

Our commitment to the environment

Our Environment Strategy, Building a Better World, sets out how we will play our part in creating a greener, healthier future for our customers, colleagues and communities, while reducing and mitigating environmental risks to our business.

It includes ambitious targets up to 2030 and we have committed to achieve net zero emissions by 2045, five years ahead of the Government's target.



What's in this section?

- Climate change
- Our net zero target
- Nature
- Resources and waste
- Task Force on Climate-related Financial Disclosures
- Non-financial information and sustainability statement

Highlights from 2023

Our net zero target was validated by the Science Based Targets initiative



Reduced operational emissions by

35%

since 2019 (absolute)

3.5k

wildlife enhancements installed on our sites since 2021

279

sites with hedgehog highways since 2021

98%

of construction waste diverted from landfill

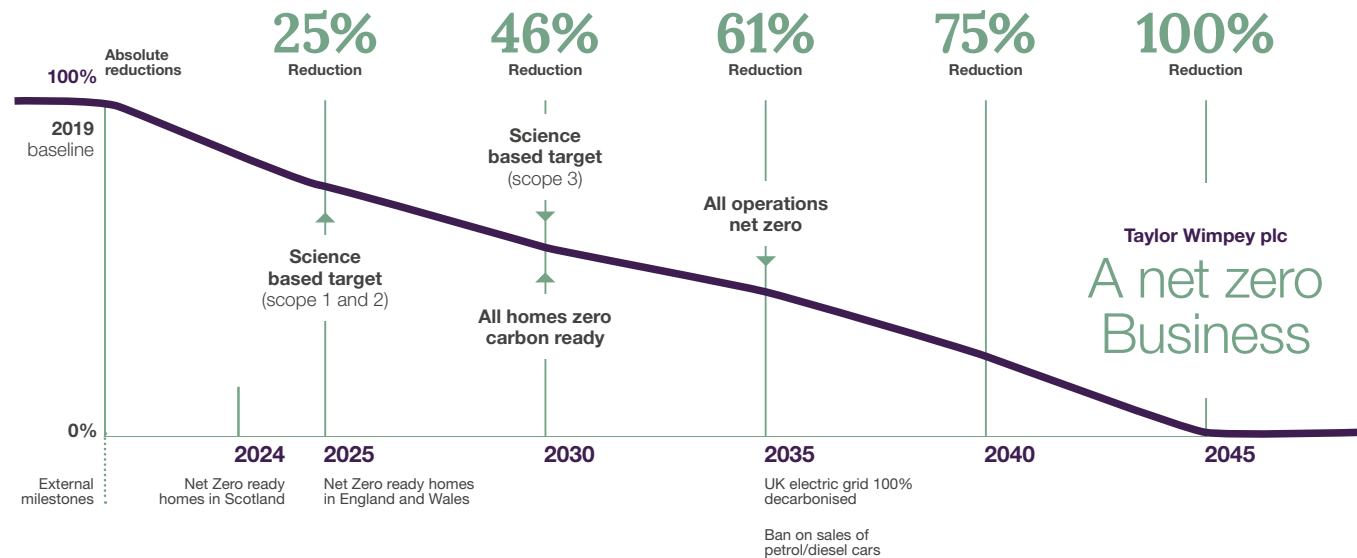
Our commitment to the environment continued

Climate change and net zero

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 for 2045 has been independently validated by the Science Based Targets initiative (SBTi). It is supported by our Transition Plan and four-stage roadmap, detailing the actions we will take, including the construction of low and zero carbon homes, use of low carbon construction materials, transitioning to 100% renewable electricity, reducing and replacing fossil fuels and decarbonising our fleet. Our target and roadmap will enable us to reduce emissions in line with the 1.5°C ambition of the Paris Climate Agreement and support the wider transition to a low carbon economy through zero carbon ready homes for customers and collaboration with suppliers.

i More detail and a summary of our roadmap is included in our Net Zero Transition Plan www.taylorwimpey.co.uk/corporate/sustainability/net-zero



2035

operations will be net zero aligned

90%

reduction in value chain emissions by 2045 and neutralising 10% residual emissions



Our commitment to the environment continued

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.

We published our first biodiversity policy in 2023 and have prepared our teams for the Biodiversity Net Gain requirements which came into force in England in February 2024.

Wildlife enhancements can play an important role in supporting native species. We aim to integrate enhancements on all suitable new sites and have started with hedgehog highways, bee bricks, bug hotels, and bird and bat boxes.

We partner 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 recognise our business dependencies on nature and the ecosystem services provided by the natural world. We are reviewing the recommendations of the Taskforce on Nature-related Financial Disclosures and will publish our first disclosure against its recommendations in our sustainability reporting.

Resources and waste

Our Towards Zero Waste strategy and action plan 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. It focuses on:

- Achieve and build on the resource targets in our Environment Strategy
- Quantify value chain resources and waste 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 are working with our suppliers to reduce waste from packaging, increase recycling and identify opportunities to increase use of sustainable and recycled materials.

We publish a Sustainability Summary with additional data which includes the Sustainability Accounting Standards Board (SASB) recommended disclosures for our sector.

57,800

paint cans recycled
in 2023

105,180

pallets returned
in 2023



ESG credentials

We participate in several global and sectoral benchmarks. We are a constituent of the Dow Jones Sustainability Europe Index and included in the S&P Sustainability Yearbook 2024. We are a part of FTSE4Good, have an AAA rating from MSCI and have received an ESG Risk Rating of Low from Sustainalytics and been included in its 2023 Top-Rated ESG Companies List. We are a member of Next Generation, the sustainability benchmark for UK housebuilders, and ranked joint third with a gold rating in 2023. We disclose our performance to CDP and scored: CDP Climate Change A- (2022: A-), CDP Water B (2022: B), and CDP Forests C for deforestation and forest risk commodities (2022: B-).



Task Force on Climate-related Financial Disclosures

We seek to understand and address the impacts of climate change on our business, and to build new homes and communities that enable customers to adopt a lower carbon lifestyle.



We use the Task Force on Climate-related Financial Disclosures and IFRS Sustainability Disclosure Standard 2 to report on our climate-related risks and opportunities.

A-

CDP Climate score

35%

reduction in operational carbon emissions since 2019 (absolute)

48%

reduction in operational carbon emissions since 2013 (absolute)

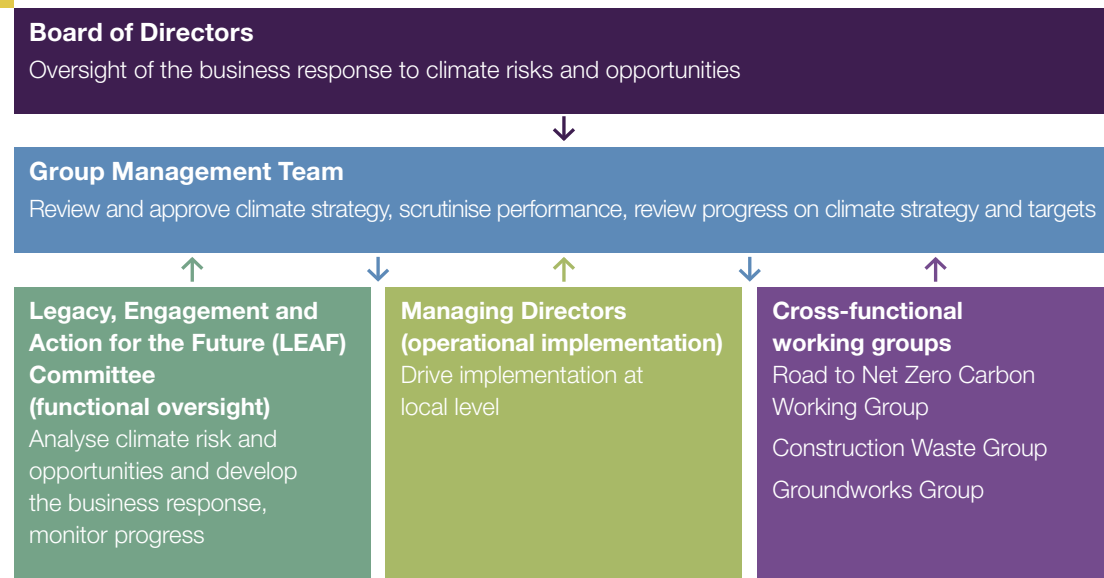
The Financial Conduct Authority requires UK premium listed companies to report against the Task Force on Climate-related Financial Disclosures (TCFD) framework in Listing Rule 9.8.6R.

We believe our disclosures in this section are consistent with the four recommendations and 11 recommended disclosures set out in the TCFD report 'Recommendations of the Task Force on Climate-related Financial Disclosures'. We have taken into account the guidance in the TCFD Annex including the Guidance for All Sectors and the Supplemental Guidance for Non-Financial Groups in relation to the Materials and Buildings Group. A summary is included on pages 66 to 67.

In 2023, we reviewed our reporting against the new IFRS Sustainability Disclosure Standard 2 – Climate-related Disclosures and believe our reporting covers the majority of its criteria. We will look to further increase our alignment over the next few years including in relation to the anticipated financial effects of climate-related risks and opportunities in the medium and long term.

In preparing our disclosures we have also referred to the SASB standards and drawn on the outcomes of our materiality process, our risk assessment process, our climate scenario analysis and stakeholder feedback.

Task Force on Climate-related Financial Disclosures continued



LEAF Committee: Ingrid Osborne, Divisional Chair for London and South East and a member of our GMT, was executive sponsor for our Environment Strategy. In 2023, Ingrid chaired our LEAF Committee, which is responsible for reviewing climate 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 climate-related issues and updating our Climate Change and Sustainability Risk and Opportunity Register. He oversees our reporting and disclosures on climate change, and the assurance of our climate data. He reports to our Group Technical Director who has responsibility for low and zero carbon homes, leads our Road to Net Zero Carbon Working Group, and reports directly to our Chief Executive.

Cross-functional working groups, including our Road to Net Zero Carbon Working Group, support effective governance of climate change.

Operational level: The Managing Director in each regional business has responsibility for achieving our climate change targets at the local level. They have a nominated Sustainability Sponsor within their management team and a Sustainability Champion to assist with implementation and data collection. Each regional business has annual energy and carbon reduction targets up to 2025. Business Unit Management Teams receive a quarterly report on carbon, energy and resource use, which enables them to compare performance against targets and other regional businesses.

Governance for climate change

Board level: Our Board of Directors is responsible for oversight of our environmental, social and governance (ESG) initiatives including climate-related risks and opportunities. The Board receives an ESG update at every meeting, including a quarterly ESG scorecard with key performance indicators and progress towards climate targets. The Board visited our zero carbon ready trial homes in Sudbury in 2023. The Board has conducted a mapping exercise to ensure that all ESG matters are considered by the Board or one of its Committees. Board ESG competencies are indicated on page 94.

Executive level: Our Chief Executive has ultimate responsibility for achieving our climate targets. Sustainability (including climate change) is a standing agenda item for GMT meetings and members receive a monthly update from the Director of Sustainability. The GMT members have received briefings on climate change risks and opportunities to deepen their understanding of this topic. A scope 1 and 2 carbon reduction measure was included in the incentive plans for senior management and regional management in 2023, to support progress on our near term carbon reduction targets. We updated our Environment Policy in 2023, which covers climate change and is reviewed and approved by our Chief Executive.

Task Force on Climate-related Financial Disclosures continued

The teams are kept updated about climate-related issues and we build knowledge and expertise through training workshops, masterclasses and briefings. A scope 1 and 2 carbon reduction measure was included in the medium term incentive plans for regional management from 2023.

We use a digital platform called LEADR (Land and Environment Assessment of Development Risk) for assessing and managing sustainability and technical risks associated with land during the acquisition and construction process. This draws on external environmental databases to help us manage risks associated with land, including climate-related risks such as flood risk. It includes a pre-acquisition screening and risk assessment process for potential new sites. Environmental risks during construction are managed through our environmental management system, including risks relating to climate change.

Stakeholder engagement

Our stakeholder engagement informs our approach to climate change. We collaborate with suppliers through the Supply Chain Sustainability School and our procurement processes, and with others in our industry through the Future Homes Hub (FHH). We chair and are involved in a number of FHH working groups including those on metrics, embodied and whole life carbon and zero-carbon ready homes. Read more about our stakeholder engagement on pages 84 to 86.

We participate in CDP Climate Change and publish our submission on our website. We received a score of A- for 2023 (2022: A-). We were included on the Financial Times Europe's Climate Leaders list 2023. Our Net Zero Transition Plan has been shortlisted in the Edie Awards for 2024.

We work with the Carbon Trust on many aspects of climate change. From 2017 to 2023 we held the Carbon Trust Standard for our overall approach to carbon management, including our policy, strategy and verification of our data and processes. We were the first volume homebuilder to achieve this. In early 2024, we achieved certification to the Carbon Trust's Route to Net Zero Standard, Advancing level, the only housebuilder to hold this new standard.

Strategy

Climate change presents risks and opportunities for our business, including those related to the transition to a lower carbon economy and those associated with the physical impacts of climate change. Sustainability is one of our four strategic cornerstones, reflecting the importance of climate change and other environmental matters to our business and stakeholders.

We assess climate risks and opportunities using short term (to 2025), medium term (to 2030) and long term (beyond 2030) horizons, looking at their potential impacts on our business, strategy and financial planning. Our approach is informed by our materiality assessment and climate scenario analysis. We also refer to industry-based guidance such as criteria set by the SASB Standard for the Home Builders sector, the Next Generation benchmark and the work of the Future Homes Hub, a collaboration for the UK new homes sector.

Climate risks and opportunities are relevant across our value chain and business model. In cases where risks and opportunities are concentrated on particular aspects of our business model or value chain, we have indicated this in the tables on pages 58 to 61 and in the metrics section on pages 62 to 63.

For example, some climate risks are more relevant to our supply chain, while others impact our construction sites or customers and homes in use.

Transition plan

We have published a detailed Net Zero Transition Plan setting out how we will respond to our identified climate risks and opportunities and achieve our net zero target. This includes our roadmap up to 2045 incorporating workstreams such as the construction of low and zero carbon homes, increasing the use of construction materials with lower embodied carbon such as timber frame, transitioning to 100% renewable electricity, reducing or replacing fossil fuels and decarbonising our fleet. The Transition Plan is available on our website at www.taylorwimpey.co.uk/corporate/sustainability/net-zero.

Climate scenario analysis

We have analysed the resilience of our business model and strategy, taking into consideration different climate-related scenarios. We conducted climate scenario analysis in 2022, commissioning WTW (formerly Willis Towers Watson) to conduct an assessment of climate transition risks and opportunities across short term (to 2025) and medium term (to 2030) horizons. The analysis considered our level of exposure to 15 transition risks in a low carbon economy where temperature rises would be limited to 1.5°C this century as well as modelling the physical impacts of climate change on our assets and supply chain in two temperature scenarios (1.5°C and 4°C warming). Impacts were estimated and likelihoods assessed and aligned to our ERM (Enterprise Risk Management) rating criteria. The process involved subject matter experts from across our key functions as well as members of our GMT.



New Carbon Trust Standard – In early 2024 we achieved certification to the Carbon Trust's Route to Net Zero Standard, Advancing level, and are the only housebuilder to hold this new standard.

Taskforce on Nature-related Financial Disclosures

We participated in the Taskforce on Nature-related Financial Disclosures (TNFD) Forum. Our first disclosure against the TNFD recommendations will be published on our website.

Task Force on Climate-related Financial Disclosures continued

In relation to transition risks, the analysis showed a moderate to high level of residual risk exposure in the short term, levelling out to moderate exposure in the medium term. This reflects, among other factors, the short term impact from complying with the UK's incoming Future Homes Standard, as well as from moving to lower emission technologies and securing sufficient electrical power supply. It also showed minor to moderate opportunities from the transition to a low carbon economy, including market share gains as demand for low carbon homes grows and potential reputational benefits with employees, investors and other stakeholders.

In relation to physical risks, it showed moderate exposure to risks relating to windstorms, flooding and drought. The analysis showed that the cost risk from the physical impacts of climate change will be mitigated by building to the standards of the day and including the additional build costs within the assessment of land values. In addition, we conducted modelling with the Carbon Trust of our scope 3 emission reductions, see page 68.

We used the findings to inform development of our Net Zero Transition Plan, including the cost of investment needed to achieve our targets. The findings have also been integrated into our risk assessment process.

Our analysis in 2022 built on our preliminary scenario analysis conducted with the Carbon Trust in 2020. This reviewed three scenarios: orderly transition (the goals of the Paris Climate Change Agreement are met), climate breakdown (warming of 4°C – 6°C), and disorderly transition (the goals of the Paris Agreement on Climate Change are not met in time but climate breakdown is avoided). Workshops looked in more detail at a 'disorderly transition' scenario and the impact of significant

regulatory change, changes to interactions with customers, investors and planners, and to how and what we build.

Impact on financial statements

Climate-related risks and opportunities have not significantly affected our financial position, financial performance or cash flows during the year and we do not foresee any significant financial impact over the next annual reporting period. We are reviewing how we can enhance our reporting on the anticipated financial effects of climate-related risks and opportunities in the medium and long term.

Cost allocation and margin recognition

We include known costs associated with regulation designed to affect the impact of climate change e.g. building regulations Part L (conservation of fuel and power) and Part F (ventilation) within the assessment of the value of inventory charged to cost of sales. Where a forecast site margin is affected by a change in estimated costs to complete, the impact is recognised across all plots completed on that site in the current and future years. See page 181 for further details of the accounting policies in relation to cost allocation and recognition.

Inventories

The carrying value of work in progress and land is assessed via a net realisable value exercise and any adjustments required are made within the financial statements. In particular, in relation to land and the possible impact from climate change, the Group uses the latest environmental reports to assess the impact from flooding on the viability of the land. The accounting policy for inventories is described on page 180 and the outcome of the net realisable value exercise is disclosed on page 191.



Delivered the

UK's first

multi-specification zero
carbon ready scheme
on a live development site
in Sudbury



Goodwill and intangible assets

The Group does not have goodwill, or other intangible assets, that would be subject to an annual impairment assessment and thus the impact of climate change on the future cash flows required to perform this assessment are not required.

Going concern and viability

'Natural resources and climate change' is one of the Group's Principal Risks, but given the time frame over which both going concern and viability are considered (12 months and five years respectively) the future impact of climate change on the operating costs of the business and its supply chain, beyond those costs (such as estimates for the Future Homes Standard) already included within the Group's forecasts, are not considered material.

In addition, the Group's viability assessment considers a reduction in volumes which, although not explicitly linked, could come about through tighter planning requirements to address the impact of climate change or through the reduced availability or increased cost of materials due to restrictions in the supply chain due to climate change.

Sustainability linked loan

In July 2023 Taylor Wimpey signed a new Revolving Credit Facility containing three sustainability linked performance targets which are to adjust the interest margin up or down by a small amount. The three performance targets are: (1) reductions in scope 1 and 2 GHG emissions; (2) reductions in waste; and (3) reductions in carbon emissions of the homes we build.

Task Force on Climate-related Financial Disclosures continued

Risk management

The Board has overall responsibility for risk management and holds formal risk reviews at least half yearly and routinely considers risk at each Board meeting as appropriate. Our risk management approach involves a top-down review of risks by senior management and the Board, combined with a bottom-up review by each individual function and regional business.

The assessment, mitigation and monitoring of sustainability and climate-related risks is included as part of our overall risk management process, which has remained unchanged since the previous reporting period. The individual sustainability and climate-related risks are considered through functional and regional business risk registers, our Climate Change and Sustainability Risk and Opportunity Register. Management consider 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.

In identifying risks, both internal and external factors are considered, and they are assessed using quantitative and qualitative (reputational, customer, health and safety, employees, environmental, operational, legal and regulatory and IT) criteria. The top-down review of key, Principal and emerging risks by our GMT considers their relative significance to the business, including climate-related risks. This process covers the whole of Taylor Wimpey Group.

The Group's Principal Risk 'Natural resources and climate change' (see page 77), recognises the increasing significance of the transition to a low carbon economy for both our operations and the world in which we live and conduct business. This Principal Risk is monitored by the Audit Committee and senior management, together with all other Principal Risks, as detailed on page 71, as part of our risk management process, assessing their impact on the Group's strategic objectives and ensuring appropriate mitigations are in place.

Our Environment Risk Register guides the climate change adaptation of our business practices and the homes we build. Our climate scenario analysis is one of the inputs into the risk register. For each climate-related risk and opportunity the register identifies: risk driver, description of risk, potential impact, time frame, whether the risk or opportunity is direct or indirect, likelihood and magnitude of impact. This is a standing item on every LEAF Committee agenda. The Committee makes recommendations to the GMT on how to mitigate, transfer, accept, or control climate-related risks.

During 2023, we have updated our process for monitoring scope 1 and 2 emissions to a quarterly basis for all our regional businesses to enable us to better monitor short term risks relating to our performance against our climate targets.

i Read more about our risk management process on **pages 71 to 73**



Task Force on Climate-related Financial Disclosures continued

Our risks and opportunities

The table below summarises the findings from our latest climate scenario analysis which focused on transition risks in the short term (up to 2025) and medium term (up to 2030) in a 1.5°C scenario and physical risks in the medium and long term (up to 2030 and beyond) in a 1.5°C and a 4°C scenario. We have summarised the mitigating actions we are taking and shared the impact and likelihood for the more significant risks and opportunities that were identified. Residual risk after mitigation relates to a 1.5°C scenario unless stated. The impact and likelihood ranges and scores are based on Enterprise Risk Management rating scales.

Where we identified additional risks or opportunities that are not currently considered significant, we have listed these.

The table outlines our risks primarily in relation to our operations in the UK. We have also looked at risks in relation to our operations in Spain. We did not identify any material risks in relation to our Spanish operations but will keep this under review.

Policy and legal

Residual risks or opportunities (moderate to high):

Risk type: Transition (policy and legal)

Time frame analysed: Short term (up to 2025), Medium term (up to 2030)

Description	Example risks / opportunities	Our mitigations	Residual risk after mitigation (1.5°C scenario unless stated)
R Increasingly stringent regulatory requirements (e.g. Future Homes Standard)	<p>Risk of delays and more expensive design in order to deliver homes in accordance with the Future Homes Standard (FHS)</p> <p>Potential for unexpected national policy actions to impact the value of strategic land pipeline</p>	<ul style="list-style-type: none"> • We engage and consult regularly with government to understand its priorities • We have established a Research & Development (R&D) programme and internal Road to Net Zero Carbon Working Group to prepare our business for regulatory changes • We participate in Future Homes Hub to support the Future Homes Delivery Plan – a sector-wide plan to embed key environmental issues into housebuilding • We engage with land owners to ensure that the cost of regulation / compliance with latest standards is reflected in the assessment of land values 	Short term moderate risk exposure and almost certain likelihood with the impact on the financial statements considered immaterial as costs associated with the known regulatory changes have been included in current costs and forecasts as appropriate. Medium term moderate risk exposure, balanced likelihood with any financial impact considered within the future cost of land and, where appropriate, sales price of new homes.
R Increasingly stringent local planning requirements (e.g. in relation to flooding and biodiversity) and potential for variation in standards between authorities	<p>Risk of delay and increased cost as local councils introduce additional local planning requirements or go beyond the requirements of the FHS</p>	<ul style="list-style-type: none"> • We engage with planning authorities to understand and integrate their requirements, including participating in the development of strategic frameworks, Local Plans and Neighbourhood Plans • We engage with land owners to ensure that the cost of compliance with planning requirements is reflected in the assessment of land values • We have established guidance for our regional businesses in respect of biodiversity, flooding and other matters to address planning requirements. • We also engage with Future Homes Hub and UK government to encourage a consistent approach 	Short term moderate risk exposure, likely with impact on the financial statements not considered material as risk impacts local areas rather than being nationwide. Medium term moderate risk exposure, balanced likelihood with any financial impact considered within the future cost of land.
R Climate change-related litigation claims brought by stakeholders	<p>Risk of claims relating to our approach to climate change adaptation, our disclosure of climate-related material financial risks or green marketing claims</p>	<ul style="list-style-type: none"> • We disclose our climate change approach and performance and continually review and improve our data • We have asked our agencies to confirm their review process for validating green marketing claims 	Short term moderate risk exposure, likelihood considered rare with impact on the financial statements considered immaterial as we build to latest regulations. Medium term moderate risk exposure, unlikely with impact on the financial statements considered immaterial as we comply with the latest building regulations and any associated costs would be embedded within the future cost of land.

Other residual risks or opportunities (currently identified as low):

- Enhanced emissions reporting obligations
- Potential future carbon pricing
- Cost of purchasing emissions offsets

Key

R Risk

O Opportunity

Task Force on Climate-related Financial Disclosures continued

Technology

Residual risks or opportunities (moderate to high):

Risk type: Transition (technology)

Time frame analysed: Short term (up to 2025), Medium term (up to 2030)

Description	Example risks / opportunities	Our mitigations	Residual risk after mitigation (1.5°C scenario unless stated)
R Power supply and infrastructure – increasing focus on electricity as an energy source for homes, transport, machinery and infrastructure as the economy moves away from fossil fuels	<p>Risk of delays and costs due to insufficient power in the grid to service new homes and/or construction sites and/or lack of reliable lower emission infrastructure</p> <p>Risk of increased costs and delays associated with needing to build or upgrade primary sub-stations</p>	<ul style="list-style-type: none"> • We integrate power supply and infrastructure into site planning accounting for the shift to lower emission alternatives • We are engaging with government on its efforts to address insufficient power supply and develop a smart network • We are exploring innovative local solutions to power supply storage such as the sustainable energy and heat hub at our development in Sudbury • Communicating risk to regional teams 	<p>Short term major risk exposure, almost certain likelihood with impact on the financial statements is not considered material as the risk is considered to be localised rather than national.</p> <p>Medium term major risk exposure, balanced likelihood with impact on financial statements mitigated through assessment of future land purchases and planning requirements.</p>
R Substitution of existing technologies with lower emission alternatives (eg PV panels, EV charging infrastructure, all electric homes and construction equipment) to comply with the Future Homes Standard and emissions reduction targets	<p>Risk of increased costs associated with new technologies and potential availability challenges</p> <p>Risk that current new technology solutions quickly become outdated</p>	<ul style="list-style-type: none"> • We have an ongoing R&D and programme supplier engagement to identify beneficial new technology and test its performance against our quality, safety, sustainability and technical standards 	<p>Short term moderate risk exposure, almost certain likelihood with the impact on the financial impacts considered immaterial as known costs associated with the regulatory change have been included in current costs and forecasts as appropriate.</p> <p>Medium term moderate risk exposure, balanced likelihood with impact on financial statements considered immaterial where any cost of change in regulation is included in the future cost of land or passed on through house prices.</p>
R Skills shortages impacting ability to install low carbon technologies	<p>Risk of shortfall in supply of suitably qualified professionals</p>	<ul style="list-style-type: none"> • We are mapping the expected skills profile for our business and subcontractor base and addressing potential skills gaps through training, recruitment and work with subcontractors • We have led a collaboration with housebuilders and the HBF to create a sector wide skills plan and are partnering with the Construction Industry Training Board, the Home Building Skills Partnership and some of our mid-sized sub-contractors to help more sub-contractors to recruit apprentices 	<p>Short term insignificant risk exposure, almost certain likelihood with impact on financial statements considered immaterial based on timing of implementation of current regulations.</p> <p>Medium term minor risk exposure, almost certain likelihood with impact on financial statements dependent on extent of skills shortage.</p>

Key

R Risk

O Opportunity

Task Force on Climate-related Financial Disclosures continued

Market and reputation (stakeholder)

Residual risks or opportunities (moderate to high):

Time frame analysed: Short term (up to 2025), **Medium term** (up to 2030)

Risk type: Transition (market, reputation)

Opportunity type: Products, markets

Description	Example risks / opportunities	Our mitigations	Residual risk after mitigation (1.5°C scenario unless stated)
O Changing customer demands in relation to low carbon homes as sustainability awareness grows, green mortgages evolve, and existing building stock becomes comparatively more expensive to run	Opportunity if more efficient and lower emission homes become more attractive to customers than secondhand market.	<ul style="list-style-type: none"> We conduct regular research to monitor and understand changing customer attitudes to sustainability issues, including low carbon homes We engage customer, sales and marketing teams and marketing agencies to ensure the benefits of new low carbon homes are communicated effectively We partner with peers through the Future Homes Hub and engage with government to ensure the benefits of low carbon homes are communicated, and to support further development of green mortgages 	<p>Short term minor opportunity and considered likely with impact on financial statements potentially reflected in increased revenue which could be material, but is not possible to quantify reliably.</p> <p>Medium term major opportunity and considered balanced likelihood with impact on financial statements potentially reflected in increased revenue which could be material, but is not possible to quantify reliably.</p>
R Changing customer demands in relation to low carbon homes	<p>Risk that customers may resist installation of new low carbon technologies or be dissatisfied with their performance</p> <p>Risk of reputational damage if low carbon homes are not delivered to customers in line with changing expectations</p>	<ul style="list-style-type: none"> We will be communicating with customers and training customer, sales and marketing teams to ensure customers are supported to use new technologies We take a 'Fabric-first' approach to home energy efficiency to minimise complexity and maintenance for customers where possible We invest in research and product trials to ensure quality, performance and ease of use, e.g. our FHS trial homes 	<p>Short term minor risk exposure, likely with impact on financial statements expected to be immaterial based on current regulatory changes.</p> <p>Medium term major risk exposure, unlikely with impact on financial statements dependent on extent customer demands change, which is not possible to reliably estimate.</p>
R Increased cost of raw materials as carbon pricing and investment in low carbon plant, equipment and facilities impacts the cost of materials such as steel and cement	Risk of increased development costs that the business will need to absorb	<ul style="list-style-type: none"> We will be monitoring carbon pricing developments and engaging with suppliers on how carbon taxes and transition costs may affect raw material prices We have an ongoing R&D programme into lower carbon materials and resource efficient ways of working We are purchasing 100% Renewable Guarantee of Origin (REGO) backed green electricity for all new sites, reducing carbon taxation on energy consumption 	<p>Short term major exposure, balanced likelihood with impact on financial statements potentially material on existing developments.</p> <p>Medium term major exposure, unlikely with impact on financial statements dependent on ability to include costs in land valuations and/or pass onto customers via house prices.</p>
R Increased investor expectations in relation to sustainability performance and disclosure	Risk that failing to meet changing investor expectations affects revenue and investment streams	<ul style="list-style-type: none"> We have made sustainability (including climate change) one of four strategic cornerstones for the business We disclose climate strategy and ESG performance to investors through reporting, benchmarks, meetings and investor roadshows We complete a regular materiality update (every three years) to ensure we focus on priority ESG topics 	Short term minor exposure, unlikely and medium term major exposure, unlikely. Impact on financial statements considered to be indirect through potential reputational damage from poor performance which is not possible to quantify reliably.
O Increased investor expectations in relation to sustainability performance and disclosure	Opportunities to attract increased investment by differentiating on sustainability performance	<ul style="list-style-type: none"> We have made sustainability (including climate change) one of four strategic cornerstones for the business We disclose climate strategy and ESG performance to investors through reporting, benchmarks, meetings and investor roadshows We complete a regular materiality update (every three years) to ensure we focus on priority ESG topics 	Short term minor opportunity and likelihood considered balanced, with medium term opportunity increasing to moderate and no change to likelihood. Impact on financial statements would be an opportunity of increased revenues through enhanced reputation in the market, but this is not possible to quantify reliably.

Other residual risks or opportunities (currently identified as low):

- Cost of capital impacted by sustainability performance
- Risks and opportunities associated with growing interest and expectations in relation to climate change performance among employees
- Risks and opportunities associated with meeting changing local authority and central government expectations on climate change

Key

R Risk

O Opportunity

Task Force on Climate-related Financial Disclosures continued

Physical impacts

Residual risks or opportunities (moderate to high):

Risk type: Physical (acute and chronic)

Time frame analysed: Medium term (up to 2030), Long term – (beyond 2030)

Description	Example risks / opportunities	Our mitigations	Residual risk after mitigation (1.5°C scenario unless stated)
R Changing weather patterns and an increase in number and severity of extreme weather events, including issues relating to heat stress, flooding, drought, wildfire, windstorm, subsidence	<p>Risk of production delays or damage to construction sites from storms, floods, wildfires and droughts</p> <p>Risk of increased costs relating to adapting sites and homes to the changing climate (e.g. due to increased subsidence risk or impact of heat and water stress)</p> <p>Risk that climate change impacts sites in the strategic land pipeline which means that the carrying value of land may need to be written down and land costs may increase</p> <p>Risk of supply chain disruption and increased costs of materials due to climate-related impacts e.g. flooding of supplier facilities or shortages of raw materials</p>	<ul style="list-style-type: none"> • We consider flood risk from the start of the landbuying process and identify potential flood risk as part of our site selection process. We do not buy land unless we can mitigate flood risk. We use the Environment Agency's flood mapping tools and integrate sustainable drainage features on our sites to manage water run off and reduce flow rates • We monitor weather conditions and have safety procedures in place to prevent injuries or damage to our sites due to windstorms • We are increasing the amount of sustainability related data from suppliers to inform our approach to mitigating material supply risks • We are updating our policies and processes to reflect climate change mitigation and adaptation of risks and opportunities • Longer term impacts, including flooding, heat, drought, and drought-related subsidence, are best managed through updating industry-wide standards. We are working and will continue to work collaboratively with organisations that set or influence standards 	<p>We did not categorise likelihood for physical risks. The assessment of the impact below shows an increasing exposure to physical risks as temperatures rise.</p> <p>Assets 1.5°C (medium and long term) – impact from windstorm considered moderate.</p> <p>Assets 4°C (long term) – impact from flooding, drought and windstorm moderate.</p> <p>Supply chain 1.5°C (medium and long term) – impact from flooding and windstorm moderate.</p> <p>Supply chain 4°C (medium and long term) – impact from flooding high, windstorm and drought moderate.</p> <p>Impact on financial statements to be mitigated through assessment of land viability and associated cost of land during acquisition and planning stages.</p>

Other residual risks or opportunities (currently identified as low):

- Assets 1.5°C (2030 and beyond 2030) – flooding, heat stress, drought, wildfire, subsidence
- Assets 4°C (beyond 2030) – heat stress, wildfire, subsidence
- Supply chain 1.5°C (2030 and beyond 2030) – heat stress, drought, and wildfire
- Supply chain 4°C (2030 and beyond 2030) – heat stress and wildfire

Key

R Risk

O Opportunity

Task Force on Climate-related Financial Disclosures continued

Metrics and targets

We have established metrics and targets to enable us to manage and mitigate our identified climate risks and ensure we capitalise on opportunities relating to the transition to a low carbon economy. This includes our net zero commitment. Metrics and targets apply to the whole Group unless stated.

Our targets

Our net zero target for 2045 has been validated by the SBTi confirming that it is aligned with the SBTi's 1.5°C mitigation pathways for reaching net zero by 2050 or sooner. This is currently the most ambitious designation available through the SBTi process. The SBTi has also approved our scope 1 and 2 near term reduction target and determined that it is in line with a 1.5°C trajectory and determined that our long-term targets for scope 1, 2 and 3 are aligned with the SBTi's 1.5°C mitigation pathways for reaching net zero by 2050 or sooner.

Our net zero target was developed with the Carbon Trust in line with the requirements of the SBTi Corporate Net Zero Standard. 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.

Our near term scope 1 and 2 science-based carbon reduction target is based on absolute emissions reduction and is expressed as an intensity reduction, which enables us to monitor progress more effectively during different stages of the housing cycle.

Our carbon and energy use data is externally assured by Carbon Trust Assurance to a limited assurance level. This includes verification to ISO 14064 for our scope 1 and 2 footprint, and three selected scope 3 categories (Purchased Goods and Services, Fuel and Energy-related Activities and Use of Sold Products).

We monitor performance on energy and carbon emissions for each of our regional businesses on a quarterly basis. Progress against our targets is reviewed by the GMT and Board of Directors at least annually.

Use of carbon credits

We do not currently use carbon credits. Once we have reduced our greenhouse gas emissions by at least 90% we will neutralise the remaining emissions through the removal and storage of carbon from the atmosphere, in line with SBTi requirements. There is a high likelihood that we will need to use carbon removal offsets from 2035 for operational emissions and 2045 for value chain emissions. In our Net Zero Transition Plan we have set out three principles to guide our approach to neutralising emissions. We will use standards such as the Verified Carbon Standard (VCS), Gold Standard Verified Emissions Reduction (GS VER), Voluntary Offset Standard (VOS) and Climate Community and Biodiversity Standards (CCB).

Our baseline

Our 2019 carbon footprint (used as our baseline) was calculated in accordance with the measurement requirements of the Carbon Trust Standard and in accordance with the principles of the World Resources Institute (WRI) / World Business Council for Sustainable Development (WBCSD) GHG Protocol.

We plan to re-baseline our Purchased Good and Services (supply chain) 2019 footprint using the more accurate measurement methodology that we implemented in 2022, which is based on the quantities of materials purchased. We will use this to adjust our overall scope 3 baseline and report progress against this. We were not able to complete this process in 2023 but plan to do so in 2024.

Measurement approach, inputs and assumptions

We measure progress against our targets by calculating emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004). We use emission factors from the UK Government's GHG Conversion Factors for our corporate reporting and data from Environmental Product Declarations provided by our Group suppliers where these are available and up to date.

The majority of our footprint is CO₂ but N₂O and CH₄ are included in conversion factors, for example in relation to gas and diesel usage. We currently exclude refrigerants (HFCs, PFCs, SF₆) from our footprint as these are not material for our business.

i More detail is included in the footnotes on **page 68**. We also publish our carbon reporting methodology on our website www.taylorwimpey.co.uk/corporate/sustainability

Task Force on Climate-related Financial Disclosures continued

TCFD cross-sector metrics

Up to 100% of our business activities and revenues are aligned with climate-related opportunities in connection with the delivery of low carbon, energy-efficient homes. Up to 100% of business activities may be impacted by transition risks in relation to changing regulatory requirements, low carbon homes and increasing pressure on power generation and distribution during the net zero transition.

The proportion of business activities vulnerable to physical risks varies by impact. For example, any site could be impacted by windstorms and we estimate that around 42% of our plots are built in areas of high water stress, based on the World Resources Institute (WRI) Water Risk Atlas tool, Aqueduct. Our approach to mitigating physical risks is explained on page 61.

The nature of our business means that our main investment is in land. Our business model and financial forecasts take account of the latest regulatory requirements, including those directly linked to reducing the impact of climate change, to satisfy these regulations. Whilst we do not separately disclose the quantum of this investment, it is embedded within our build costs and land values reported in the financial statements and included within the annual budget and forecasting process. We believe this incorporates all known significant investments relating to the potential impacts of climate change.

We do not currently set an internal carbon price. Emissions data is included on page 64 and 68 and information on remuneration on page 143.

Industry-based metrics

We report against the criteria and metrics established by the Sustainability Accounting Standards Board (SASB) Standard for the Home Builders sector in our Sustainability Summary 2023.

We are active participants in the Future Homes Hub, an industry collaboration for the UK new homes sector, that is working to deliver the targets established in the Future Homes Delivery Plan – the UK homebuilding sector's climate and environment plan. Our Sustainability Director chairs the working group established to develop a shared set of metrics on climate change and sustainability performance for the industry.

Performance in 2023

In 2023, our absolute operational carbon emissions (scopes 1 and 2) reduced by 13.1% year on year but our operational emissions intensity increased by 12.2%. While we completed fewer homes, there was only a small reduction in the number of outlets which meant we continued to use energy for site compounds, street lighting and pumping stations as well as our fixed facilities such as offices, IT systems and our logistics warehouse.

Since 2019, our absolute operational emissions have fallen by 35.3% and operational emissions intensity has decreased by 5%. This reflects the drop in completions in 2023 and the impact of our carbon reduction measures, including increased use of renewable electricity, energy efficiency improvements, a reduction in diesel use on our sites and decarbonisation of the UK's national grid.

Our total carbon footprint (scopes 1, 2 and 3) was 1.94 million tonnes in 2023 (2022: 2.54 million tonnes). Total intensity was 187 tonnes per 100 sqm of build (2022: 190.0 tonnes per 100 sqm).

We are re-baselining our scope 3 emissions following an update to our methodology. This will enable us to report progress against our net zero and scope 3 target.

More detail on our performance is included in our Sustainability Summary.



72%

EV or hybrid cars in our fleet

79%

of electricity from REGO-backed renewable sources

20%

of homes included PV panels in 2023



Task Force on Climate-related Financial Disclosures continued

Progress against climate targets

Key climate targets	Progress	Link to TCFD risks and opportunities
By 2045 we will reach net zero greenhouse gas 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)	We will re-baseline our Purchased Good and Services (supply chain) 2019 footprint using the more accurate measurement methodology that we implemented in 2022 based on the quantities of materials purchased. We will use this to adjust our overall scope 3 baseline and report progress against this target. We were not able to complete this process in 2023 but plan to do so in 2024. This target has been approved by the SBTi.	Policy and legal Technology Market and reputation Physical
Operational emissions (scope 1 and 2)		
36% reduction in operational carbon emissions intensity by 2025 from a 2019 baseline (based on a reduction of 25.8% in absolute emissions against the base year) and reach net zero emissions by 2035	Since 2019, our absolute operational emissions (scopes 1 and 2), have fallen by 35.3% and operational emissions intensity has decreased by 5%. The decrease in absolute emissions is due to a reduction in the number of completions in 2023 as well as carbon reduction measures including our use of green electricity and hybrid generators, and decarbonisation of the UK's national grid. Our emissions intensity increased by 12.2% year on year in large part due to the impact of challenging economic conditions. While we completed fewer homes, there was only a small reduction in the number of outlets which meant we continued to use energy for site compounds, street lighting and pumping stations as well as our fixed facilities such as offices, IT systems and our logistics warehouse. We remain focused on meeting our reduction target by 2025. The emissions reduction element of this target has been approved by the SBTi.	Policy and legal Technology Market and reputation Physical
32% reduction in operational energy intensity for UK building sites by 2025	Operational energy use on UK building sites was 77,215 MWh. This is a 21.4% reduction on 2019, however energy use intensity increased by 17.5% over the same period. This reflects the reduction in completions in 2023 but continued energy use needed to run our sites. We have further work to do to meet our target on energy efficiency.	Policy and legal Technology
Purchase 100% REGO-backed 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 79% of our total Group electricity consumption (2022: 70%).	Policy and legal Technology Market and reputation
50% reduction in car and grey fleet emissions by 2025	We have reduced company car and grey fleet emissions by 21.1% since 2019. Around 72% of vehicles in our company car fleet are now electric or hybrid (2022: 55%).	Policy and legal Technology
Homes in use and supply chain emissions (scope 3)		
By 2030 all our homes will be zero carbon ready (becoming truly net zero on decarbonisation of the electricity grid)	In 2023, we started to roll-out changes to our homes in line with the updates to Building Regulations Parts L and F. In England, these are, on average, 31% more carbon efficient in use compared to our previous specification, with similar reductions in Scotland and Wales. We are also piloting technologies to explore how we will move towards zero carbon ready homes from 2025 in England and Wales and 2024 in Scotland.	Policy and legal Technology Market and reputation
Reduce scope 3 emissions by 52.8% per 100 sqm of completed floor area from a 2019 base year (based on a reduction of 46.2% in absolute emissions against the base year)	We will report progress against this target once the re-baseline of our scope 3 footprint is complete. This target has been approved by the SBTi.	Policy and legal Technology
21% reduction in embodied carbon per home by 2030	We will report progress against this target once the re-baseline of our scope 3 footprint is complete. We are working with suppliers to identify and select products with a lower carbon footprint and have established our timber frame facility to increase our use of timber frame which can reduce embodied carbon from materials.	Policy and legal Technology
75% reduction in emissions from customer homes in use by 2030	We are developing our measurement systems to enable us to report progress against this target. Around 20% of our homes included PV panels in 2023.	Policy and legal Technology Market and reputation

Task Force on Climate-related Financial Disclosures continued

Key climate targets	Progress	Link to TCFD risks and opportunities
Adaptation and beyond our value chain		
Make it easier for 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 over 1,380 EV charging points in 2023, and over 3,700 since 2019. We expect the number of charging points installed to increase more quickly as we roll out the new specification for our homes.	Technology Market and reputation
Update our policies and processes to reflect the risks and opportunities from a changing climate by 2022	We conducted scenario analysis in 2022 and have used the results to inform our Net Zero Transition Plan, our TCFD disclosure and risk management processes. We published an updated environment policy in 2023 and are working to further embed climate risks into our environmental management system. We will no longer report progress against this target from 2024.	Technology Market and reputation Physical
Cut our waste intensity by 15% by 2025 and use more recycled materials. By 2022, publish a 'towards zero waste' strategy for our sites	The volume of waste produced in 2023 was 28% lower than in 2019, however our waste intensity increased by 9.8% against our 2019 baseline. We believe the increase in intensity this year is partly due to disruptions in our build programme as a result of market challenges which led to materials being stored for longer on site. 98% of construction waste was diverted from landfill. We have further work to do to meet our target and will continue to focus on this in 2024. At the time of publication, our waste data was undergoing verification by the Carbon Trust. We will publish the final audited figures on our website on completion of this process which could differ from those reported here. We have launched our Towards Zero Waste Strategy and Action Plan to guide our progress on waste reduction and increased use of recycled materials.	Policy and legal
Reduce operational mains water intensity by 10% from a 2019 baseline by 2025	Water consumption has reduced by 28% since 2019, however, water intensity has increased by 9.3% over the same period. We believe the increase in intensity this year is due to the drop in number of completions. While we completed fewer homes there was only a small reduction in the number of outlets which meant we continued to use water for activities such as dust suppression and in our offices and site compounds.	Physical



Task Force on Climate-related Financial Disclosures continued

Implementing the TCFD recommendations – progress to date

	TCFD recommendation	Progress to date	Next steps
Governance Disclose the organisation's governance around climate-related risks and opportunities	Describe the board's oversight of climate-related risks and opportunities.	We have established and disclosed responsibility for climate risks at Board level. Key, Principal and emerging risks, including those related to climate change, are reviewed and approved twice a year by the Audit Committee and Board and inform strategic planning and business decision making. Read more on pages 71 to 73.	To further embed climate risks into business planning and decision making processes.
	Describe management's role in assessing and managing climate-related risks and opportunities.	We have established and disclosed responsibility for climate risks at Executive, Director and operational level, outlined on page 57. In 2023, a carbon reduction target was included in the incentive plans for senior management and regional management, read more on page 143. Climate change has been included within the Principal Risk 'Natural resources and climate change'. Read more on page 77.	A carbon reduction target will be included in senior and regional management incentive plans again in 2024. We will look to strengthen our governance on climate-related and other environmental risks and opportunities through reviewing the role of our LEAF group and improving operational integration through our working groups.
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	The tables on pages 58 to 61 include the risks and opportunities we have identified and reflects our updated climate scenario analysis from 2022. The table explores transition risks in the short and medium term in a 1.5°C scenario and physical risks in the medium and long term.	There remains considerable uncertainty about the physical and transition impacts of climate change so we will undertake regular scenario analysis.
	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	We have used the findings of our scenario analysis, summarised on pages 55 and 56, to enhance our understanding of the impact of climate risks on financial planning and business strategy. We have quantified some of these potential impacts and the costs of our net zero commitment to support our financial planning though we do not currently disclose these figures.	We will undertake further analysis to quantify the potential impacts of climate change on the business, strategy and financial planning and look to increase our disclosure in this area.
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Our scenario analysis in 2022 explored the resilience of our strategy to a 1.5°C scenario (transition risks) and 1.5°C and 4°C scenarios (physical risks). The findings are summarised on pages 55 and 56. We have previously considered the impacts of a disorderly transition scenario. Our first Net Zero Transition Plan outlines how we will decarbonise our business up to 2045. It is available on our website.	We will update our Transition Plan regularly and at least every three years. We will undertake regular scenario analysis.



Task Force on Climate-related Financial Disclosures continued

	TCFD recommendation	Progress to date	Next steps
Risk management Disclose how the organisation identifies, assesses, and manages climate-related risks	Describe the organisation's processes for identifying and assessing climate-related risks.	This process is outlined in risk management on page 57 and in Principal Risks and uncertainties on page 77. We have linked our climate targets to the risks and opportunities as set out by TCFD, pages 64 and 65. The top-down review of key, Principal and emerging risks by our GMT considers their relative significance to the business, including climate-related risks.	We will continue to further strengthen our risk processes in relation to climate change.
	Describe the organisation's processes for managing climate-related risks.	This process, including our Climate Risk Register is outlined in risk management on page 57 and in Principal Risks and uncertainties on page 77. We have linked our climate targets to the risks and opportunities as set out by TCFD on pages 64 and 65. Our planned key actions are outlined in our Net Zero Transition Plan.	Continue to further strengthen our risk processes in relation to climate change.
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	Climate change is fully integrated into our top-down and bottom-up risk management process and is included within the Principal Risk 'Natural resources and climate change'. The Principal Risk is monitored by the Audit Committee and senior management, assessing its impact on the Group's strategic objectives and ensuring appropriate mitigations are in place. Read more on page 57.	Climate risks will continue to be monitored and evaluated, and we will further enhance our approach as appropriate. The outputs from our scenario analysis have been used to develop our transition plan which will inform our business strategy going forward.
Metrics and targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	We publish a range of performance data and performance measures to support our Environment Strategy, including our net zero commitment and supporting targets page 51, and 64 to 65. We report against several of the cross-industry, climate-related metric categories recommended by TCFD. Industry-specific metrics are included in the SASB Index in our Sustainability Summary and ESG Addendum.	We will continue to keep our climate reporting under review and to develop additional metrics where needed to support disclosure to investors and other stakeholders.
	Disclose scope 1, scope 2, and, if appropriate, scope 3 greenhouse gas (GHG) emissions, and the related risks.	We disclose greenhouse gas emissions data for scopes 1, 2 and 3 on page 68.	We are committed to continuous improvement in our data processes and data quality.
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	We published our net zero commitment in early 2023 and this has now been validated by the Science Based Targets initiative (SBTi). Our ambitious scopes 1 and 2 science-based carbon reduction target for 2025 has also been approved by the SBTi, see page 51. We have targets relating to energy and resource-efficiency, the carbon performance of our homes in use and embodied carbon.	We will continue to keep our climate targets under review and to disclose our progress against them. We will review the potential for including financial metrics in future reports.

For our SASB disclosure please see our Sustainability Supplement and ESG Addendum.

Task Force on Climate-related Financial Disclosures continued

Greenhouse gas emissions (tonnes of CO₂e) and energy use (MWh)

		2023	2022	2021	2020	2019
Scope 1 GHG emissions – combustion of fuel	tonnes CO ₂ e	14,275	15,975	17,464	16,522	21,018
Scope 2 GHG emissions – market based	tonnes CO ₂ e	1,628	2,331	2,272	1,981	3,563
Scope 2 GHG emissions – location based	tonnes CO ₂ e	4,649	4,279	5,406	5,272	6,172
Total scopes 1 and 2 – market based	tonnes CO ₂ e	15,902	18,306	19,736	18,503	24,581
Emissions per 100 sqm completed homes (scope 1 and 2)	tonnes CO ₂ e/100 sqm	1.53	1.37	1.41	1.96	1.62
Total scope 3 emissions**	tonnes CO ₂ e	1,922,202	2,519,103	2,383,398	–	–
Purchased goods and services	tonnes CO ₂ e	852,593	1,309,017	1,413,410	–	–
Waste generated in operations	tonnes CO ₂ e	18,294	15,089	15,446	–	–
Business travel	tonnes CO ₂ e	2,087	1,553	1,464	–	–
Fuel and energy-related activities	tonnes CO ₂ e	4,591	4,886	5,802	–	–
Downstream leased assets	tonnes CO ₂ e	7,008	6,399	6,592	–	–
Use of sold products	tonnes CO ₂ e	914,417	1,044,294	1,107,417	–	–
Upstream transport and distribution	tonnes CO ₂ e	46,064	34,351	39,891	–	–
End of life treatment of sold products	tonnes CO ₂ e	24,627	29,166	29,210	–	–
Employee commuting	tonnes CO ₂ e	52,521	74,348	13,189	–	–
Emissions per 100 sqm completed homes (scope 1, 2 and 3)	tonnes CO ₂ e/100 sqm	187	190	190	–	–
Total scope 3 emissions (previous methodology)**	tonnes CO ₂ e	–	–	2,632,421	1,961,431	3,869,583
Energy use						
Operational energy use (fuel and electricity consumption from sites, offices and fleet)	MWh	85,741	92,312	104,870	85,422	101,352
Operational energy intensity (site and office fuel and electricity intensity – MWh/100 sqm)	MWh/100 sqm	8.27	6.9	7.5	9.3	6.8

Our carbon and energy use data is externally assured by Carbon Trust Assurance 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.

Data is provided as tonnes of carbon dioxide equivalent (CO₂e) for all operations. Scopes 1 and 2 emissions are from our sites, offices, show homes and sales areas, plots before sale and car fleet and other infrastructure such as feeder stations and streetlights where these have remained unadopted. We have used the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) for data gathered to fulfill our requirements under the Mandatory Carbon Reporting (MCR) requirements, and emission factors from the Government's GHG Conversion Factors for our corporate reporting. We use the market-based method of the revised version of the GHG Protocol scope 2 Guidance for calculating our scope 2 emissions. We also disclose scope 2 emissions calculated using the location-based method. This reporting meets the SECR (Streamlined Energy and Carbon Reporting) requirements.

We have reported on the emissions sources required under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013 apart from the exclusions noted. The reported sources fall within our Consolidated Financial Statements and are for emissions over which we have financial control. We do not have responsibility for any emissions sources that are not included in our consolidated statement. The following sources of emissions were excluded or part-excluded from this report:

1. Fugitive emissions (refrigerant gases): excluded on the basis of expected immateriality and difficulty in acquiring data
2. Gas and electricity of part-exchange properties: excluded on the basis of immateriality due to very few completions of this type
3. Certain emissions from District Heating Schemes: where we are receiving a rebate from customers prior to handover to the long term operator

See our Carbon Reporting Methodology Statement at www.taylorwimpey.co.uk/corporate/sustainability/our-approach/climate-change for more detail.

**Scope 3 emissions

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. 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. Following the update, our data is no longer comparable with emissions calculated using the previous methodology. For transparency, we continue to report scope 3 emissions prior to 2021 using our previous methodology.

Energy data and energy efficiency measures

The energy consumption figure in the table is a Group figure. 98.4% of this total energy consumption is from the UK and offshore areas and 1.6% from Spain. 97.8% of total scope 1 and scope 2 emissions are from the UK and offshore areas and 2.2% from Spain. During the last year, we have worked to reduce energy and emissions through our purchase of green tariff electricity for our sites during construction, by using our Energy Dos and Don'ts Guide, setting energy use targets for each regional business and integrating carbon reduction targets into our PSP and MTIP schemes, trialling hybrid generators and through the efforts of our Sustainability Champions including working with Site Managers to increase the use of natural ventilation methods for drying out homes and checking thermostats in show homes to ensure heating is only used when necessary.

Based on advice from the Carbon Trust we updated our methodology for calculating emissions in relation to some joint ventures, joint projects and central London sites from 2023 onwards. Under the previous methodology the operational intensity figure for 2023 would be 1.56 tonnes CO₂e/100 sqm completed build.