

ENVIRONMENTAL, SOCIAL & CORPORATE GOVERNANCE STATEMENT

FINANCIAL YEAR: 2021/2022

ACTIONS SPEAK LOUDER THAN WORDS...

As a responsible business, we have a duty to be a good neighbour. To walk the walk, with integrity and openness, mindful of environmental and community issues.

It is an obligation that extends to our employees, investors, customers, clients, and stakeholders alike.

To futureproof our homes, we always use state of the art construction methods and materials.

In our offices and on-site, along with safety and efficiency, particular attention is paid to the use of natural resources and reducing our carbon footprint.

We are just as committed to delivering a sustainable lifestyle for our customers. To this end, recycling, resource saving and waste reducing opportunities are provided.

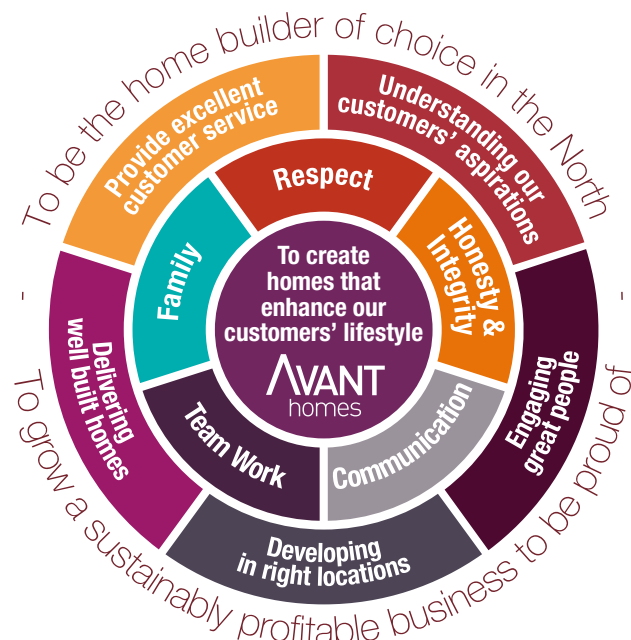
By nurturing our employees, developing their skills and abilities, we will improve our business and maintain our position as a leader rather than a follower in the industry.

Keeping everyone safe is our number one priority in all we do.

Avant Homes Group corporate statement is **Good, Better, Different**. At the core of that statement is a commitment to deliver: good and better experiences, products, and careers for all stakeholders.

We aim to deliver our strategy in a way that makes a positive sustainable contribution to all stakeholders, including our employees, the communities we operate in and the environment. Our values, captured in our values wheel below, and behaviours underpin that strategy.

PURPOSE, CULTURE, AND VALUES



The Board of Directors are responsible for Avant's sustainability performance and lead all our employees to act in a way they consider, in good faith, would be most likely to promote the sustainable success of the Company for the benefit of its stakeholders as a whole, and in doing so have regard to a range of matters including:

The likely consequences of any decision in the long-term

The interests of the Company's employees

The interests of wider society

The need to foster the Company's business relationships with suppliers, customers, and others

The impact of the Company's operations on the community and the environment

The desirability of the Company to maintain a reputation for high standards of business conduct

The need to act fairly between all stakeholders in the Company

ENGAGEMENT WITH STAKEHOLDERS

As part of our commitment to strong governance we are committed to effective engagement with all our stakeholders.

ENGAGEMENT WITH SHAREHOLDERS

Communication with our shareholders is extremely important for the Board. Direct and regular dialogue is maintained with our shareholders, via regular attendance as invitees to Board meetings, reports from their representative Directors and meetings with the Executive Team, all of which are supported by reports and papers as appropriate.

ENGAGEMENT WITH EMPLOYEES

Our employees are a key asset, dedicated to building and selling homes that our customers value. Our employees are concerned with opportunities for personal development and career progression, a culture of inclusion and diversity, compensation and benefits, and the ability to make a difference.

We undertake various activities and operate many forums to foster participation in Group events, invite opinions, questions, and ideas.

These include:

- Annual staff views and engagement survey including employee well being questions which recorded very good levels of engagement.
- Regular 'lunch and learn' meetings to canvass views.

- Use of the Intranet and communication videos to share information, and act as a depository of in-house news items of interest including sustainability information.
- Team, Regional and Group meetings, including presentations of strategy and performance updates.
- Discussion of views and questions at all training courses and development sessions via meet the leadership sessions.

We focus on strong talent attraction and retention, and consciously maintain a distinct identity to underpin our culture and values to differentiate ourselves in the employment market. This translates into a strong employer brand, with a Glassdoor rating consistently above 4 stars. The leadership team focus on the structured reduction of attrition across key groups, supported by an average length of service for key roles of around 4 years, which is strong for the sector.

We invest in our people and their development and provide bespoke development and training to a significant number of staff through our Avant Academy training programme, offering construction, sales, management, and leadership training. This programme has benefited from significant investment and employee attendance over the years.

This is complimented with specific skill focused development courses available to all and access to an online content rich, easy to use learning resource bank. 2021 has seen us commit to significant investment in new roles.

ENGAGEMENT WITH OUR CUSTOMERS

The opinions of our customers are paramount in the decisions that we make. It is their voice that resonates strongly in whatever we do. We aim to deliver new homes to our customers that always change their lives for the better. What matters to our customers the most, and what we strive to deliver is:

- **A seamless and stress free purchase journey** - that sees us support and 'Hand Hold' them every step of the way
- **Quality specification** – that really enhances the feeling of value for money
- **On time delivery** – their home delivered on time within the timescales set at reservation
- **A fantastic standard of finish** – their home delivered with minimal snagging issues, that is ready to enjoy from day one
- **Excellent aftercare** – we are there when they need us should they need any assistance post occupation

As part of the customer journey we conduct a full 'Home Demonstration' prior to legal completion where we walk a customer through all the features of their home including how to operate their new appliances, how to use their heating/cooling systems in an efficient and sustainable way, right through to demonstrating the waste management recycling facilities available.

The 'Voice of the customer' is an important one in our business, and it is one that is listened to. We gather information along the journey from multiple sources that allow us to tailor our approach to customers and treat them as individuals. This feedback also allows us to pick up on improvement suggestions for all aspects of our business.



These feedback mechanisms include:

- **Engagement throughout the sales journey with our Sales Advisors and New Homes Co-ordinators** – gathering feedback and reacting accordingly to meet customer needs
- **Conducting market reviews of what is important to new home buyers** – including customer interviews & market research
- **Benchmarking our product** – comparing against the competition and delivering the elements that customers want the most
- **We attend trade and retail shows** – to keep abreast of market trends to keep our homes up to date and relevant at all times
- **Social media** – we actively listen to all social media comment relating to Avant, and we react accordingly to the feedback our customers share with us
- **Our Customer Service teams** – Our Customer Liaison Managers are dedicated personal contacts for our customers for the first 12 months of their journey post completion, so they always have a single point of contact.

Avant also partake in the industry wide HBF Customer Satisfaction survey, administered independently by the NHBC. This survey is issued to all UK private house purchasers and is designed to solicit feedback on all aspects of the home buying experience, from reservation right through to post completion customer service.

In the 2019/20 survey period (Closed Feb 2021) we achieved the highest 5 STAR rating for overall customer satisfaction. In the new 2020/21 year it is our intention to build on this performance and maintain this prestigious ranking. We are always looking for the incremental gains that enhance the customer experience, as well as ensuring we deliver on the basics – brilliantly!

ENGAGEMENT WITH OUR SUPPLIERS AND FINANCE PARTNERS

Our suppliers are key stakeholders in the business and facilitate our delivery of the homes our customers want. They allow us to position and represent our brand in the market. Without the support of our suppliers we would not be able to create nor bring our homes to life.

We seek to ensure we engage with all our suppliers in a partnership manner and follow various principles in our engagement with them. These include:

- Operating tender processes for orders above set limits.
- Agreeing an open and transparent commercial basis of operation.
- Paying to terms on agreed invoices and certificates.
- Sharing business plans through supplier events.
- Seeking supplier views on our manner of engagement, and areas for improvement at such events.
- Having clear Codes of Conduct and policies covering the way in which we engage with suppliers.

We have several valuable long-term supplier partnerships, which have been built by following our culture and values and embedding them in the relationships we build. These extend to our banking partners with whom we operate on an open basis, holding regular business update sessions, supported by the provision of extensive management information.

OUR COMMUNITIES AND THE ENVIRONMENT

We demonstrate the Avant Homes culture and values through the way we engage with our communities. Our aim is always to enhance the locations and communities in which we develop. We take a non-high-density approach to site planning and focus on delivering public open spaces and amenities to enhance the built environments we deliver.

We aim, where possible, to minimise and mitigate our impact on the environment. We have in place robust policies to address issues around ecology, resource use and biodiversity, which see us manage environmental impacts throughout the build development lifecycle.

Furthermore, we work actively with suppliers to adopt the most energy efficient design for our houses; covering the construction fabric, equipment and appliances. We also participate in research and development evaluations around energy efficiency. For example, we were the first housebuilder to introduce Hive, the energy efficient heating system, into our homes. Throughout construction, our objective is to minimise construction waste – which sees 97.3% of our construction waste being recycled.

97.3% WASTE RECYCLED

We endorse a culture of 'making a difference' by giving back to the communities in which we operate.

This saw the whole Company close for the day, with 800 people downing tools and giving a day of their time along with the support of our suppliers' donations to deliver meaningful differences to good causes within our communities. These ranged from redecorating local schools, building children's playgrounds, renovating hospices, fitting kitchens at homeless shelters plus many more.

BUILDING SUSTAINABLE COMMUNITIES

Core to our corporate statement of Good, Better, Different is the mindset and commitment to building places where people want to live. That sees our commitment to provide better designed houses, offering customers what they want and having sustainable features. We have a series of core design themes which are central to all of the homes we design – including a commitment to providing space, light, energy efficiency and quality fixtures and fittings.



This commitment extends to the locations where we build, and the legacy we leave behind. We provide green and public open spaces on all of our sites, supporting the building of communities.

Our design principles extend to our affordable housing range. Affordable housing accounts for 10%+ of our homes delivered.

We are further committed to supporting the communities we build in and create, by contributing through planning obligations and infrastructure levies.

SUPPORTING CHARITIES

As described above, our 'Day to Make a Difference' provided up to 800 people working days plus materials to support the development of local causes in the communities we occupy. This has seen Avant support up to 30 schools, hospices, and other local causes. This commitment and experience has proved as rewarding for Avant as it is for the causes we have and will support. 2020 was also the inaugural year of the 'Let's Make A Difference' awards. Which saw us recognise those who make a real difference in their local communities, providing recognition and funding to all of the regional winners. When social distancing measures fully permit we will take these initiatives forward.

We also operate and fund a charity committee.

In their own words:

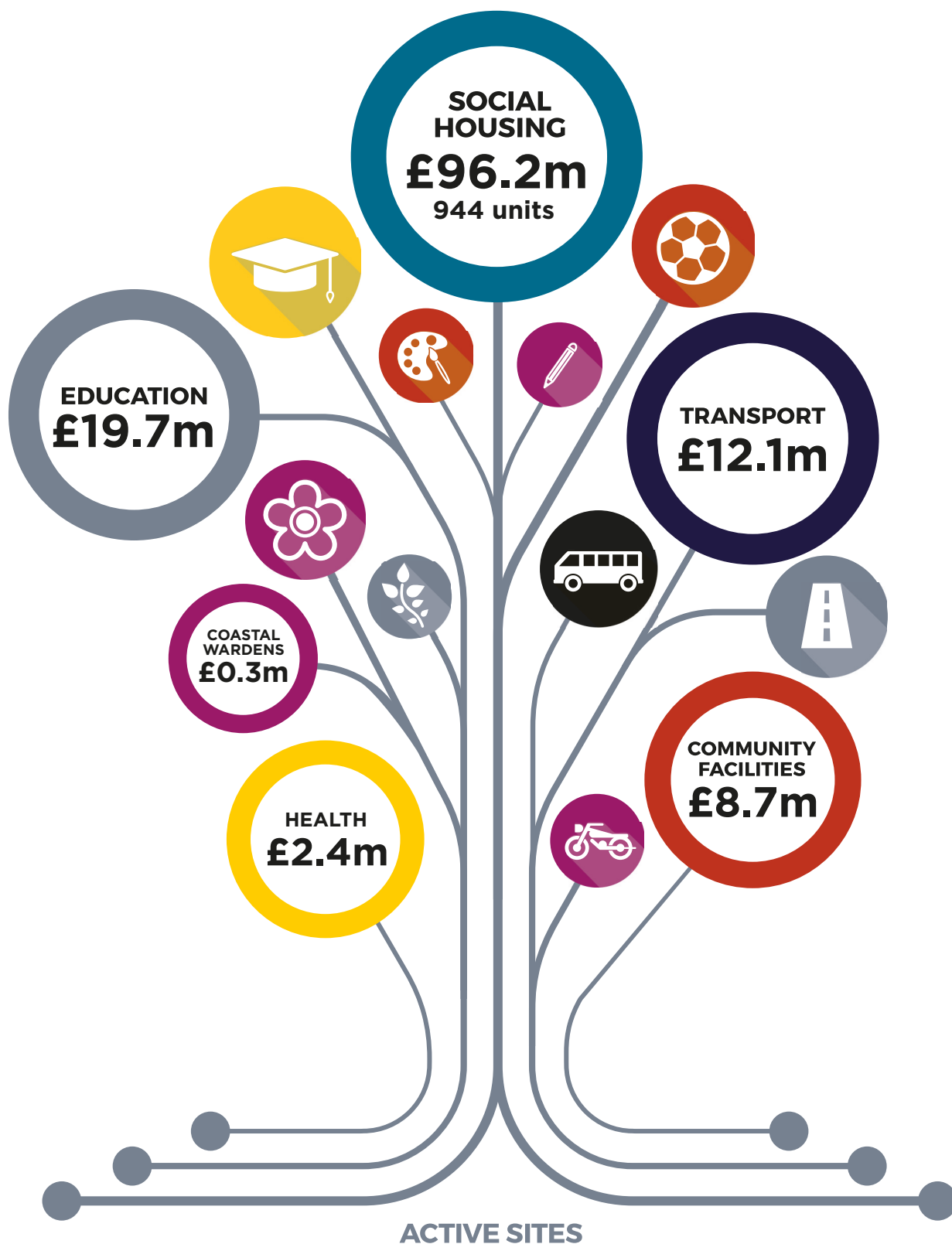
THE CHARITY COMMITTEE

The Avant Charity Committee is made up of like-minded employees who believe Avant has an opportunity to give something back to the community.

The committee has three specific areas of focus:

- 1) The distribution of a charitable donation fund – which is allocated to charities, community projects and good causes through external requests and requests from colleagues. Our primary aim is to support local, smaller scale charities which sit within the areas we develop whilst also recognising larger charities and good causes our colleagues choose to support for personal reasons.
- 2) Highlighting the great efforts and achievements undertaken by our colleagues through their fundraising efforts.
- 3) The delivery of Avant's 'Day to Make a Difference'.

BUILDING BETTER COMMUNITIES



OUR HEALTH AND SAFETY COMMITMENT

Our vision and values include a fundamental commitment to operate safely in everything we do as a Company. We have a detailed and rigorous health & safety framework covering aims, policies, procedures, and task steps. This is implemented on all of our sites and is supported by a dedicated health & safety team, who undertake real-time digitised workplace inspections and quarterly formal audits to drive the correct behaviours on all our sites. All of this is supported by strong management commitment, oversight and rotational director site visits which include H&S checks.

We have an industry leading accolade of having been awarded Gold Star awards by the Royal Society for the Prevention of Accidents (RoSPA) for 10 consecutive years – culminating in the issue of a president's award in 2020.



OUR H&S COMMITMENT INCLUDES:

- A full management system modelled on "Managing for H&S / CHSG65" and ISO 45001.
- A full set of H&S policies and procedures.
- A full suite of COVID-19 safe operating procedures and monitoring activity that ensures compliance.
- Leadership commitment, support and oversight.
- Frequent and constant H&S site audits.
- H&S training matrix to determine training needed and provided.
- Constant H&S training – formal courses, and on-site 'tool-box' talks delivered to all site staff and contractors.
- H&S common and new themes communications.
- Direct H&S reporting to senior management.
- Themed audits throughout the year – such as safety at height and fire safety.
- Monthly KPI reporting.

SOME OF OUR H&S KPI'S INCLUDE

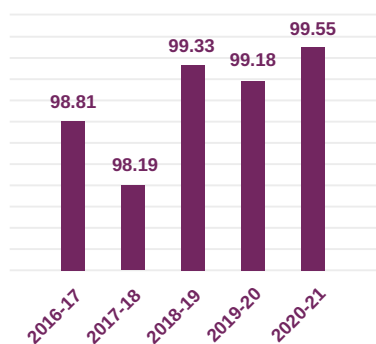
Reporting compliance with our policies and procedures – 99%+

Number of toolbox talks held – 1,300+ pa

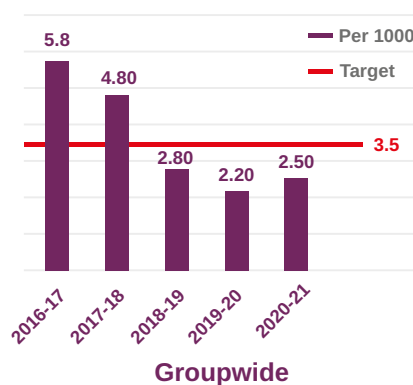
Individuals those tool-box talks have been delivered to – 15,000+ pa

The annual injury incident rate – achieving the target of below 3.5 pa

Groupwide Percentage Compliance - Year Average



Groupwide Annual Injury Incidence Rate (inc. Ytd)



COMMITMENT TO ENGAGEMENT WITH AND INVESTMENT IN OUR EMPLOYEES

As stated in the section on stakeholders, our employees are a key asset, gaining and maintaining their engagement and investing in their development is critical.

ENGAGEMENT

Avant uses engagement measures to gain insights into the motivational health of our people and to inform management decision-making. Up until 2018, this was achieved through an internal survey. The results showed consistently high levels of engagement.

In 2018, Avant challenged itself by participating for the first time in the Sunday Times 'Best Companies to Work For' engagement benchmarking survey. This provided the opportunity to benchmark ourselves across a wide sample of employers and employer brands. In 2021 we were pleased to be independently assessed as a business as having high levels of engagement and to have been given star accreditation by Best Companies.

Indeed, we only missed a “Two Star” ‘outstanding’ commitment to workplace engagement accreditation by a small margin. Our commitment to creating a positive and engaging environment for all is part of our enduring DNA. We will continue to use our engagement survey results to inform and drive positive action befitting of our excellent people who take real pride in what we do and through our actions show strong connection with our Vision and Purpose in what we strive to achieve.

Our people tell us they are attracted and inspired by the Avant proposition. The results also indicated that we are highly motivated; characterised by having High Energy, Passion, Pride and a drive to deliver extraordinary things, to the communities we operate in and serve.

OUR LATEST BEST COMPANIES SURVEY PRODUCED THE FOLLOWING OVERVIEW STATISTICS:

- The CEO of Best Companies accredited Avant with a strong and progressive set of results relative to the sector.
- Avant achieved a rating of 'One Star' - which positions a business as having very good levels of engagement. Avant improved its position across all key activities.
- Avant scored just short of a 'Two Star' rating by a small margin of 2.2 points (0.3%) - 694.3 vs 696.5.
- 77% of responders registered as being either highly engaged/engaged/highly satisfied.
- Compared to a Best Companies 2 Star indicative benchmark, Avant had more highly engaged colleagues.
- Against the 'Two Star' benchmark, Avant scored higher in the areas of 'Leadership', 'My Company', 'Personal Growth', 'Fair Deal' and 'Giving Something Back'.

RECRUITMENT AND TALENT DEVELOPMENT PROGRAMMES

Avant continues to invest in its employer brand – primarily through social media, our careers webpage and word of mouth. This has generated improved levels of candidate attraction. Talent development remains a key and ongoing priority for Avant. With adaptations for COVID – this has seen us increase further our range and coverage of development activities to include:

- Senior Director executive coaching.
- Leadership Development - annual Avant Leadership Programme for Regional and Group Directors.
- Management Development - annual Avant Management Programme for Senior Managers and potential directors.
- New to Management Foundation Programme for newly appointed Managers/People Leaders.
- 'Is Management for Me' Programme designed to be a gateway programme to help colleagues consider people management as a career path.
- Office Apprenticeship Programme covering technical and commercial roles.
- New trades Apprenticeship Programme

- Sales Academy – dedicated to sales training and development, from new recruits to experienced colleagues. This programme is supplemented by experienced Sales Advisors trained in coaching.
- Build Academy - dedicated to Site Manager and Assistant Site Manager training and development, from new recruits to experienced colleagues. All new entrants receive 3 weeks dedicated training and coaching prior to taking control of their site.
- New Commercial Training Academy.



WELLBEING

Avant has invested in supporting all of our employees through the promotion of active programmes and policies to promote physical and mental wellbeing.

We have trained mental first aiders in all regions to assist colleagues and provide support as and when required. We also offer access to an external confidential 'Employee Assistance Programme', through which initial confidential advice, support and guidance is available to all employees to access on a fully funded basis. We have also introduced medicals for our site-based colleagues, which are mandatory for safety critical roles such as forklift truck drivers. These services are also supported by a programme of open and regular initiatives, communications and access to online tools/services all providing guidance and information on the importance of mental well-being as well as signposting colleagues towards key support services and advice.

Protecting physical health at work is covered by our health & safety policies.



DIVERSITY AND INCLUSION

We are committed to ensuring our people can enjoy and flourish in a diverse and inclusive workplace within which we promote equality and inclusion from recruitment, through learning and development, career progression and reward.

Our position will always remain clear and unchanged with race, gender, nor any other protected characteristic having any bearing whatsoever in the decisions we make across our recruitment, selection and reward practices. Our recruitment, staff and business policies all include these commitments.

In relation to gender, it remains widely known that the housebuilding industry still has some way to go to encourage females to consider our industry as one which offers a wide range of career opportunities, however we are making inroads as part of our talent development and attraction strategy.

We have female representation on our Commercial and Technical Trainee Pathways and have more female Assistant and Trainee Assistant site-based managers and technical trainees.

Indeed we have actively showcased the success stories of those females who thrive in our business, both internally and externally, and provide high levels of professional and personal development opportunities for all employees to enable them to reach their full potential.

We actively promote a diverse and inclusive workplace mindset amongst all of our employees. During 2021 we launched our 'we are all built equal' campaign, which included the roll out of impactful awareness training to colleagues, supported by an active communication strategy consisting of site signage, employee communications and positive message promotion to support our diverse and inclusive mindset and policies.

FIRST CLASS CUSTOMER SERVICE

At Avant we put our customers at the heart of all we do. From initial enquiry through to reservation, construction, completion, and post occupation customer service; we have expert staff dedicated to deliver best in class customer experiences every time.

SOME STATISTICS FROM OUR FINAL 2019/20 HBC CUSTOMER SATISFACTION RESULTS

- NHBC score of 92.6% – 5 Star.
- Build Quality Scores at 90.4% - 5 Star and 3.7% above NHBC Benchmark (86.7%).
- 100% robust Avant Gold Mark quality control process to ensure a quality product is delivered.
- 840 surveys received giving robust findings.
- Customer NHBC response rate of 64.7% - ahead of benchmark, showing high levels of customer engagement.
- Sales Service ranked in the top five for Customer Satisfaction within NHBC Benchmark Group at 84.4%.
- 100% new sales staff trained via our Sales Academy – ensuring all our staff are experts in their field prior to starting in position.
- 100% new build staff attend intensive pre-start Build Academy – ensuring the highest standards are delivered by our site-based construction teams.
- 100% of company bonus schemes intrinsically linked to 5 Star Customer Satisfaction scores at all levels.
- Year on year improvements in all major customer satisfaction KPIs.

SUPPORTING OUR PEOPLE IN CUSTOMER SERVICE

We put customer service at the heart of our people's development – it underpins our extensive investment in the training and development we provide to all.

CX ACADEMY

We have rolled out a new CX Training Academy, designed to embed our customer centric Ways of Working into all our customer service and site teams. This academy has a wide brief from build standards through to dealing with and supporting customers in all situations. It also includes a focus on effective communication – a key element to customer satisfaction. The elements of each module are delivered in various different ways to maximise impact and coverage.

BUILD ACADEMY

Our Build Academy takes our new construction colleagues through all aspects of the Avant Ways of Working, including systems and processes. Over and above that, it instils the customer first ethos that is in the Avant DNA. Our new colleagues leave the academy fully armed with the skills they need to do their job, along with having expectations set on how Avant deal with our customers and internal colleagues to achieve and maintain our high levels of customer service focus.

SALES ACADEMY

Like the Build academy, all our sales colleagues are highly trained in our Ways of Working, our systems and processes; but more importantly, they are educated on the importance of supportive, clear, and frequent communication with our customers. They are also trained on our product and specification. When they graduate from the academy, they have all the tools needed to deliver a class leading sales experience to every Avant customer.

A QUALITY PRODUCT – EVERY TIME

Avant promotes the importance and value of collaborative working, both within each department of our regional businesses, between departments, between our regions and with the Group functions.

Communication between sales, construction, customer service and all other supporting functions is critical to us in delivering a seamless customer journey. Structured weekly meetings within these teams ensure that the entire business moves together as one, tackling challenges as one, and delivering excellent customer service as One Avant.

A key component of this is our **Avant Gold Mark Process (AGM)**.

The AGM is a series of quality control procedures undertaken by our regional teams to ensure that the homes we deliver meet our exacting standards. It involves the following steps:

1. A detailed Home Quality Inspection (HQI) carried out by our Site Managers responsible for the delivery of the build, and our Sales Advisor, who sold the home. This covers checks on up to 386 items with any issues rectified before an HQI is passed.
2. A second comprehensive check and sign-off by our Area Construction Manager and Area Sales Manager to ensure the home is to the required standard.
3. A final sign-off by a designated Regional Director.

FIRST “IN HOME” VISIT (FIHV)

Following a successful AGM and post legal completion, the customer is given a week to settle into their new home. Should any minor snagging be highlighted, the Site Manager will agree that this work is valid, capture it on our FIHV iPad administered system, and arrange for any remedial works to be carried out at the customer's convenience. The FIHV process is a key element of the end to end quality process and further enhances the commitment we have to delivering an exceptional home to our customers. It includes a follow up to the 'home demo' and confirming that our customers are comfortable with operating their heating and cooling features sustainably.

POST COMPLETION SUPPORT

Avant operate regional customer service teams, with dedicated colleagues allocated to each development to service all customer needs. In the first 12 months post occupation, each customer is allocated a dedicated Customer Liaison Manager who is their first port of call should they need any support with any aspect of their new home.

MONITORING AND REPORTING

Avant have a number of tools to manage the services we are providing to customers. From digital dashboards tracking progress on remedial works, to 'Root Cause & Corrective Action' reports that we undertake should anything go wrong; our system reporting covers all aspects of the Customer Service delivery.

The measure most widely used is the HBF Customer Satisfaction Survey which is independently administered by the NHBC. This measures all aspects of the customer's journey with their developer and awards a star rating based on the customer's responses to a 'Would you Recommend Avant?' question.

TRUST AND TRANSPARENCY

Like any business, from time to time we do not always get things 100% right. However, when we are made aware that we have let a customer down, we do everything reasonable to put things right.

As a responsible developer we never turn our back on genuine issues, and always endeavour to do the right thing for our customers. On the rare occasions where we cannot come to a mutually agreeable solution in relation to any build aspects of our customers home, we actively encourage the customer to consider using the NHBC resolution service, provided as part of the customers NHBC Buildmark warranty.

NHBC act as an arbitrator, giving the customer confidence that their issues will always be looked at independently, fairly, and equitably.

We have a new formal complaints procedure and published it on our website. We want to make it easy, should a situation arise that justifies it, for our customers to complain. We provided commitments around how this 5 stage Escalation Process should work, and this has helped manage any issues in a consistent way across the Group.

We are also a signed-up member of the UK Consumer Code for Builders, which aims to provide another level of security and support for homebuyers in the UK.

CONSTRUCTION QUALITY REVIEW

Avant participates in the NHBC's process, where we invite NHBC inspectors on-site to assess the quality of our build outside the normal Key Stage Inspections that happen during the various construction stages. We actively embrace any improvement suggestions that are raised, to enhance the quality of the homes we deliver to our customers.

OUR CX FUTURE TARGETS AND GOALS:

Maintain and further consolidate our HBF 5 Star Group rating

Ensure all regions achieve a 5 Star performance

Look to continue to drive for best in class build quality - over and above our benchmark, exceeding this years score of 90.4% - 5 star

Continue the digitisation of our end to end customer facing process to enhance the experience, and better monitor KPI's and process adherence

Further enhance the training and support to all our customer facing staff

And...

Be relentless in the pursuit of best in class service for all of our customers, every step of the way.

MONITORING OUR GREENHOUSE GAS EMISSIONS

In accordance with the Companies Act 2006, we report on our greenhouse gas (GHG) emissions as part of our annual financial statements. The methodology used to calculate our emissions is based on the UK Governments Environmental Reporting Guidelines (2013) and emission factors from the 2019 Government GHG Conversion Factors for Company Reporting.

To future proof our homes, we always strive to use state of the art construction methods and materials.

In our offices and on-site, along with safety and efficiency, attention is paid to the use of natural resources and reducing our carbon footprint. We are just as committed to delivering a sustainable lifestyle for our customers. To this end, recycling, resource saving and waste reducing opportunities are provided.

Smart energy meters are installed in many of our new homes; electric charging points are available at all our offices and 97.3% of our site waste is recycled.

RESPONSIBLY SOURCED SUPPLIES AND SUSTAINABILITY FEATURES

ETHICS POLICY

Avant Homes operates ethically, and all our employees are required to comply with our Code of Ethics and Anti-Bribery and Corruption policy. We do not tolerate bribery or corruption and we are committed to conducting our business activities in an ethical and transparent way. We expect the same standards from our suppliers and anti-corruption provisions are included in our standard supplier contractual terms and conditions.

All employees should behave with integrity in all business relationships. Integrity implies not only honesty, but also fair dealings and truthfulness.

Key elements of our ethics policy include:

- We do not engage in business practices that may be considered unethical or corrupt, including any form of bribery - the direct or indirect offer, payment, soliciting and acceptance of bribes in any form is unacceptable.
- An employee should strive for objectivity in all professional and business judgements.
- An employee should recognise problems which may be created by financial involvement or personal relationships which, could by reason of their nature or degree, threaten the employee's objectivity.
- An employee must not use information obtained in the course of their employment with the Group for personal financial profit.
- Employees must not take or influence any decision regarding the Group's business or transactions if they or their family have any financial, personal, or other interest in the other party to the transaction.
- We do not handle money that is offered to us if we have reason to believe that it is being offered as a bribe, or has been generated through illegal trading, money laundering or from the profits of activities not deemed to be lawful in the jurisdiction.

STANDARD HOUSETYPES

- Standard housetypes are used across the Group to provide our customers with high-quality, energy efficient homes.
- Efficiency being measured in terms of cost, energy consumption and materials consumption.
- All of our homes incorporate our core design principles.
- All of our housetypes are fully considerate of accessibility, in line with the optional requirements in Building Regulations Part M (4)2, which means they can be adapted more easily for people with disabilities.



EFFICIENT HOMES

Our housetypes include sustainable design features, such as energy efficient walls and windows, and insulated loft spaces. This reduces running costs for our customers and helps cut carbon emissions. Inside our homes we use energy efficient fixtures and fittings, including 100% low energy light fittings and when required, LED recessed downlights. All the appliances we offer as standard options are at least A rated for energy efficiency.

All of our homes have water meters fitted, as well as low flow taps and showers. Our homes all achieve the specified energy efficiency standards and have ventilation systems installed correctly to provide good internal air quality. Most of our homes have smart heating systems fitted as standard, enabling our customers to control their heating via a thermostat and phone, so they never need to heat an empty home and reduce their energy consumption and bills.

We constantly research latest industry and consumer trends and developments to continue to improve the efficiency of our homes and constantly deliver what the customer wants. We have a dedicated 'Product Development Group' made up of representatives from across all areas of our business who research, road test and rollout changes and adaptations to our housing range - including more carbon efficient technologies such as large format blockwork, lower carbon bricks, panellised timber systems and energy efficient underfloor heating.

WASTE AND RECYCLING

Waste is a cost to both our business and the environment. We have full waste management policies in place across all of our sites and offices, with all employees, suppliers and subcontractors having to comply.

Our site waste is managed with Reconomy, who track and monitor our compliance against our waste segregation and recycling policies. We had a target to recycle 97%+ of all site waste in the year to end April 2021 – and are pleased to report that we achieved 97.3%. Individual waste reports are produced for all of our sites with actions taken following their review. All of our suppliers and subcontractors must commit to our policies on waste management and we work with them to actively reduce waste. Over the past 12 months we have seen a continued improvement across our sites on waste diverted from landfill, additionally through our onsite initiatives we have seen a dramatic reduction in inert waste by minimising waste and maximising re-use.

We continue with our focus to drive down waste generated and are working closely with Protec to ensure materials are protected within build to minimise damage, but also with the Plastic Surgeon to ensure that products are always repaired wherever possible, and not going to landfill.

SOURCING RESPONSIBLY

We want to select suppliers who seek high standards on sustainability issues.

We set clear standards on safety, quality, ethics, human rights and the environment through our policies and procedures, and the standard terms and conditions we agree with all our suppliers. All of our suppliers must commit to operate responsibly in relation to all materials and labour supplied. All of our site suppliers must evidence their H&S policies and risk management approach to us, at least annually, and evidence that they have appropriate insurance cover in place for their activities.

Our standard contractual terms and conditions include provisions requiring all suppliers to adhere to Anti-slavery Laws and our Modern Slavery Policy.

We look for sustainably sourced materials and aim to partner with suppliers on resource efficiency. Sourcing sustainably can also reduce costs and risks to the business. Where possible, we select materials with lower embodied carbon and energy, such as through our timber and plasterboard sourcing, and using lower carbon concrete bricks rather than clay. We have also focused on waste reduction to lower the embodied carbon in our activities.

We construct the vast majority of our homes in Scotland – which account for c.25% of output - using timber frame. This can have a significantly lower carbon footprint than the traditional 'brick and block' building techniques, due to the materials and use of off-site construction techniques.

We work with our suppliers of plant to ensure that we are using fuel efficient forklifts and telehandlers on all of our sites.

We are committed to treating suppliers fairly and paying on time. Standard payment terms are agreed with all suppliers and contractors which we pay to. The payment terms for the year to end April 2020 were 38 days. The pay rates of weekly paid site operatives are governed by the industry-wide Construction Industry Joint Council (CIJC) Working Rule Agreement. We are committed to paying all employees above the voluntary Living Wage and conduct annual checks to confirm we meet this commitment. All terms of engagement with all of our contractors also require all operatives to be paid at least the voluntary Living Wage.

RESPONSIBLE TIMBER SOURCING

We have a responsible approach to timber sourcing and are committed to the responsible procurement of timber from verified, sustainable and credible certified sources. Our tender documents and trade specifications state that we require all suppliers to supply timber from responsibly managed forests certified by recognised schemes such as the FSC, Programme for the Endorsement of Forest Certification (PEFC) or Sustainable Forestry Initiative (SFI). All of our timber is sourced through group arrangements such that 95% + is FSC or PEFC certified.

We also promote the separation and recycling of timber off-cuts and waste timbers.



**SUSTAINABLE
FORESTRY
INITIATIVE**

SFI-01737

OUR OFFICES - WHAT WE DO:

The Avant commitment to responsibly sourced supplies extends to all of our offices which benefit from:

- Prohibition on all single use plastics.
- Provision and use of 'water bottles for life' to all employees.
- EV charging points.
- Full waste segregation with recycling protocols.
- Provision of latest video and IT communication packages to use for meetings, reducing employee travel.
- A 'think before you print' policy challenging all employees to think twice before printing – leading to a 50%+ reduction in print and paper consumption.

MODERN SLAVERY

We are committed to driving unethical practices out of the supply chain, by taking appropriate and proportionate steps to mitigate the risk of modern slavery and human trafficking occurring both within our own business and our supply chain.

We have a robust framework of policies, procedures, and contractual requirements in place, which contribute towards the prevention of slavery or human trafficking within the Group and our supply chain.

As part of the Group's initiative to identify and mitigate risk, we have reviewed our existing business and supply chain to identify key risk areas. We have also carried out a review of our internal policies and undertaken reviews to ensure that our suppliers and sub-contractors are fully accountable for compliance with the legislation.

ACTIONS SPEAK LOUDER THAN WORDS...

This statement captures a number of facets of our approach to ESG.

It demonstrates what is central to a number of our daily activities, decisions, and approach.

We recognise that we can, and we will do more – working with and in an industry that is making progress every year.

Keeping everyone safe is our number one priority in all we do.

We are committed to delivering a environmentally sound and socially aware lifestyle for all of our stakeholders.

For us.

AVANT
homes