experts on waste management, groundworks, the circular economy, packaging and pallets.
- Conducted a study of waste produced on a single build plot to identify opportunities for reduction. We will conduct a further plot trial in 2023.
- Rolled out our proprietary reusable alternative to temporary decking and joists to 118 sites. This will save over 3,000 tonnes of timber and avoid up to 1,000 tonnes of CO₂ over the next five years.

Embedding our approach

We have set annual targets for each regional business on energy efficiency, water efficiency and waste. Regional business management teams receive a quarterly report on energy and resource use which includes a user-friendly infographic

to show how they are performing. They can compare this to our targets as well as to other business units.

We have a Sustainability Sponsor in each regional business management team who helps to ensure focus on our targets. Each regional business also has a Sustainability Champion to engage colleagues on resource efficiency and monitor progress at the regional level.

Environmental management system

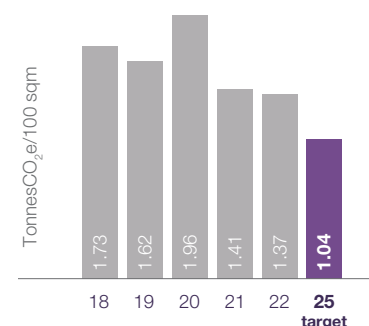
Our Health, Safety and Environmental Management System (EMS) covers all site activities and helps us to keep noise, dust and disturbance to a minimum, to prevent pollution incidents and to protect biodiversity. Each site has an environmental action plan and its approach is subject to internal and external audits.

Collaboration

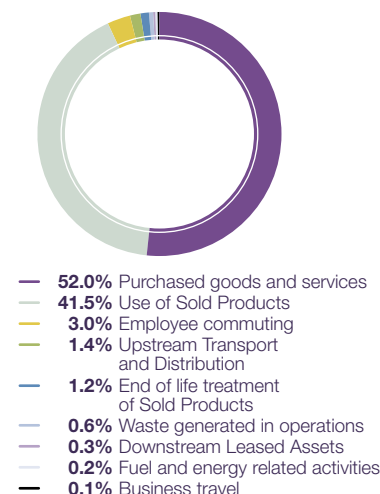
Many environmental issues for our sector are systemic and require collaboration among regulators, industry organisations, housebuilders and the supply chain. We work with others to tackle industry-wide challenges including through the Home Builders Federation, the Future Homes Hub and the Supply Chain Sustainability School.

Since 2013, we have reduced absolute emissions (Scopes 1 and 2) by 39.7% and reduced direct emissions intensity by 51.5%.

Greenhouse gas emissions intensity (scope 1 and 2 emissions per 100sqm of completed homes)



Scope 3 emissions %



Rated A- by CDP Climate Change (2021: A-) and included on the Financial Times European Climate Leaders list 2022.

How did we perform in 2022?

Carbon

15% reduction in operational emissions intensity (Scopes 1 and 2) against our 2019 baseline and 26% absolute operational emissions reduction over the same period. This is due to increased use of renewable electricity, energy efficiency measures and a reduction in site diesel use.

Scope 3 emissions increased year on year reflecting an increase in procurement spend. Our total carbon footprint (Scopes 1, 2 and 3) was 2.54 million tonnes (2021: 2.40). Total intensity was 189.6 tonnes per 100sqm of build (2021: 172.1).

70% of total electricity consumption was from REGO backed, renewable energy.

56% EV or hybrid vehicles (2021: 43%) in our car fleet and a reduction in car fleet emissions (excluding grey fleet) of 68% since 2019.

Nature

2,514 bee bricks and bug hotels installed on our sites.

1,091 bird boxes and bat boxes installed to support native species.

Installed hedgehog highways on 151 sites.



How did we perform in 2022?

Waste and resources

We generated 85,072 tonnes of waste in 2022 (2021: 89,204). Our waste intensity increased to 6.57 tonnes of waste per 100 sqm of build (2021: 6.52) reflecting a decrease in legal completions. Absolute waste remained broadly consistent with 2021 levels.

12% reduction in waste intensity against our 2019 baseline, on track to meet our target of 15% reduction by 2025.

98% of our construction waste was recycled and our goal is to maintain or increase this year on year.

We used recycled glass mineral wool insulation equivalent to 8.2 million wine bottles in our homes.

Over 54,900 paint pots were returned for recycling from our sites, reducing waste to landfill (2021: 45,000).

Over 95,600 pallets were picked up from our sites in 2022 (2021: 65,352) of which 52% were sent for reuse.

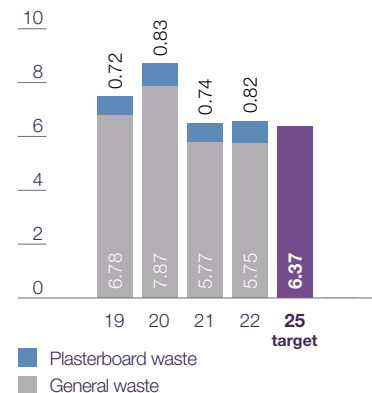
Our partnership with Community Wood Recycling resulted in 2,074 tonnes of wood from our sites being reused (29%), recycled into woodchip (59%) or processed into firewood (12%) saving 1,033 tonnes of CO2 and supporting paid jobs for around 22 people and training for 37 people.

What waste do we produce?

We conducted a study of waste produced on a single build plot to identify opportunities for reduction. This showed that waste from a plot is around 43% packaging, 31% plasterboard, and 26% wood (excluding pallets that are reused or recycled through our pallet collection service). Construction of the plot also generated around three tonnes of inert waste (such as brick offcuts) which was reused on site.

For more information on our progress against targets, please see page 35

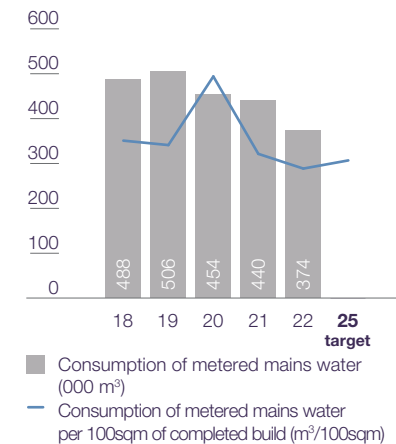
Waste (tonnes of construction waste per 100sqm build)



Construction waste recycling



Operational water use UK (000 m³)





Responsible sourcing

We work closely with suppliers and trade subcontractors in delivering homes for our customers. They provide the materials and products we use to build our homes and most of the labour on our sites. We set clear standards for suppliers on issues such as safety, quality and environmental performance and work with them to improve performance and tackle joint challenges.

These pages provide an overview of our approach. There is more detail and data in our online report at www.taylorwimpey.co.uk/corporate/sustainability/responsible-sourcing

More information is available in our Modern Slavery Act Statement, www.taylorwimpey.co.uk/corporate/sustainability/modern-slavery-act

Supply chain standards

Our Supply Chain Policy sets standards for suppliers on safety, quality, ethics, human rights and the environment. Our Supplier Code of Conduct requires suppliers to respect workers' human rights and prohibits all forms of modern slavery. It is embedded into our Framework Agreements (contracts) with Group suppliers (those managed by our Group procurement team).

We have integrated sustainability disclosure requirements into our digital tender system for Group suppliers covering employment standards, modern slavery, real living wage, environmental management, climate change, waste, packaging, nature, and water. These are being rolled out to new suppliers and when suppliers re-tender. We are using the data to help us identify gaps and work with suppliers to improve performance.

We have quarterly review meetings with national partner suppliers who provide strategically important products. These reviews cover sustainability issues such as waste and packaging reduction, climate and water efficiency (depending on supplier category).

Engaging suppliers on net zero

Embodied carbon in the goods and services we buy and materials we use to build our homes accounts for around half of our carbon footprint. Our suppliers and subcontractors will have a key role to play in our transition to net zero.

We are developing, with support from external partners, a Supply Chain ESG Strategy that will help us work towards our net zero targets and other environmental and social commitments. We are engaging with priority suppliers, such as groundworkers and providers of key materials to work towards our targets. More detail is included in our Net Zero Transition Plan.

We increasingly request suppliers to provide Environmental Product Declarations which helps us to compare the environmental impacts of products.

Action in 2022

- Undertook analysis with the Carbon Trust to understand the carbon footprint of key materials and groundworks suppliers to prioritise carbon reduction opportunities.

Human rights and modern slavery

We respect the human rights of our employees, workers in our supply chain, customers, local communities and others affected by our business activities. We are guided by international standards such as the United Nations' Universal Declaration of Human Rights and the European Convention on Human Rights.

We respect the labour rights of our employees and those working on our behalf, including the rights to freedom of assembly and association, and non-discrimination. We address these rights through our human resources policies and our work on issues such as health, safety and diversity.

We do not tolerate any form of slavery, forced labour, child labour or human trafficking in our business or supply chain. We have established our Modern Slavery Act multidisciplinary working party, to oversee our approach to due diligence and our work with suppliers to reduce modern slavery risks.

Living Wage

We are an accredited Living Wage Employer which covers people working for us via a subcontractor or supplier service company.

Responsible timber sourcing

We want to use sustainably sourced timber in our homes and on our sites and to avoid contributing to deforestation.

Our Supply Chain Policy commits us to procure timber from responsibly managed forests certified by recognised schemes such as the Forest Stewardship Council (FSC) and Programme for the Endorsement of Forest Certification (PEFC).

We survey timber suppliers to understand where the timber used in Taylor Wimpey homes originates, and to identify higher risk areas of the supply chain. We require any companies sourcing from higher risk countries to carry out due diligence to ensure timber meets our standards.

Action in 2022

- Participated in CDP Forests, the investor-led disclosure initiative.



Small and local suppliers

We work with many small and medium sized (SME) businesses who provide labour, trades and services to our construction sites. Many of our partners are local and family-run businesses and working with them supports the local economy around our sites.

We hold regular engagement and 'Meet the Buyer' events to help SME businesses to work with us and support them to comply with our health, safety and environment procedures.

Prompt payment

We are committed to treating suppliers fairly and paying on time. Our standard payment terms for suppliers and contractors are to pay by the end of the following month after receipt of invoice. The payment terms for contractors are 37 days. We have self-billing arrangements in place for subcontractors which automate and speed up the invoicing and payment process. This can be particularly important for small firms working with us.

How did we perform in 2022?

Around 95% of timber supplied by Group suppliers is FSC or PEFC certified. Of the remaining 5%, in the majority of cases the products contain a mixture of wood from both the PEFC and FSC certification schemes. This means they do not meet the thresholds needed to achieve certification to either scheme.

We participate in CDP Forests, the investor-led disclosure initiative. We scored B- (2021: B-).

We have been recognised by the CDP as a Supplier Engagement Leader and received a Supplier Engagement score of A for our approach to engaging suppliers on climate change (2021: A).

95%

timber FSC or PEFC certified

87%

priority suppliers registered with the
Supply Chain Sustainability School

A rating from CDP for engaging suppliers on climate change



Partnering on sustainability

We use the Supply Chain Sustainability School (SCSS), an industry collaboration, to help engage our suppliers on sustainability. Suppliers can use SCSS to complete a sustainability self-assessment, create an action plan and access free training.

87% of our priority suppliers were registered with SCSS in 2022. They used the online resources over 6,380 times on topics such as waste, modern slavery, sustainable materials, biodiversity, and climate. They attended over 427 hours of CPD virtual training. 40 re-assessed themselves and achieved an average 23% improvement in score.

We're also working through the SCSS on collaborative projects on improving carbon data in the supply chain, waste management, plastic packaging and human rights. One project is focused on human rights risks in the solar panel supply chain and aims to produce publicly available guidance on best practice procurement for solar panels.

For more information on our progress against targets, please see page 36



People and skills

We want to be an employer of choice in our industry and beyond. We invest in leading training and development opportunities to build our skills base, focus on engagement and wellbeing to support our people and are committed to creating an inclusive workplace that values the diversity of every colleague.

These pages provide an overview of our approach. There is more detail and data in our online report at www.taylorwimpey.co.uk/corporate/sustainability/colleagues

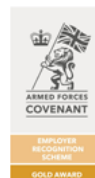
Read more about our Diversity Report at www.taylorwimpey.co.uk/jobs/how-we-work/inclusion

Culture and values

We aim to create a strong, positive work culture at Taylor Wimpey, guided by our vision and values. All employees are appraised against our values as part of our performance review process. Our Code of Conduct sets out the high standards of integrity and conduct we expect. Our induction process includes pre-start material on our commitment to customers as well as topics such as diversity and inclusion, modern slavery, and data security.

We are an accredited Living Wage Employer. We were ranked 7th among UK companies and 28th overall in the European Women on Boards' Gender Diversity Index and are in the top 10 in the FTSE Women Leaders Review for gender diversity on Boards. We have a gold award from the Defence Employer Recognition Scheme

We restructured parts of our business in early 2023 to improve efficiency and respond to challenges in the housing market and the wider economy. We provided training and guidance to managers to help them support colleagues during this time. We treated anyone affected by redundancy fairly and respectfully, including offering outplacement support, and where possible redeployed affected employees into alternative roles in our business.



Skills and development

Building the skills of our current and future workforce is essential to address current and potential future skills gaps and support our transition to net zero. We are working closely with subcontractors, suppliers, peer companies, industry associations and educational organisations to upskill our workforce. Our approach includes entry level apprenticeships, management trainee and graduate programmes, training programmes to support young talent, and educational links with schools and colleges to encourage a diverse range of candidates to consider careers in housebuilding.

Our training focuses on: management and leadership; personal development skills (such as presentation, communication, negotiation and time management); and technical knowledge and capabilities. Our technical academies cover production, sales and customer service, providing structured career and skills development, and enabling employees to gain a formal qualification.

Our approach to performance review encourages colleagues and their line manager to set and review short term objectives four times a year.

Action in 2022

- Analysed the skills profile our business will need over the medium to long term and developed a demographic profile for key trades.
- Trained our line managers to support and manage young people in the early stages of their career.
- Ran three on-site apprentice training academies.

Equality, diversity and inclusion

We want to create a workplace where all colleagues feel championed and supported regardless of their background or identity. By truly embracing our colleagues' diverse perspectives we can deepen our understanding of our customers and stakeholders, enhance innovation and creative thinking and continue to drive business success.

Historically, the housebuilding sector has attracted fewer women and people from ethnic minorities. This is changing but more work is needed before our business and sector is fully reflective of the UK's diversity.

Our equality, diversity, and inclusion strategy focuses on three key areas:

- 21st Century Leadership: Ensuring that our line managers understand their role and responsibility in developing a more diverse and inclusive culture.
- Employer of Choice: Ensuring that our working environment and culture, policies, development and progression opportunities support greater equality, diversity, and inclusivity.
- Expanding our Reach: Continuing to develop broader recruitment channels and take positive action to expand the diversity of candidates we attract to the company.

Our Diversity and Inclusion (D&I) Committee is chaired by our Group HR Director.



Each regional business has a D&I Champion and a D&I action plan.

We publish our Equality, Diversity and Inclusion Policy online. This is supported by more detailed policies in areas such as Maternity and Adoption Leave, and Menopause. We have extensive training and engagement on inclusion and active employee resource groups.

We have established support structures such as our system of employee networks sponsored by senior management, to actively promote diversity. We have made changes to our recruitment processes and are training our managers to be aware of issues such as cultural bias, inclusive leadership and creating a respectful workplace.

Action in 2022

- Prepared our first Diversity Report for publication in 2023, ahead of regulation.
- Set quantitative diversity targets, which are focused on increasing our female and ethnic representation at various levels of the business, and in our early entry programmes.
- Updated our mandatory Diversity and Inclusion e-learning for all employees, continued our reverse mentoring programme and piloted an inclusive leadership coaching programme for Managing Directors.
- Rolled out our Respectful Workplace training and culture change programme to our building sites in 13 regional businesses.
- Achieved Level 1 Disability Confident Employer and began working towards Level 2.

Health and wellbeing

Our Health and Wellbeing Committee coordinates our efforts to help all our colleagues look after their mental, physical, social and financial health. We have a Health and Wellbeing Champion in every regional business.

Our core benefits package includes healthcare for all employees, a virtual GP service and an Employee Assistance Programme (EAP) offering counselling, financial advice and a support line.

Mental health is a significant concern for the construction industry. We have provided mental health training to line managers and have trained over 150 Mental Health First Aiders (MHFA) who support managers and employees when mental health issues arise.

Action in 2022

- Ran wellbeing campaigns and provided materials for our regional businesses to engage colleagues on mental health, financial health, loneliness and physical wellbeing.
- Mental health first aiders completed refresher training and we ran an awareness campaign during Suicide Prevention Week providing information about support services to colleagues.

Employee engagement

We run regular employee surveys with results reviewed by the Board, our GMT, heads of function and regional leadership teams. We have a National Employee Forum (NEF) to enhance communication between employees and our leadership and ensure that

employee views on matters affecting the business are heard and represented. Each regional business, as well as our strategic land division, head office and logistics business has a Local Employee Forum (LEF), which feed into the agenda for our NEF meetings where appropriate.

Our Board has appointed an Employee Champion to strengthen engagement with employees and champion the 'employee voice' in the boardroom.

Action in 2022

- 54% of colleagues participated in our employee survey which showed an engagement score of 93% (2021: 91%).
- Launched our National Young Persons Forum to make sure we are reflecting the views of our young talent and potential future leadership.

Raising concerns

We encourage employees to share any concerns, breaches of our policies or suspected cases of unethical conduct with their direct line manager, another manager or by reporting to our Group General Counsel and Company Secretary, Group HR Director or Head of Internal Audit. This includes any form of harassment or bullying, or if any employee has reason to believe that modern slavery of any form may exist within our organisation or our supply chain, or may occur in the future. We also operate an independent confidential reporting hotline, Safecall, available to all employees and subcontractors. We are reminding employees about these arrangements through our Respectful Workplace Training.



What our colleagues think

Our latest employee survey was completed by 54% of colleagues and showed an engagement score of 93% (2021: 91%).

Higher scoring areas included health and safety, diversity and inclusion, engagement and sustainability. The survey also showed that colleagues think we can do more in relation to reward, workload and internal communication. The results of the survey were reviewed by the Board, our GMT, heads of function and regional leadership teams.

Engaging our young talent

We established a National Young Persons Forum in 2022 to broaden our engagement with our employee base and make sure we are reflecting the views of our young talent and potential future leadership. The Forum has 18 members from across the business including office and site based employees, and representatives from our graduate, management trainee and apprenticeship programmes. All members are aged under 27 and the Forum meets four times a year.

For more information on our progress against targets, please see page 36



How did we perform in 2022?

We directly employed on average 5,140 people across the UK (2021: 5,271) with a further 11.1k operatives on our sites (2021: 11.1k).

Voluntary employee turnover was 18% (2021: 19%). We aim to keep this below 15%.

Entry level positions made up 9% of our total workforce in 2022 (2021: 9%).

1,285 employees were enrolled on or completed Academy courses.

Our GMT was 38% women and we also had 44% women on our Board of Directors. The figure for GMT members and their direct reports was 21%.

We are getting closer to gender balance at Board and GMT level, but have more work to do in our regional business management teams. Women made up 31% of these roles in 2022 (2021: 24%). Our pipeline is strong with women accounting for 64% of graduate recruits and 38% of management trainees in 2022.

Our workforce is not yet reflective of the UK's ethnic diversity, with 5% of our employees from a Black, Asian or other minority ethnic background (2021: 5%) and 3% at regional business management level. Progress has been made at entry level, with 21% of new management trainees and 20% of our graduate recruits in 2022 from a Black, Asian or other minority ethnic background.

We are improving our workforce data to enable us to monitor LGBTQ+ inclusion. This relies on self-declaration by employees and 64% of employees now report their sexuality (2021: 61%). In 2022, 2% of employees identified as LGBTQ+ (2021: 1.4%) and 1% preferred not to say. If we calculate including only employees who report their sexuality, the figure is 3.1% LGBTQ+.

95%

of employees believe that we offer opportunities for people from all backgrounds to progress

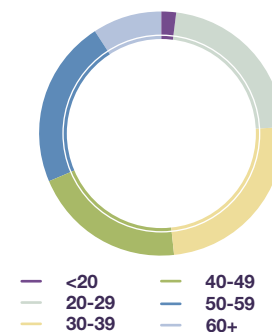
44%

women on our Board of Directors

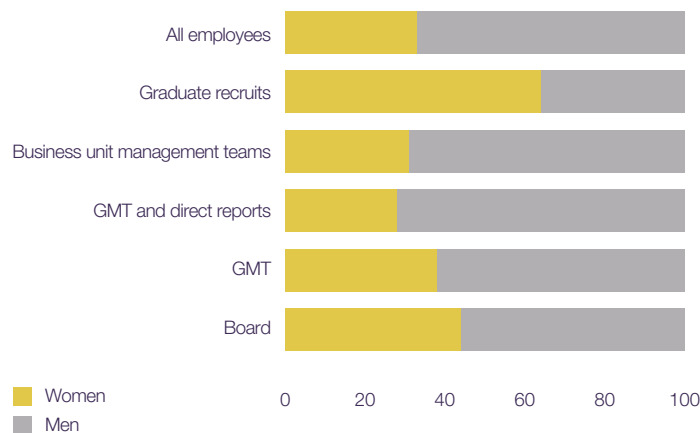
Gender balance in our Group Management Team (GMT)



Age diversity in our workforce



Gender balance in our workforce (%)





Charitable giving

We can make a difference in our local communities by supporting charities and voluntary organisations working on issues that matter to our customers, colleagues and stakeholders.

These pages provide an overview of our approach. There is more detail and data in our online report at www.taylorwimpey.co.uk/corporate/sustainability/communities

Our three priorities

We focus on three priorities that are connected to our business:

- Aspiration and education: Projects that promote aspiration and education in disadvantaged areas
- Tackling homelessness: Intervening in and improving homelessness situations for seriously economically disadvantaged groups in the UK
- Local projects: Initiatives that have a direct link with our regional businesses and developments

Our national partners

We work with national partner charities: Youth Adventure Trust, which helps young people fulfil their potential; End Youth Homelessness (we are a founding partner to this Centrepoint-led movement of local charities); Crisis, a homelessness charity; St Mungo's, a homelessness charity; and CRASH, a construction and property industry charity for the homeless.

Each regional business also has a charity budget to support organisations close to our sites.

Roles and responsibilities

Our Charity Committee oversees our charity partnerships. Its members include senior leaders such as our Group HR Director (Chair), a regional Land Director (vice Chair) and a variety of other employees including managers, personal assistants and graduate trainees. Any vacancies are advertised internally and we encourage a wide range of colleagues to apply.

The committee works with our charity partners to select projects where we can make the most difference and monitors the impact of our giving.

Engaging our colleagues

We hold regular Group and local fundraising challenges to get our colleagues involved in supporting our charity partners and our Volunteering Policy enables all employees to take two full days, or four half days, paid time off to volunteer. We promote fundraising and volunteering opportunities via our intranet, email and Yammer social media network.

Action in 2022

- Our annual Taylor Wimpey Challenge saw over 250 colleagues take part and fundraise £168,000 for the Youth Adventure Trust and

other charities. Teams enjoyed the stunning scenery of the Lake District choosing between an Ultra 60km bike tour of the lakes, a 20km hike or a 40km hike, with all teams completing a lake course on a self built raft.

- 10 colleagues participated in End Youth Homelessness Sleep Out, raising funds and gaining an insight into the experiences of homeless young people.
- Fundraising and volunteering for Crisis including working in Crisis shops, day centres and warehouses and completing sponsored runs and walks.
- Volunteers from across Taylor Wimpey took part in the St Mungo's annual Halloween Abseil in London's Olympic Park to mark World Homelessness Day raising almost £6,000.





Enabling more children to enjoy a healthy breakfast

Many children start the day hungry because their family can't afford enough food. This impacts children's health and their ability to learn and develop. We've started a new partnership with Magic Breakfast, a charity providing healthy school breakfasts to children at risk of hunger in disadvantaged areas of the UK. In our Winter Charity Appeal, we matched funds raised by our colleagues. Together we contributed over £11,500 which will provide more than 41,200 breakfasts to schools around the UK – equivalent to providing breakfast for one year for 190 children.

End Youth Homelessness

We are a founding patron to End Youth Homelessness (EYH), a UK-wide movement of local charities that have joined forces to tackle youth homelessness together.

In 2022, we donated £125,000 to support the charity transforming the lives of almost 2,000 young people. Around half went to EYH's Employability Fund that helps homeless young people become job-ready and secure long-term employment. Our funding will provide at least 2,000 hours of employability support, enough to help at least 38 young people into education, employment or training.



How did we perform in 2022?

We donated and fundraised around £1.2 million for registered charities and local community causes in 2022 (2021: £1.1 million). This includes the value of employee fundraising.

These figures do not include investments made as a result of our planning obligations, page 6, or the value of employee time spent volunteering.

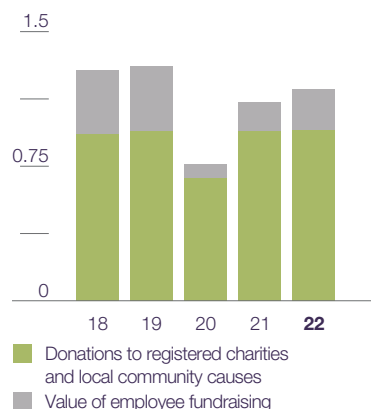
4

St Mungo's Construction Skills Centres supported to help people recovering from homelessness to find employment

£1.2m

Donated and fundraised for charities and community causes

Charitable donations and fundraising (£m)



Tackling homelessness and expanding access to skilled jobs with St Mungo's

Our partnership with St Mungo's, the homelessness charity, is helping people recovering from homelessness to gain new skills and find employment in the construction industry.

In 2022, we supported St Mungo's to open their third Construction Skills programme in their new Recovery College in Leicester. Here clients will work in a dedicated space towards an accredited City and Guilds Construction Skills qualification with training in areas such as painting and decorating, plumbing, lock fitting, tiling, dry lining and bricklaying. Participants will also benefit from work placements, apprenticeships and jobs through St Mungo's partnerships with local employers. Altogether we are donating £315,000 over three years which will benefit around 40 clients per year.

Alongside this, we also provided construction materials to help St Mungo's launch a new Construction Skills programme in Hackney, and continued to help fund Construction Skills Tutors at their Skills Training Centres in Brent and Camden.

For more information on our progress against targets, please see page 36



Governance and management

We have integrated
sustainability into our
management systems,
policies and procedures.

These pages provide an overview of our approach. There is more detail and data in our online report at www.taylorwimpey.co.uk/corporate/sustainability

Our Annual Report includes disclosures reflecting the recommendations of the Task Force on Climate-related Financial Disclosures and risk management.

Roles and responsibilities

Board level: Our Board of Directors is responsible for oversight of our environmental, social, governance (ESG) initiatives, risks and opportunities. They receive an ESG update twice a year, which includes updates on progress made towards climate change targets. The Chair of the Legacy, Engagement and Action for the Future (LEAF) Committee and our Director of Sustainability also attend the Board on at least one separate occasion during the year. The Board has conducted an ESG mapping exercise to ensure that all ESG matters are considered by the Board or one of its Committees. During 20222, the Board reviewed and approved our net zero strategy, roadmap and targets.

Executive level: Our CEO has ultimate responsibility for achieving our sustainability targets. Sustainability (including climate change) is a standing agenda item for GMT meetings and members receive a monthly update from the Director of Sustainability.

LEAF Committee: Ingrid Osborne, Divisional Chair for London and South East and a member of our GMT, chairs our LEAF committee, which is responsible for reviewing sustainability strategy, risks and opportunities. It meets four times a year. LEAF members include the heads or senior leaders of our sustainability, technical, production, procurement, commercial, customer and design functions and representatives from our strategic land and regional businesses.



The Director of Sustainability is responsible for monitoring sustainability issues and oversees our reporting and disclosures. He reports to our Group Technical Director who leads our Road to Net Zero Carbon Working Group, and reports directly to our CEO. Our Head of Health Safety and Environment is responsible for our Environmental Management System.

Cross-functional working groups, including our Environment Strategy Working Group, Road to Zero Carbon Working Group, Functional Interface Group (R&D), Charity Committee, Waste and Resources Group, Timber Frame Working Group, and our Diversity and Inclusion Strategy Committee support effective governance of sustainability.

Operational level: The Managing Director in each regional business has responsibility for achieving our sustainability targets at the local level. They have nominated a Sustainability Sponsor within their management team and a Sustainability Champion to assist with implementation and data collection. Each regional business has annual targets for energy, water and waste.

At a project level, the sustainability aspects of a development are initially the responsibility of the land and planning and design teams. Once work has begun on site, the production management team, including the Site Manager and contractors, ensures that a wide range of site-specific sustainability issues are addressed and monitored.

Engaging our people on sustainability

Training: We have a sustainability training plan for relevant functions to support the roll out of our environment strategy and net zero commitment.

Our induction e-learning programme includes topics such as diversity and inclusion and modern slavery. Functional training, such as our Production Academies, also cover aspects of sustainability and we have more detailed training for our Sustainability Champions network.

Remuneration: We link performance review and bonuses to sustainability in a number of areas. For example, customer service and quality are integrated into the corporate bonus scheme for all employees and into our Executive Incentive Scheme while 15% of the potential bonus for Site Managers is linked to performance on waste reduction. In 2022, 10% of the bonus in our Executive Incentive Scheme was linked to progress on establishing our net zero strategy and achieving a reduction in carbon intensity.

Health and safety and customer service form part of all senior managers' business objectives.

Stakeholder engagement

We engage with a wide range of stakeholders to run our business and these interactions help shape our approach to sustainability issues.

You can read about our approach in relation to employees, local and central government, local communities, suppliers, NGOs and industry associations on our website.

We also conduct a regular formal materiality process.

Investor engagement

We engage with investors on our approach to ESG issues and participate in several global and sectoral benchmarks.

- Constituent of the Dow Jones Sustainability Europe Index
- Included in the S&P Sustainability Yearbook 2023
- Constituent of the FTSE4Good Index series
- MSCI AA rating
- Sustainability ESG Risk Rating of Low and included in its 2023 Top-Rated ESG Companies List
- Member of Next Generation, ranked fourth out of 28 companies with a score of 59% and a Bronze Award (2021: third, 74%, Gold). Next Generation is a rigorous and detailed sustainability performance benchmark of UK homebuilders. The criteria were updated in 2022 so the score is not directly comparable to the previous year
- CDP Climate Change A- (2021: A-)

- CDP Water Security B (2021: B)
- CDP Forests B- for timber sourcing (2021: B-)
- CDP Supplier Engagement Leader with a score of A for our approach to engaging suppliers on climate change (2021: A)

Sustainability risk management

The identification, assessment, mitigation and monitoring of sustainability and climate-related risks is included as part of our overall risk management process, the outcomes of which are formally reported to the Board once a year, with detailed updates provided at two Audit Committee meetings during the year. Natural resources and climate change, health and safety, quality and people risks are included in our Principal Risks.

As part of our risk management process, individual sustainability and climate-related risks are considered through functional and business unit risk registers, our Climate Change and Sustainability Risk and Opportunity Register and on a regular basis by senior management, assessing the impact they may have on the Group's strategy, looking at short, medium and in particular longer term emerging risks which may arise as the area continues to evolve.

Our Climate Change and Sustainability Risk and Opportunity Register, is maintained by our LEAF committee and reviewed at each meeting. For each climate-related risk

and opportunity the register identifies the: risk driver; description of risk; potential impact; time frame; whether the risk or opportunity is direct or indirect; likelihood; and magnitude of impact. The LEAF Committee makes recommendations to the GMT on how to mitigate, transfer, accept, or control climate-related risks. This process is outlined in our Task Force on Climate-related Financial Disclosures report. A separate methodology is used for other sustainability risks and opportunities in the register.

See our Annual Report and Accounts 2022 for more on risk management.

Reporting, data and external assurance

This is our 16th year of reporting on sustainability as Taylor Wimpey. This document covers our performance and data for the period 1 January to 31 December 2022.

We are moving towards integrated reporting, increasing disclosure on sustainability topics in our Annual Report and Accounts. This includes our reporting against the recommendations of the Taskforce on Climate-Related Financial Disclosures. Our Sustainability website and Sustainability Supplement and ESG Addendum contain further information and social and environmental performance data and the Sustainability Accounting Standards Board Standard for the Home Building Sector.

We collect a wide range of social and environmental data from our regional businesses through our COMBINE (Coordinated Measurement of Business Information) system. This covers health and safety, environment, sustainable construction, resource efficiency, planning and community engagement, employee and customer data. This data is used to measure, monitor and improve our performance.

We have achieved certification to the Carbon Trust Standard which includes independent verification of our greenhouse gas data to a limited assurance level. Our Scopes 1 and 2 footprint, and three selected Scope 3 categories (Purchased Goods and Services, Fuel and Energy-related Activities and Use of Sold Products) are verified to ISO 14064-3. Their assurance statement is published on our website at www.taylorwimpey.co.uk/corporate/sustainability.

We publish our key Company policies on our website, including those relating to business ethics, human rights, health, safety and environmental management and community investment.





ESG Addendum – performance data

	Coverage	Unit	2022	2021	2020	2019	2018	2017
General								
Revenue £m	Group	£m	4,419.9	4,284.9	2,790.2	4,341.3	4,082.0	3,965.2
Operating profit £m ¹	Group	£m	923.4	828.6	300.3	850.5	880.2	841.1
Number of completions (including joint ventures)	UK	Number	13,773	14,087	9,609	15,719	14,933	14,541
	Spain	Number	381	215	190	323	342	301
Number of completions (excluding joint ventures)	UK	Number	13,551	13,929	9,412	15,520	14,822	14,387
Number of outlets (average)	UK	Number	232	225	240	250	273	-
Sustainable homes and communities								
Planning obligations								
Value of Section 106 (England and Wales) and Section 75 (Scotland) and CIL agreements delivered	UK	£m	455	418	287	447	455	413
Affordable housing								
Completions designated as affordable	UK	%	21	18	20	23	23	19.0
Number of affordable homes	UK	Units	2,875	2,501	1,904	3,548	3,416	2,809
First time buyers – % of completions	UK	%	45	41	40	36	38	39
Help to Buy – % of completions	UK	%	21	36	53	48	53	50
Efficient, lower carbon homes								
Homes built using timber frame	UK	%	18.1	18.5	18.6	13.6	10.8	-
Homes with on-site renewables (eg PV panels)	UK	%	17	16	14	9	9	-
Homes with on-plot EV charging points	UK	%	9	7	-	-	-	-
Number of EV charging points installed since 2019	UK	Number	2,626	-	-	-	-	-
Land, planning and engagement								
Plots owned or with planning consent (short term landbank)	UK	Number	82,830	85,376	77,435	75,612	75,995	74,849
Short term landbank – number of plots converted from strategic land pipeline	UK	Number	3,692	7,691	4,010	8,387	7,619	7,863
Strategic pipeline – number of potential plots	UK	Number	c.144,000	c.145,000	c.139,000	c.140,000	c.127,400	c.117,000
Completions sourced from strategic pipeline	UK	%	52	50	55	56	58	53
Homes built on brownfield land	UK	%	17	21	25	29	37	45
Sustainable transport – customers								
Completions within 500 meters of a public transport node	UK	%	67	67	71	57	52	50
Completions within 1000 meters of a public transport node	UK	%	90	86	88	74	66	63



Sustainable homes and communities	Land, planning and community engagement	Customer service and quality	Health, safety and wellbeing	Environment	Responsible sourcing	People and skills	Charitable giving	Governance and management	ESG Addendum: Performance data SASB index	ESG Addendum: Progress against targets		
				Coverage	Unit		2022	2021	2020	2019	2018	2017
Build quality												
Taylor Wimpey average NHBC Construction Quality Review score ³				UK	Out of 6		4.81	4.67	4.45	4.13	3.93	3.74
Industry average NHBC Construction Quality Review score				UK	Out of 6		4.6	4.43	4.32	4.01	—	—
Average reportable items per NHBC inspection				UK	Number		0.32	0.26	0.24	0.28	0.28	0.26
Customer satisfaction												
Customers satisfied or very satisfied with quality of their home ⁴				UK	%		88	89	89	87	89	88
Customers satisfied or very satisfied with the service provided before purchase ⁴				UK	%		84	85	84	83	86	84
Customers ‘Would you recommend us to a friend?’ (8 week score) ⁴				UK	%		90	92	92	89	90	89
Homebuilder average – ‘Would you recommend us to a friend?’ (8 week score) ⁴				UK	%		91	91	91	89	87	86
Customers ‘Would you recommend us to a friend?’ (9 month score) ⁵				UK	%		78	79	78	77	76	74
Homebuilder average – ‘Would you recommend us to a friend?’ (9 month score) ⁶				UK	%		-	79	76	76	71	-
Customers who would recommend us to a friend				Spain	%		91	93	93	93	100	100
Health and safety												
Number of reportable RIDDOR injuries per year				UK	Number		27	35	26	32	43	28
Annual Injury Incidence Rate (AIIR) for all reportable injuries (incidence rater per 100,000 employees and contractors)				UK	per 100,000 employees and contractors		166	214	151	156	228	152
Annual Injury Incidence Rate (AIIR) for all major injuries (incidence rater per 100,000 employees and contractors)				UK	per 100,000 employees and contractors		68	73	58	44	64	54
HBF Homebuilder average AIIR ⁷				UK	per 100,000 employees and contractors		239	264	263	282	330	334
Fatalities – employees and contractors				Group	Number		0	0	0	0	1	0
Lost-time injury frequency rate (LTIFR) for employees				UK	per 1 million hours worked		1	1	1	—	—	—
Lost-time injury frequency rate (LTIFR) for contractors				UK	per 1 million hours worked		0.9	1.36	0.93	—	—	—
HSE Training												
HSE training days – site management and operational staff				UK	per employee		4.4	4.2	3.39	4	4.3	4.5
HSE training days – support staff (office based)				UK	per employee		0.16	0.35	0.13	0.3	0.2	0.1
Number of staff trained on health and safety standards within the last year				UK	Number		4,654	4,954	4,210	4,767	5,207	5135
HSE performance Spain ⁸												
Annual injury incidence rate for reported workplace injuries (incidence rate per 100,000 employees and contractors)				Spain	per 100,000 employees and contractors		0	300	456	179	324	361
Number of reported workplace injuries per year				Spain	Number		0	3	4	2	4	4
Annual Injury Incidence Rate (AIIR) for all major injuries (incidence rater per 100,000 employees and contractors)				Spain	per 100,000 employees and contractors		0	30	46	18	32	0



Sustainable homes and communities	Land, planning and community engagement	Customer service and quality	Health, safety and wellbeing	Environment	Responsible sourcing	People and skills	Charitable giving	Governance and management	ESG Addendum: Performance data SASB index	ESG Addendum: Progress against targets



Sustainable homes and communities	Land, planning and community engagement	Customer service and quality	Health, safety and wellbeing	Environment	Responsible sourcing	People and skills	Charitable giving	Governance and management	ESG Addendum: Performance data SASB index	ESG Addendum: Progress against targets



Sustainable homes and communities	Land, planning and community engagement	Customer service and quality	Health, safety and wellbeing	Environment	Responsible sourcing	People and skills	Charitable giving	Governance and management	ESG Addendum: Performance data SASB index	ESG Addendum: Progress against targets				
							Coverage	Unit	2022	2021	2020	2019	2018	2017
People														
Average number of employees (weekly and monthly)					UK	Number		5,140	5,271	5,948	5,796	5,358	4,893	
Average number of employees					Spain	Number			91	81	87	84	102	
Average number of employees (weekly and monthly)					Group	Number			5,362	6029	5,883	5,442	4,995	
Site operatives					UK	Number		11,100	11,100	12,330	14,674	13,526	13,422	
Annual voluntary employee turnover					UK	%		17.7	19.0	9.4	12.9	14.5	14.3	
Skills, learning and development														
Total apprentices, graduates and trainees recruited during the year					UK	Number		289	150	75	498	372	263	
Entry level positions as % of workforce					UK	%		9	9	14%	16%	13	11	
Employees who have enrolled on or completed academy courses					UK	Number		1,285	1,700	1,500	1,300	-	-	
Gender balance and diversity														
Women in workforce – all employees					UK	%		33	32	30	29	31	32	
Women in junior management					UK	%		48	47	46	45	48	48	
Women in management					UK	%		30	28	28	28	27	26	
Women on our business unit management teams					UK	%		31	24	18	-	-	-	
Women in GMT					Group	%		38	36	40	44	33	30	
Women in GMT and direct reports					Group	%		21	-	-	-	-	-	
Women on the Board of Directors					Group	%		44	50	50	50	44	30	
Employees who are Black, Asian or other minority ethnic					UK	%		5	5	4	-	-	-	
LGBTQ+ employees ¹⁴								2	1.4	-	-	-	-	
Partnering with charities														
Donations to registered charities					Group	£		790,061	840,854	588,000	816,000	754,000	737,000	
Donations to local community causes					Group	£		161,746	104,364	94,000	129,000	173,000	79,000	
Amounts raised by employee fundraising					Group	£		223,463	161,168	80,000	364,000	357,000	295,000	
Total donations (cash and fundraising)					Group	£		1,175,270	1,106,385	762,000	1,309,000	1,284,000	1,111,000	

- Operating profit is defined as profit on ordinary activities before net finance costs, exceptional items and tax, after share of results of joint ventures.
- Includes joint ventures
- The NHBC carries out independent Construction Quality Reviews at key build stages. This is the average score from NHBC reviews for calendar year 2022.
- 2022 figures relate to the HBF year of 01.10.21 to 30.09.22 with the comparators relating to the same period in prior years.
- The 2022 9-month 'would you recommend' score relates to customers who legally completed between October 2020 and September 2021. The comparator relates to the same period in the prior year.
- The homebuilder average data is supplied by the NHBC. At the time of publication data was not available for 2022.
- HBF H&S Statistical Analysis Report 2021/2022
- For Spain, our injuries data and annual injury incidence rate include all reported workplace injuries to employees and contractors. This is similar but not directly comparable to our data for the UK which is collected under the UK's Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR).
- Carbon and energy use data is externally assured by the Carbon Trust to a limited assurance level. Data is provided as tonnes of carbon dioxide equivalent (CO₂e) for all operations. Scope 1 and 2 emissions are from our sites, offices, show homes and sales areas, plots before sale and car fleet. We have used the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) and emission factors from the Government's GHG Conversion Factors. We use the market-based method of the revised version of the GHG Protocol Scope 2 Guidance. Intensity metrics are calculated using the following figures for completed floor area: Taylor Wimpey UK – 1,294,820sqm (excludes Taylor Wimpey Central London but includes relevant joint ventures); Taylor Wimpey Spain – 43,476.5sqm; Taylor Wimpey Group (UK and Spain) – 1,338,297sqm.

- In 2022, we developed a more accurate methodology for measuring Scope 3 supply chain emissions (Purchased Goods and Services), using a combination of quantity-based data (drawing on data on the quantity of materials purchased and emissions data from environmental product declarations) as well as spend data. Our previous methodology relied on spend data only. We have also made some methodologies improvements for the Scope 3 categories of Business Travel, Use of Sold Products, Employee Commuting and Upstream Transport and Distribution. We have disclosed Scope 3 emissions for 2022 and 2021 using our updated methodologies. For transparency, we have also included data for prior years calculated using our previous methodologies. We report on nine of the 15 Scope 3 categories identified in the GHG Protocol. The remaining six categories are not material to our business.
- Our operational energy use data for the UK includes site and offices. Group data includes site, offices and fleet. Our energy reduction target focuses on UK site energy use.
- General waste includes compactable waste, inert waste, timber waste and some types of hazardous waste. It also includes non-recyclable mixed waste that cannot be disposed of in available skips.
- This is construction hazardous waste and includes paint cans and sealant tubes. It does not include any remediation waste or contaminated soils. Hazardous waste reflects production volumes and therefore was significantly lower in 2020 due to the impact of the national lockdown in the UK.
- We are improving our workforce data to enable us to monitor LGBTQ+ inclusion. This relies on self-declaration by employees and 64% of employees now report their sexuality (2021: 61%). In 2022, 2% of employees identified as LGBTQ+ (2021: 1.4%) and 1% preferred not to say. If we calculate including only employees who report their sexuality, the figure is 3.1% LGBTQ+.



SASB index



The following table discloses our performance against the criteria set by the Sustainability Accounting Standards Board (SASB) Standard for the Home Builders sector. Data relates to the period 1 January 2022-31 December 2022.

A number of the SASB criteria are not directly applicable to the UK and in these cases we have sought to provide equivalent data.

A note on terminology: Our sites are single pieces of land which typically gain outline planning permission as a single entity. They range in size from 50-3,500 homes. Outlets are sites with a sales centre. 'Plots' are homes prior to completion which are equivalent to 'lots' (the term used in the SASB standard).

Responses do not cover our business in Spain which accounts for less than 2% of total completions.

Land use and ecological impacts

Code	SASB criteria	Our approach
IF-HB-160a.1	Number of (1) lots and (2) homes delivered on redevelopment sites	In 2022, 17% of completions (excluding joint ventures) were on brownfield land (2021: 21%).
IF-HB-160a.2	Number of (1) lots and (2) homes delivered in regions with High or Extremely High Baseline Water Stress	We estimate that around 42% of our plots are built in areas of high water stress, around 5,945 homes. No homes are built in areas of extremely high stress. This is based on the baseline water stress map published by the World Resources Institute's (WRI) Water Risk Atlas tool, Aqueduct.
IF-HB-160a.3	Total amount of monetary losses as a result of legal proceedings associated with environmental regulations	There were no environmental prosecutions or fines in 2022.
IF-HB-160a.4	Discussion of process to integrate environmental considerations into site selection, site design, and site development and construction	<p>Our environment strategy includes targets to reduce our environmental footprint across our value chain focusing on climate change and energy, nature, resources and waste. Environmental factors are integrated into our processes, including:</p> <p>Landbuying: We review each potential piece of land against the Government's National Planning Policy Framework (NPPF), which aims to ensure that developments are economically, socially and environmentally sustainable. Our internal processes and guidance documents help us to identify and address relevant sustainability issues for each site. These include our Sustainable Development Checklist which helps us to assess factors such as how well connected the site is to transport links and the potential impact on habitats and species. We use a digital platform for assessing and managing sustainability risks at site level, called LEADR (Land and Environment Assessment of Development Risk). It includes a pre-acquisition screening and risk assessment process for potential new sites covering issues including remediation, flood risk, biodiversity, air quality and archaeology.</p> <p>Placemaking: Our placemaking standards help our teams to plan, design and deliver schemes that promote social, environmental and economic sustainability. They are based on best practice such as the Building for a Healthy Life framework and cover factors such as promoting sustainable transport, connectivity with nature and resident wellbeing. All new sites now include our priority wildlife enhancements and from 2023 new sites will include 10% biodiversity net gain.</p> <p>Construction: Our Health, Safety and Environmental Management System covers all site activities and helps us to keep noise, dust and disturbance to a minimum, to prevent pollution incidents, reduce waste and water use and to protect biodiversity. It requires all operational sites to carry out mandatory environmental checks and to have a Site Specific Environmental Action Plan. All sites have individual site waste management plans.</p>

Workforce health and safety

Code	SASB criteria	Our approach
IF-HB-320a.1	Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	<p>We measure health and safety performance using an Annual Injury Incidence Rate (AIIR) metric and we report a consolidated figure for direct employees and contractors. Our AIIR for reportable injuries per 100,000 employees and contractors was 166 in 2022 (2021: 214). Reportable injuries are those covered by the UK's Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR). The average AIIR for our sector was 239. This is calculated by the Home Builders Federation.</p> <p>There were no fatalities.</p>



Sustainable homes and communities	Land, planning and community engagement	Customer service and quality	Health, safety and wellbeing	Environment	Responsible sourcing	People and skills	Charitable giving	Governance and management	ESG Addendum: Performance data SASB index	ESG Addendum: Progress against targets
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Design for resource efficiency

Code	SASB criteria	Our approach
IF-HB-410a.1	Number of homes that obtained a certified HERS® Index Score and (2) average score	The Energy Performance Certificate (EPC) is a UK equivalent to the HERS Index. Properties are assessed by an accredited assessor. On average, our standard homes are designed to achieve an EPC rating of B. We don't currently collate data on the final EPC ratings for our properties so this figure is estimated based on our standard house type designs. Our homes include: energy-efficient walls and windows; insulated loft spaces; 100% low energy light fittings and energy-efficient appliances. 17% of our homes include photovoltaic (PV) panels and additional energy efficiency measures such as mechanical ventilation with heat recovery.
IF-HB-410a.2	Percentage of installed water fixtures certified to WaterSense® specifications	Our homes are designed to achieve a maximum internal water use of 120 litres per person per day and 5 litres external use in line with Building Regulations. All our homes in England and Wales have water meters fitted, and all homes have low flow taps and showers, and dual flush toilets. WaterSense is not applicable to the UK. Water efficiency is covered by Building Regulations Part G - Sanitation, hot water safety and water efficiency. This focuses on the expected performance of the whole home. Compliance is assessed based on water consumption figures provided by product manufacturers including for WCs, taps, baths, showers and appliances.
IF-HB-410a.3	Number of homes delivered certified to a third-party multi-attribute green building standard	All our homes are subject to UK building regulations which include standards for energy and water efficiency (criteria IF-HB-410a.1 and IF-HB-410a.2). From 2022 we are rolling out enhanced fabric standards and further energy efficiency measures including triple glazing, wastewater heat recovery systems and thermal lintels in line with changes to Building Regulations Part L and F. Collectively, this will achieve a 31% improvement in carbon efficiency compared with our current specification. There are no current widely used third-party multi-attribute green building standards designed specifically for homes in the UK.
IF-HB-410a.4	Description of risks and opportunities related to incorporating resource efficiency into home design, and how benefits are communicated to customers	Risks and opportunities relating to home energy and resource efficiency are considered as part of our climate change risk management processes which are outlined on pages 52 and 53. Our homes integrate features to help customers live a resource efficient lifestyle (see IF-HB-410a.1 and IF-HB-410a.2) and we are well prepared for the forthcoming changes to Building Regulations (see IF-HB-410a.3) and the Future Homes Standard (see page 17). We communicate the resource efficiency benefits of our new homes to potential customers, via our Sales Executives, our website, marketing materials, 'From House to Home' manual, Maintenance Guide and Touchpoint Portal. This includes the energy rating of their home and the energy savings they can expect to achieve in relation to an average second hand home. We also include information on how customers can further reduce home energy and water use and create a nature friendly garden. Our Sales Executives have been trained on how to communicate energy and resource efficiency benefits to our customers.

Community impacts of new developments

Code	SASB criteria	Our approach
IF-HB-410b.1	Description of how proximity and access to infrastructure, services, and economic centres affect site selection and development decisions	Proximity and access to infrastructure, services, and economic centres influence site selection and development decisions. For each scheme, we assess the current level of facilities and services to assess whether they are sufficient to support the scale of proposed development. We aim for future residents to have convenient access to local facilities and services via walking, cycling or public transport. Where the current level of facilities or services is not adequate, we contribute to improving local facilities. The UK's NPPF also requires consideration of the opportunities presented by existing or planned investment in infrastructure. During 2022, we contributed £455 million to local communities via planning obligations (2021: £418 million) to fund infrastructure and facilities including affordable housing, green spaces, community and leisure facilities, transport, educational funding, jobs for local people, heritage buildings and public art. Around 67% of our UK completions were within 500m of a public transport mode and around 90% within 1,000m.
IF-HB-410b.2	Number of (1) lots and (2) homes delivered on infill sites	This data is not currently collected. However, the majority of brownfield land in the UK would meet the definition of an infill site. Brownfield land is previously developed land and most sites are served by existing physical installations such as roads, power lines, sewer and water. In 2022, 17% of completions (excluding joint ventures) were on brownfield land (2021: 21%).
IF-HB-410b.3	Number of homes delivered in compact developments and (2) average density	We believe that all our schemes meet the criteria for compact development.



Climate change adaptation

Code	SASB criteria	Our approach
IF-HB-420a.1	Number of lots located in 100-year flood zones	<p>We don't currently collate this data but expect to be able to do so in future as we roll out our LEADR system for managing environmental site risks.</p> <p>We take the risk of flooding on our developments extremely seriously and identify potential flood risk as part of our site selection process. We use the Environment Agency's flood mapping tools, and take account of their input during our planning consultations. We carry out a flood risk assessment on all our sites and do not buy land unless we can mitigate flood risk. Flood risk is controlled well in the UK through the planning process.</p> <p>Flood risk is one of the factors considered in our climate change scenario analysis, see our Annual Report and Accounts.</p>
IF-HB-420a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	<p>Climate change risks have the potential to impact our business strategy through increased costs, reduced productivity and reputational damage. Our approach to governance, risk management, climate strategy and scenario analysis are outlined in detail in our Annual Report and Accounts. Climate change is now included as a Principal Risk within 'Natural resources and climate change'.</p> <p>In 2022, we scored A- in our CDP Climate Change disclosure, and we are the only UK homebuilder to hold the Carbon Trust Standard for carbon management. Our carbon reduction target has been validated by the Science Based Targets initiative.</p>

Activity metrics

Code	SASB criteria	Our approach
IF-HB-000.A	Number of controlled lots	As at 31 December 2022, our short term landbank stood at c.83k plots (2021: c.85k plots). Our short term landbank is owned or controlled land with planning permission or a resolution to grant planning permission.
IF-HB-000.B	Number of homes delivered	Total home completions in the UK were 13,773 in 2022, including joint ventures.
IF-HB-000.C	Number of active selling communities	<p>We traded from an average of 259 outlets in 2022 (2021: 225).</p> <p>Our net private sales rate per outlet per week for the year was 0.68 (2021: 0.91).</p>

1. The developable area of land for each site is calculated using net hectares or net acres. This means the total land area that will be developed excluding public open space and land used for community facilities and some infrastructure.



Progress against targets

Key to material issues

✔ Achieved
🔄 In progress
✖ Not achieved

Sustainable homes and communities

Target for 2022+	Progress in 2022	Achieved?
Make it easier for close to 40,000 customers to work from home and enable more sustainable transport choices through 36,000 EV charging points and 3,000 additional bike stands by the mid 2020s	We are rolling-out our new standard house types which have a design principle to include at least one study area with space for a desk and easy access to broadband and electricity sockets, to enable working from home. We installed 1,462 EV charging points in 2022 and 9% of completions had on-plot charging.	🔄
Help 20,000 customers to increase recycling at home by 2025	Our new standard house types include integrated recycling bins. We expect to collect data for this target from 2023.	🔄
Make it easier for 20,000 customer households in water stressed regions to install a water butt by 2025	We design our homes to be water efficient and integrate water saving features. We have reviewed our plotting for house types to understand the best locations for water butt installation and expect to add water butts to our customer option portal in 2023 to support more customers to save water in their gardens.	🔄
Help customers engage with nature and create 20,000 more nature-friendly gardens by 2025	We have begun trialling home welcome packs with wildflower seeds, bug hotels and other nature friendly products. 2,195 were distributed in 2022	🔄
Update our Placemaking Guide and Guide to Design and Access Statement to reflect the latest government guidance and best practice	We are reviewing our current Guide and expect to update it in 2023.	✖
Update our Green Infrastructure Guide and issue new guidance on biodiversity net gain and layout, and using street trees in our developments	We are reviewing our current Guide and awaiting further guidance on Biodiversity Net Gain requirements before updating it.	✖
Conduct a review of our land use efficiency and develop typologies that maximise opportunities for compact development	Our new standard house types will allow us to achieve greater land use efficiency.	🔄
Develop our technical specification for zero carbon ready homes during 2022 and 2023	We developed our technical specification for compliance with the new Part L & F which will improve carbon efficiency by 31%. We are conducting plot trials for zero carbon ready homes at our Sudbury site.	🔄

Land, planning and community engagement

Target for 2022+	Progress in 2022	Achieved?
Update our policies and processes to reflect the risks and opportunities from a changing climate in 2022	We conducted scenario analysis in 2022 and are using the results to inform our Transition Plan and risk management processes. We will publish an updated environment policy in 2023 and further embed climate risks into our environmental management system.	🔄
Establish our Engagement Academy to support land and planning teams to utilise best practice in online and in person community engagement	We rolled out our new Engagement Academy in 2023 for our land and planning and technical teams. This included an online module for all colleagues followed by one-day in-person training for those colleagues involved in setting up or attending public engagement events – around 125 people.	🔄

Customer service and quality

Target for 2022+	Progress in 2022	Achieved?
Achieve a CQR score of at least 4.1 in each of our regional businesses and at least 75% of build stages to score 4 or above in all regional businesses	In 2022, our average score was 4.81 (2021: 4.67) compared to an industry benchmark group average of 4.6 (2021: 4.43).	✔
Resolve at least 70% of customer issues within 28 days	In 2022, we achieved 58% (2021: 52%). Although we're making progress, we are still short of our target and looking at different ways to address this.	✖
Resolve all complaints or have agreed an action plan within 8 weeks	We achieved this for 70% of complaints in 2022 (2021: 76%).	✖
Maintain a recommend score of at least 90% in the HBF 8-week survey, which equates to a five-star rating	In 2022, 90% of customers in the 8-week survey would recommend us to a friend (2021: 92%). This means we achieved our target to maintain a five-star rating.	✔
Improve our 9-month customer satisfaction survey score	Our score for 2022 was 78% (2021: 79%).	✖



Progress against targets continued

Key to material issues

✓ Achieved
⦿ In progress
⊖ Not achieved

Health, Safety and wellbeing

Target for 2022+	Progress in 2022	Achieved?
Maintain or lower our Annual Injury Incident Rate (AIIR), compared with 2021	Our Annual Injury Incidence Rate (AIIR) was 166 reportable injuries per 100,000 employees and contractors in 2022 (2021: 214), a 22% reduction on the previous year.	✓
Regional businesses to conduct monthly audits of Construction Design and Management and Environmental Management Systems and report results to the GMT	Audits have started and will continue in 2023.	⦿
Run three HSE awareness campaigns during 2022 covering traffic management, preventing falls from height and preventing dermatitis	We ran awareness campaigns on traffic management and preventing falls from height. We held a toolbox talk on preventing dermatitis and produced a poster for use on our sites.	✓

Environment

Targets for 2022+	Progress in 2022	Achieved?
Achieve our science-based carbon reduction target: reduce operational carbon emissions intensity by 36% by 2025; reduce carbon emissions intensity from our supply chain and customer homes by 24% by 2030	Our operational emissions intensity (Scopes 1 and 2), has decreased by 15% against our 2019 baseline with absolute operational emissions falling by 26% over the same period.	⦿
Reduce operational energy intensity by 32% for UK building sites by 2025	There was a 2.44% decrease in energy intensity on our UK construction sites compared to our 2019 baseline. We believe this is due to our focus on energy efficiency.	⦿
Purchase 100% REGO-backed (Renewable Energy Guarantees of Origin) green electricity for all new sites	We purchased 100% REGO-backed renewable electricity for new sites during construction, offices, show homes, sales areas and plots before sale. This is around 70% of our total Group electricity consumption.	⦿
Reduce emissions from customer homes in use by 75% by 2030	We are developing our measurement systems to enable us to report progress against this target. From 2022, we are rolling out changes to our homes in line with the updates to Building Regulations Part L and F. This will result in an average 31% carbon reduction compared to our current specification.	⦿
Reduce embodied carbon per home by 21% by 2030	We are improving our data to enable us to accurately report progress on our Scope 3 target.	⦿
Reduce car and grey fleet emissions by 50% by 2025	We have reduced company car fleet emissions (excluding grey fleet) by 68% since 2019. Around 56% of vehicles in our company car fleet are now electric or hybrid (2021: 43%).	⦿
Increase natural habitats by 10% on new sites from 2023 and include our priority wildlife enhancements from 2021	Some of our sites are already integrating a biodiversity net gain approach and this will be rolled out to all new sites in England and Wales from late 2023. We are now integrating hedgehog highways and bug hotels on new sites. We have prepared guidance on bat boxes and bird boxes for launch in 2023.	⦿
Include our wildlife enhancements on all suitable new sites: Hedgehog highways from 2021; – Bug hotels (at least 20% of homes) from 2021; Bat boxes (at least 5% of homes) from 2022; Bird boxes (at least 80% of homes) from 2023; Wildlife ponds from 2024; Reptile and amphibian hibernation sites from 2025	We are now integrating hedgehog highways and bug hotels on new sites. We have prepared guidance on bat boxes and bird boxes for launch in 2023.	⦿
All new sites have planting that provides food for local species throughout the seasons	We have updated our Home for Nature guidance to help our regional businesses integrate nature-friendly planting on our development sites.	⦿
200 beehives on our sites by 2025	We have installed 16 beehives to date and will be rolling out guidance to our teams in 2023	⦿
Cut our waste intensity by 15% by 2025 and use more recycled materials. By 2022, publish a 'towards zero waste' strategy for our sites	We have reduced waste intensity by 12% against our 2019 baseline, on track to meet our target of 15% reduction by 2025. We have developed our Towards Zero Waste Strategy and Action Plan and have published more details in our Sustainability Supplement. This includes a plan for capturing data on use of recycled materials.	⦿
Engage with suppliers to meaningfully reduce plastic packaging on our sites by 2025	We are participating in an ongoing project with the Supply Chain Sustainability School to better understand packaging waste streams and work with suppliers to achieve reductions.	⦿
Reduce operational mains water intensity by 10% from a 2019 baseline by 2025	Water intensity has reduced by 15% since 2019, exceeding our target. This is due in part to savings from water efficiency measures and partly from a drop in the number of sites using water meters. We believe this relates to a lack of availability of smart meters arising from a global shortage of semi-conductors.	⦿
Measure the environmental footprint of the key materials in our homes and set a reduction target	We are starting to use Environmental Product Declarations to help us assess the environmental footprint of the products we use and identify opportunities to reduce this.	⦿



Progress against targets continued

Key to material issues

✓ Achieved

⦿ In progress

✗ Not achieved

Responsible sourcing

Target for 2022+	Progress in 2022	Achieved?
Set improvement targets in relation to embodied carbon and waste for key supplier categories	We deepened our understanding of embodied carbon and waste impacts in our supply chain during 2022. We will be using what we have learnt to identify higher impact categories and suppliers and to establish improvement targets.	⦿

People and skills

Targets for 2022+	Progress in 2022	Achieved?
Benchmark our policies and practices against the Stonewall Diversity Benchmark	We completed the benchmark and are reviewing the findings.	✓
Extend our respectful workplace training to site management teams in nine more regional businesses to ensure every site provides an inclusive work environment	We have now rolled out our training to 13 of our regional businesses.	✓
Review and update our Paternity Policy	We have not yet reviewed our policy but plan to do so in the near future.	✗

Charitable giving

Target for 2022+	Progress in 2022	Achieved?
Support St Mungo's to establish a new skills training hub	The new skills training hub opened at St Mungo's new Recovery Centre in Leicester	✓
Review how we can increase the impact of our 'Community Chest' giving at our development sites	We are in the process of reviewing how we make charity donations at site level to ensure consistency across our developments.	⦿



Targets for 2023+

We set improvement targets to help drive progress on key social and environmental issues for our business. Additional environmental targets are published on our website.

Sustainable homes and communities

- Make it easier for close to 40,000 customers to work from home and enable more sustainable transport choices through 36,000 EV charging points and 3,000 additional bike stands by the mid 2020s
- Help 20,000 customers to increase recycling at home by 2025
- Make it easier for 20,000 customer households in water stressed regions to install a water butt by 2025
- Help customers engage with nature and create 20,000 more nature friendly gardens by 2025
- Develop our technical specification for zero carbon ready homes during 2022 and 2023.

Customer service and quality

- Achieve a CQR score of at least 4.5 in each of our regional businesses and at least 94% of build stages to score 4 or above in all regional businesses
- Resolve at least 70% of customer issues within 28 days
- Resolve all complaints or have agreed an action plan within 8 weeks
- Maintain a recommend score of at least 90% in the HBF 8-week survey, which equates to a five-star rating
- Improve our 9-month customer satisfaction survey score.

Health, safety and wellbeing

- Maintain or lower our Annual Injury Incident Rate (AIIR), compared with 2022.

Environment

- By 2045 we will reach net-zero greenhouse gas emissions (scope 1, 2 & 3) across our value chain on a 2019 base year (comprising at least a 90% reduction and neutralising residual emissions)
- 36% reduction in operational carbon emissions intensity by 2025 from a 2019 baseline (science-based target) and reach net zero emissions by 2035
- Reduce Scope 3 emissions by 52.8% per 100 m² of completed floor area from a 2019 base year (based on a reduction of 46.2% in absolute emissions against the base year)
- Increase natural habitats by 10% on new sites from 2023 and include our priority wildlife enhancements from 2021
- Cut our waste intensity by 15% by 2025 and use more recycled materials.

Responsible sourcing

- Set improvement targets in relation to embodied carbon and waste for key supplier categories.

People and skills

- 40% female representation in GMT and direct reports
- 50% female representation in BU leadership roles
- 12.5% ethnic representation in BU leadership roles
- 50% female and 25% ethnically diverse recruits to our graduate programme.
- 50% female and 25% ethnically diverse recruits to all Early Entry Talent programmes (management trainees).