

Water policy

Introduction

Our purpose is *'Making sustainable living a reality, building strong communities'*. The Group is determined to be the leading sustainable national housebuilder. We believe that fundamental to building quality homes is building a positive environmental, social and economic legacy for future generations. Sustainability presents opportunities for business prosperity and growth, encourages innovation and resilience, and improves our products and customer experience.

Water is at the core of global sustainable development, adaptation to climate change, and is a crucial link between society and environment. This is especially relevant as flooding, droughts and other climate-related water events are becoming both more frequent and severe. The Group acknowledges the dependency on water as a fundamental human right and as the global population grows, there is an increasing need to reduce business demand on water resources. The importance of sustainable management of water and sanitation for all underpins our contribution to the United Nations Sustainable Development Goal 6: Clean Water and Sanitation.

Our goal is to maximise the value of materials and preserve natural resources at each stage of our value chain through responsible sourcing and efficient management.

We acknowledge our role in the global context of water stewardship and have developed a strategy for our estate, operations and homes, with ambitions for each. This means that water issues are integrated into the business plan and

considered in our Group wide enterprise risk management process.

Objectives

The aims of our policy are to:

- Identify and manage water risks and opportunities arising from predicted changes in climate on our operations, our supply chain, materials and customers;
- Set clear goals, targets, KPIs and accountabilities;
- Report regularly on our performance;
- Work with suppliers, sector bodies, local and national government to identify cost effective routes for mitigation and adaptation;
- As a minimum comply with all legal and national planning policy requirements.

Policy

We are committed to designing water efficient developments and homes, mitigating flood risk, installing Sustainable Urban Drainage Systems (SUDS) where practicable and proactively managing water use across our operations, both on site and throughout our estate.

To mitigate geographical water scarcity, the Group will:

- Design water efficient homes, continuously review legislation and investigate innovations to understand requirements and how we can exceed standard regulations where possible.
 - Install water efficient utilities within our estate and site accommodation.
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- Control water use to improve its efficiency through implementation of Group Standards.
- Understand the financial implications of water scarcity risk to the business through our Task Force on Climate Related Financial Disclosures (TCFD) analysis.

To mitigate flood risk, the Group will:

- Include flood risk and mitigation measures as key considerations in development viability assessments and ensure this is evaluated at key management meetings.
- Aim to install SUDS and specifically, aboveground landscape-led SUDS where practicable.
- Monitor all developments to review if they comply with statutory requirements as a minimum and that where appropriate the relevant regulatory bodies and local planning authorities support our proposals.
- Understand the financial implications of flood risk to the business, through our TCFD analysis.

To protect the water quality in the communities in which we operate, the Group will:

- Implement the appropriate mitigation measures to prevent surface run-off pollution.
- Monitor pollution and hazardous substance risk through regular Safety Health and Environment (SHE) monitoring and auditing.

Stakeholder engagement

The Group is committed to developing stakeholder awareness around water related issues through:

- A continued prominent role in collaborative industry working groups.
- Customer research and education and colleague engagement in water-efficient behaviours.

Monitoring progress we will ensure progress against our ambitions and targets is closely monitored through:

- Regular key performance updates as part of our Sustainability Framework to our management and Board Committees.
- Continued auditing and monitoring by Divisional Management and the Group SHE team.

This policy is supported by our Sustainability, Climate Change, Sustainable Procurement, Ecology and Biodiversity Policy, and Environmental Statement Policy and actions defined in our sustainability strategy.

This policy is reviewed annually and is approved by the Group Board. It is communicated to key stakeholders and is available on our website.

David Thomas
Chief Executive
22 October 2024