

Materiality assessment

We have updated our materiality assessment, which helps us to identify the most relevant and significant impacts for our business and our stakeholders.

We have taken a 'double materiality' approach to identify the socio-economic and environmental issues that have most impact on the value of our business and those where our business activities have most impact on people or the environment.

Comparing the significance of different types of impacts is not straightforward, particularly where quantitative and comparable data is not available. We will continue to develop our approach to materiality and impact assessment and we will regularly update our assessment.

Our methodology

Key steps in our methodology include:

- **Identifying impacts** – we identified a long list of impact areas based on our previous materiality processes and a review of external reporting standards.
- **Evaluation and prioritisation** – we used stakeholder input and analysed a range of sources to prioritise the identified impact areas. This included stakeholder interviews, a media and policy review, reference to sector-specific standards, multi-stakeholder and corporate benchmarks, and alignment with our business strategy and risk management process.

- **Review and validation** – the findings were reviewed by members of our senior leadership, and some minor adjustments were made to reflect business priorities.

Key findings

Some of our most material impacts relate to our product – the new homes and communities we build. This reflects the significant impact that homes and communities have on the wellbeing and quality of life of customers and future residents, as well as people's ability to lead a more sustainable lifestyle. Our other most material impacts include the health and safety of people working on our sites, and our impact on the climate and nature.

i We set targets for many of our material impacts and a full list can be found in our Sustainability Summary 2023

In recognising the important link between the Company's material impacts and risk management, our material impacts have been aligned to our Principal Risks, as set out on **pages 74 to 77**



Our material impacts



* Includes customer service.