

Sustainability Accounting Standards Board (SASB) Disclosure



1 July 2022 – 30 June 2023

Sustainability Accounting Standards Board

The Sustainability Accounting Standards Board (SASB) is an independent not-for-profit organisation that sets standards to guide the disclosure of financially material sustainability information of companies.

Unless otherwise specified, data relates to our most recent financial year, 1 July 2022–30 June 2023 (FY23).

Our disclosure is based on the criteria specific to the Home Builders sector. Terminology used in the SASB criteria differs from the UK marketplace. Where requirements are different from established building and sustainability-related standards and measures for the UK, we have included equivalent data and information. Throughout this document 'Plots' are homes prior to completion which are equivalent to 'Lots'.

The Group's primary activities are those of residential development generating both private and affordable homes sales. Residential development revenues represented 98.4% of Group revenues in FY23. Other activities include commercial property development sales and revenue associated with planning promotion agreements. Other revenues represented 1.6% of Group revenues in FY23.

Activity Metrics

Code	SASB criteria	Our approach and performance	References and supporting information
IF-HB-000.A	Number of controlled lots	As of 30 June 2023, our short-term land bank stood at 70,390 plots (excluding joint ventures) (FY22: 80,926).	Our short-term land bank is owned or controlled plots with either detailed or outline planning consent or a resolution to grant planning permission.
IF-HB-000.B	Number of homes delivered	We delivered 17,206 home completions (FY22: 17,908). 16,378 (FY22: 17,162) from wholly owned operations along with 828 (FY22: 746) from joint ventures.	Completions refer to all legal completions (completed sales to customers) during the reporting year.
IF-HB-000.C	Number of active selling communities	We sold from 366 average active sales outlets (FY22: 332). 358 (FY22: 325) in our wholly owned operations and 8 (FY22: 7) in our joint ventures.	An active sales outlet is defined as a site with at least one plot for sale. A site is given the value of 1 where there is at least one home for sale for 52 weeks of the year. The total is calculated from the average of all sites across the year.

Land Use and Ecological Impacts



Code	SASB criteria	Our approach and performance	References and supporting information
IF-HB-160a.1	Number of (1) lots; and (2) homes delivered on redevelopment sites	13,362 (19%) of our owned and controlled land bank plots on 30 June 2023 were on brownfield land (FY22: 15,893, 20%). 3,657 (22%) of home completions (excluding joint ventures) were on brownfield land (FY22: 3,931, 23%).	Brownfield land is the equivalent of redevelopment land, i.e. previously developed land.
IF-HB-160a.2	Number of (1) lots and (2) homes delivered in regions with High or Extremely High Baseline Water Stress	We have assessed our water stress risk using the World Resources Institute's (WRI) Water Risk Atlas tool. WRI identifies the UK overall as an area of low-medium water stress risk, with some areas at high risk, around London, South-East and Greater Manchester, but no areas of extremely high risk. WRI data identifies no areas of high risk, or above, in Scotland or Wales. Estimated number of plots in high or extremely high-risk areas: 13,243, 18% (FY22: 15,194, 19%) ¹ . Estimated number of home completions (including joint ventures) in high or extremely high-risk areas: 3,062, 18% (FY22: 3,091, 17%) ¹ . We design all our homes to achieve 105 litres per person per day (from July 2021), which is lower than regulatory requirements, and therefore contributes to reduced water withdrawals compared to typical newbuild homes or existing stock. ¹ In FY22 the number of plots and home completions in areas of high or extremely high baseline water stress was estimated at a divisional level based on the WRI Aqueduct visualisation tools. However, this year we imported our FY22 land bank and completions into the WRI Aqueduct tool to improve accuracy to the site-level. We have restated these FY22 figures accordingly.	CDP Water Disclosure 2023 The WRI tool defines water stress as: "Baseline water stress measures the ratio of total water withdrawals to available renewable surface and groundwater supplies."
IF-HB-160a.3	Total amount of monetary losses as a result of legal proceedings associated with environmental regulations	Over the past 12 months no monetary losses, as a result of legal proceedings associated with environmental regulations, have been incurred.	
IF-HB-160a.4	Discussion of process to integrate environmental considerations into site selection, site design, and site development and construction	Our Sustainability Framework, Great Places standard and sustainability policies ensure we have processes, procedures and targets in place to integrate environmental considerations into each stage of development, for example: Site selection: <ul style="list-style-type: none">At application stage, detailed flood risk and mitigation, land contamination, air quality, landscape and biodiversity assessments are commissioned, as well as considerations of connectivity to transport links, and potential nitrate and phosphate issues.All land purchases are scrutinised weekly by senior management. Flood risk authorities specify that new developments must survive a 1 in 100 year storm with an additional risk tolerance of 30%. Typically, our developments exceed this specification.We have committed to demonstrating a minimum biodiversity net gain (BNG) of 10% across all development designs submitted for outline and full planning from January 2023. This is ahead of the regulatory requirement coming into force in England in November 2023. Our land buying teams have resources and models in place to assess biodiversity constraints and opportunities at the earliest stage in site selection. Last year we stated the number of sites with an identified BNG requirement ahead of legislation (from January to November 2023). From FY23 onwards we will be formally reporting the number of sites submitted for full or outlining planning with 10% minimum biodiversity net gain from January 2023. For FY23, this was 12 sites (100% of sites*) delivering an average biodiversity net gain of 36% for area habitats and 77% for hedgerow habitats and 13% for river habitats. [*] Excluding joint ventures.	CDP Water Disclosure 2023 2023 Annual Report and Accounts Placemaking on page 32 Waste on page 33 Sustainability goals on page 48 Our Policies





Code	SASB criteria	Our approach and performance	References and supporting information
IF-HB-160a.4 continued	Discussion of process to integrate environmental considerations into site selection, site design, and site development and construction continued	<p>Site design:</p> <ul style="list-style-type: none"> Our house type design is constantly evolving to ensure they are Future Homes Standard ready. We have already undertaken extensive work to update our specifications to achieve a 31%-37% carbon reduction requirement from June 2022 in line with local requirements in England, Scotland and Wales, and initial work is being done to achieve the 75-80% requirement from 2025. Environmental considerations are driven through our Great Places design principles which are aligned with the updated Building for a Healthy Life standard. We design our developments around existing ecology, green spaces, walkways and cycle paths building in connectivity. We have strengthened our strategic partnership with the RSPB, mandating all new show home gardens to install high quality landscaping that meets the RSPB standard for wildlife friendly accreditation. Water usage – since July 2021, all our homes have been designed to achieve 105 litres per person per day, which is 16% lower than regulatory requirements (125 lpppd). <hr/> <p>Site development and construction:</p> <ul style="list-style-type: none"> We identify and mitigate environmental impact during the development and construction phase through the application of Group standards within our Safety, Health and Environment management system, prioritising, for example surface water management, biodiversity net gain plans, and construction waste management. 100% of our divisions are certified to ISO 14001 Environmental Management System Standards. Our Safety Health and Environment (SHE) Managers conducted 5,258 monitoring visits of sites in FY23 to assess compliance with our environmental policies (FY22: 5,336). To reduce water use on site, we install efficient welfare facilities and control the amount of water we use through Safety, Health and Environment Group Standards. 100% of our sites have individual site waste management plans. 	

Workforce Health and Safety

Code	SASB criteria	Our approach and performance	References and supporting information
IF-HB-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	<p>We measure H&S performance using an Annual Injury Incidence Rate (AIIR) metric which is per 100,000 employees. Our AIIR was 255 (FY22: 137) for direct employees, 303 (FY22:359) for sub-contractors and 289 (FY22:262) overall.</p> <p>There were no fatalities.</p> <p>Our priority is to provide a safe environment for all our employees, sub-contractors, and customers, and we are committed to achieving and maintaining the highest industry health and safety standards. We are therefore further reviewing our processes, challenging unsafe behaviours and looking at ways we can further improve our procedures. We are also engaging our employees throughout the Group and our supply chain, seeking their views on how we can further enhance our health and safety performance.</p>	<p>2023 Annual Report and Accounts</p> <p> Keeping people safe on page 24</p>



Code	SASB criteria	Our approach and performance	References and supporting information
IF-HB-410a.1	(1) Number of homes that obtained a certified HERS Index Score and (2) average score	<p>99% (FY22: 99%) of home completions had an energy efficiency rating of either EPC A or B, which significantly exceeds the new build industry average of 85%². This is a result of installing as standard, energy efficiency measures such as: energy efficient insulation, weather compensation control systems, thermally broken lintels, waste water heat recovery, energy efficient lighting, and where appropriate, mechanical ventilation with heat recovery and solar panels.</p> <p>26% (FY22: 21%) of home completions were built with low carbon or renewable technologies. This includes plots fitted with (or multiple plots with access to) solar photovoltaic panels, solar thermal, combined heat and power systems and air source heat pumps.</p> <p>² UK Gov data: Live tables of Energy Performance of Buildings Certificates (found here).</p>	<p> Sustainability performance table</p> <p>The Energy Performance Certificate (EPC) is a UK equivalent to the HERS Index. HERS is not applicable to the UK.</p> <p>The EPC is a mandatory assessment for all completed properties for sale or rent in the UK. Properties are assessed by a licensed Domestic Energy Assessor and certificates are valid for ten years.</p> <p>2023 Annual Report and Accounts</p> <p> Energy efficient homes on page 31</p>
IF-HB-410a.2	Percentage of installed water fixtures certified to WaterSense® specifications	100% of homes in FY23 were designed to 105 litres per person per day, a 16% improvement over UK regulation.	WaterSense® is not applicable to the UK. UK Building Regulations Part G are in relation to sanitation, hot water safety and water efficiency.
IF-HB-410a.3	Number of homes delivered certified to a third-party multi-attribute green building standard	<p>100% of our homes are designed to our Great Places design standard (FY22: 100%), with 90% of assessed schemes achieving a Silver Standard or above (FY22: 90%).</p> <p>To add to our historic 96 Building for Life accreditations, in FY23, 4 of our developments were awarded Building for a Healthy Life Commendations.</p> <p>The UK does not currently have an established third-party multi-attribute green building standard for homes. We do however, deliver 100% of our homes in alignment with Building for a Healthy Life, which is a government-endorsed standard for the UK. This is done through our Great Places standard, which includes all Building for a Healthy Life requirements, as well as some additional measures which go beyond the requirements.</p>	



Code	SASB criteria	Our approach and performance	References and supporting information
IF-HB-410a.4	Description of risks and opportunities related to incorporating resource efficiency into home design, and how benefits are communicated to customers	<p>We continuously review risks and opportunities to reflect the risk posed to our business by climate change, as identified in our TCFD disclosure. We have identified these through workshops of internal subject matter experts, local and Group senior management and external climate experts. We also engage directly with our supply chain partners, collaborate in sector forums and test through customer research.</p> <p>We have identified several climate risks and opportunities in relation to resource efficiency in our home designs, which we are actively exploring. Climate risks are categorised into 'physical risks', being risks arising from the physical effects of climate change, and 'transition risks', being the risks related to the transition to a lower carbon economy.</p> <p>Transition risks:</p> <ul style="list-style-type: none"> Housing regulations: Changes to house specifications due to government legislation to reduce home emissions, for example the Future Homes Standard, including varying standards across the UK. We regularly engage with government to enhance understanding of the challenges of meeting the UK's net zero targets. New technologies: Implementation of new technologies in homes and methods of construction, requiring high capital investment and upskilling of labour. We review low carbon products, systems and processes for our hometypes through market research, product testing, university and research collaborations, prototype test houses and grant funded trials. We are reviewing building techniques that will contribute to a lower embodied carbon for our homes for example, reduced volume bricks. These use less material per brick without compromising the performance and have the added benefit of enabling more bricks to be manufactured per volume of raw materials which can help address the risk of reduced supply availability. We are conducting detailed research and analysis of a large number of technologies through the Zed House (2021) and eHome2 (2023). <p>Physical risks:</p> <ul style="list-style-type: none"> Supply availability: Reduced supply availability (such as timber) due to changes in climate patterns and extreme weather events where the supply is sourced. We regularly engage with our suppliers on availability of materials and sustainable sourcing both directly and through the Supply Chain Sustainability School. Overheating in homes: Changes to house specifications required to mitigate long-term shift in climate patterns, such as prolonged increased temperatures in summer. We have analysed the unmitigated impact of temperature rises in our house types across the UK, and assessed mitigating overheating through altering house designs. We launched Energy House 2.0, a specially built climate chamber that recreates temperatures ranging from -20°C to +40°C, as well as simulating wind, rain, snow and solar radiation. Inside Energy House 2.0, Barratt has built eHome2 to test products in a range of climatic conditions. This research will inform how various overheating adaptation technologies perform. <p>Opportunities:</p> <ul style="list-style-type: none"> Demand for and affordability of green homes: Eligibility for green mortgages and cost savings from energy efficiency allow for increased affordability of new homes. We promote green mortgages so that savings from energy efficient homes can be linked to affordability. During FY23, we collaborated with Leeds Building Society, a UK high street bank to support the launch of a new green mortgage product which recognises the advantages inherent in our new homes and has the potential to unlock up to a 10% uplift in lending. 	<p>2023 Annual Report and Accounts</p> <p> TCFD on page 82</p> <p> CDP Climate, Forests and Water Disclosure 2023</p>



Code	SASB criteria	Our approach and performance	References and supporting information
IF-HB-410a.4 continued	Description of risks and opportunities related to incorporating resource efficiency into home design, and how benefits are communicated to customers <i>continued</i>	<ul style="list-style-type: none"> Green developments: Increased land buying and local partnership opportunities through strong low carbon credentials and developments, such as partnering with councils to deliver low carbon homes. We promote our sustainability activities through delivery on commitments, and participation in sustainability benchmarks and indices to demonstrate our industry-leading performance. Sustainable practices: Proactive adoption of low-emission materials and processes provides a cost advantage and improves reputation. Our transition to net zero will reduce emissions across our value chain. We are reducing emissions from our homes in keeping with regulations, and beyond that we are working with our partners to explore innovative materials and products. We conducted detailed comparative studies of timber waste in partnership with our timber frame company, Oregon Timber Frame and other key suppliers. This involved a close examination of the origin of the waste created in the building lifecycle, the type of waste and the wood type. We also launched a detailed project to review packaging waste arising in our value chain. This will conclude in the second quarter of FY24. A specialist in packaging has been directly engaged to work with our suppliers, visiting their manufacturing and distribution facilities to understand how products are packaged and what opportunities there may be to reduce plastics and cardboards. Several potential solutions have been identified and will be the subject of more detailed discussion with supply chain partners in the coming months. <p>We communicate with our customers throughout their journey with us through various channels on all these issues, for example:</p> <ul style="list-style-type: none"> Our customer-facing sales websites contain information, including guidance on energy efficiency in design and of utilities and fittings. There are a series of 'show and tell' signs in our show homes outlining our sustainability credentials, especially around energy efficiency and biodiversity. We launched 'Nature on Your Doorstep' in partnership with the RSPB – a digital tool full of tips and advice for customers to improve biodiversity around their home. We train our sales colleagues to ensure that they can discuss the key sustainability features of our homes to our customers. We have an established customer and insight programme that helps us stay engaged with our customers and to deliver action led insights. We involve our customers and those in market to buy a new home, in research to understand their perceptions and preferences on matters such as the cost of living crisis, how they search for their new home, our brand positioning, our product and living preferences. We also review the specification of future homes to aid decision making and future business planning. We collect insight to understand customer awareness of sustainability within housebuilding, specifically around energy and water efficiency and changing legislation, and how this impacts their buying decisions, which is done through the use of quantitative and qualitative research methods reaching thousands of customers in any one year. 	

Community Impacts of New Developments



Code	SASB criteria	Our approach and performance	References and supporting information
IF-HB-410b.1	Description of how proximity and access to infrastructure, services and economic centres affect site selection and development decisions	<p>Sustainable transport provision and access to local facilities are key criteria considered when procuring land and designing our developments. Connectivity is the first principle in our Great Places guide which includes reinforcing existing connections and creating new ones.</p> <p>For FY23, the following are some key outcomes in relation to access to infrastructure and economic centres for all active developments:</p> <ul style="list-style-type: none"> • 79% of all active developments were within 500m of a public transport node (FY22: 70%). • 88% of all active developments were within 1000m of a public transport node (FY22:85%). • We provided £134m of local contributions including Section 106 and Community Infrastructure Levy payments for local infrastructure and services (FY22: £201m). • We spent £726m on physical works benefiting local communities (FY22: £699m). • We created 3,327 school places (FY22: 5,346). • 46,068 (FY22: 47,936), jobs were created (direct, indirect and induced employment) through the Group, its sub-contractors and suppliers, equivalent to 2.7 (FY22: 2.7) jobs per dwelling. 	<p> Sustainability Performance table</p> <p> Group Socio-Economic Footprint</p>
IF-HB-410b.2	Number of (1) lots and (2) homes delivered on infill sites	<p>We do not collect data specifically on infill sites.</p> <p>13,362 (19%) of our owned and controlled land bank plots at 30 June 2023 were on brownfield land (excluding joint ventures) (FY22: 15,893, 22%).</p> <p>3,657 (22%) of home completions (excluding joint ventures) were on brownfield land. (FY22: 3,931, 23%).</p>	<p>Brownfield land in the UK would meet the definition of an infill site.</p> <p>Brownfield land is previously developed land.</p>
IF-HB-410b.3	(1) Number of homes delivered in compact developments and (2) average density	<p>100% of total home completions are delivered in compact developments, according to SASB definitions (FY22: 100%).</p> <p>The average density for our developments outside London is 14 plots per net acre (FY22: 15).</p> <p>In line with the reduction in land buying, we have not had any approvals within the London region; however, in FY22 the average density for our London schemes was 86 plots per net acre, reflecting the mix of more apartment developments in London³.</p> <p>³ Average density is based on gross land approvals during the year.</p>	<p>A compact development is defined as a cluster development, mixed-use development, and/or traditional neighbourhood development.</p>
IF-HB-420a.1	Number of lots located in 100-year flood zones	<p>Flood risk is identified and mitigated at a development level. We assess all our proposed land acquisitions and strategic land options using the latest flooding reports to assess the viability of sites. Flood risk authorities specify that new developments must survive a 1 in 100-year storm plus 30%. Our developments meet and very often exceed this specification.</p>	<p>2023 Annual Report and Accounts</p> <p> TCFD on page 82</p> <p> CDP Water Disclosure 2023</p>



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IF-HB-420a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	<p>Climate-related risk is one of several risks experienced by the Group in pursuing our strategic priorities to create value for stakeholders. The Board recognises the business' role in managing this and has identified environmental, social and governance risk as a principal risk. As part of the Group's risk management process, we have conducted a detailed review of the risks and opportunities of climate change to the business.</p> <p>As part of this analysis, we defined three climate scenarios in order to understand the resilience of the business under a range of different climate outcomes. The scenarios range from a sustainable transition that limits global warming to under 1.5°C, to an adaption scenario where emissions continue on the current pathway, which leads to around 4°C warming, such that they cover both high physical and high transition risks.</p> <p>This assessment considers short term (2025), medium term (2030), and long term (2040-2050) time horizons. This range of time horizons considers a longer period than our usual operational cycle and has been selected to align to our existing science-based emissions reduction targets, whilst capturing transitional and physical risks that manifest over the longer term. The short-term timeframe aligns with our owned land bank, while the medium-to-long term encompasses our strategic land options and promotion agreements.</p> <p>We conducted an assessment of climate-related risks by analysing a sample of our existing land bank and supply chain sites. We utilised local climate data, obtained at a resolution of 90m², based on the latest IPCC CMIP6 global climate models. This enabled us to project potential impacts under each of our time horizons and climate scenarios and considering indicators such as cold, flood, heat, precipitation, and wind. The projections obtained were utilised to evaluate the potential unmitigated impact on our divisions and supply chain under each climate scenario. We considered the specific vulnerabilities and risks associated with our business model, including the capacity to pass on industry-wide development costs to land vendors.</p> <p>We used these projections to determine the potential unmitigated impact in each of our divisions and across our supply chain under each climate scenario. We reviewed long term assets and liabilities in light of climate risks and identified the expected costs of on our developments and operations. Our analysis indicates that our business model remains profitable under all scenarios and timeframes. This holds true even when assuming we take no additional mitigating actions beyond those already incorporated into our business plan.</p> <p>While undesirable, the adaptation scenario is shown to have the lowest financial impact on the Group. The physical impacts of climate change on the Group are manageable, testament to the proactive measures we are already taking such as design changes to prevent overheating and conducting flood risk assessments prior to bidding for land. A sustainable transition, though better for the climate, brings higher transition costs. However, due to its potential opportunities, this scenario is likely to be more advantageous than if climate policies continue as currently planned. Due to its disruptive nature, the Group faces its greatest impact under a disorderly transition, particularly through steep carbon pricing hikes from 2030 onwards. However, our analysis indicates our business remains profitable even under this worst-case scenario. In order to be best positioned to thrive in whichever climate scenario we face, this analysis highlights key areas in which we must continue to progress.</p> <p>Given our supply chain accounts for 67% of our value chain emissions, the Group's greatest exposure to climate-related risk is through rising carbon prices. It is imperative for us to work with our supply chain to reduce embodied carbon in the materials and services we procure, mitigating the impact of carbon prices. Our net zero pathway and our emerging and established strategies are detailed in the TCFD disclosures within our 2023 Annual Report and Accounts.</p>	<p>2023 Annual Report and Accounts</p> <p> TCFD on page 82</p> <p>We were the first UK national housebuilder to set science-based targets to 1.5°C verified by the SBTi. For information on our value chain emissions and net zero transition plans see page 92 of our ARA.</p> <p> CDP Climate Disclosure 2023</p> <p>In 2022 we achieved an A in Climate, B in Forests and B in Water in the 2022 submissions.</p>

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