

OUR MATERIAL ISSUES

Understanding what matters most to our stakeholders.

We carried out a review of our material sustainability issues to inform the evolution of our business strategy and to ensure we are focusing and reporting on the most important issues for our stakeholders.

The external challenges that face our business are constantly changing and we acknowledge the importance of staying updated on these. Actively engaging with our stakeholders enables us to understand their views more clearly and to ensure our business is responding appropriately and rapidly. We do this through customer and staff surveys, market research, peer review, participation in industry forums and networks as well as one-to-one engagement. More information on our stakeholder engagement approach can be found on page 26. In 2022, we undertook a specific engagement process to review and evolve our understanding of our most material issues.

Our materiality assessment

The first step in our assessment was to produce a long list of issues based on a wide range of inputs. These included Glenveagh’s own information, a peer review, sustainability and industry trends, current and forthcoming legislation and policy, ESG rating requirements, international standards and frameworks. A total of 80 issues were identified from across this literature. A shortlist was created by identifying issues most frequently mentioned in the literature and grouping together similar issues. A shortlist of 31 issues was agreed spanning environmental, social and governance factors.

A broad range of stakeholders were identified including investors, lenders, Board members, subcontractors and suppliers, institutional customers, NGOs, Executive Committee members and employees. 15 semi-structured interviews took place, while 31 external stakeholders participated in a survey.

Stakeholders were asked to rate the issues considering its relevance, risk, opportunity and urgency. Employees were also given the opportunity to input into the process through a dedicated survey.

The information and ratings from the stakeholder engagement process were prioritised in two ways – a simple ranking based on the average score for each issue across all stakeholders as well plotting internal and external stakeholders scores on a materiality matrix.

The results were then analysed to understand the insights that had emerged at a macro level and the relative priorities of each stakeholder group.

Finally, the findings were validated with our Executive Committee. Briefings were also delivered for various business units, where relevant, to explore the insights from specific stakeholder groups.

OUR MATERIALITY ASSESSMENT METHODOLOGY



OUR MATERIAL ISSUES CONTINUED

The outputs of our materiality assessment are illustrated in our materiality matrix which plots the views of external stakeholders against those of internal stakeholders.

Environmental	
01	Water management
02	Indoor air quality
03	Biodiversity
04	Climate risk – physical
05	Pollution prevention
06	Circular construction
07	Land use and green infrastructure
08	Renewable energy
09	Sustainable mobility
10	Digitalisation
11	Innovation
12	Carbon emissions
13	Climate risk – transition
14	Energy efficiency

Social	
15	Diversity, equity and inclusion
16	Responsible sourcing
17	Working conditions
18	Build quality
19	Customer
20	Placemaking and community engagement
21	Affordability
22	Skilled workforce
23	Supply-chain
24	Health, safety and wellbeing
25	Employee engagement

Governance	
26	Cyber security and data protection
27	Sustainable building certifications/labels
28	Transparency
29	Governance
30	Human rights
31	Business ethics

Numbers do not indicate ranking.

Many of the material topics have remained the same as in our previous assessment. However, some areas have seen more specificity – for example, climate is now divided into a number of discrete topics. We have also seen the emergence of innovation and digitalisation as particularly important issues internally. The insights from this process were used to inform the evolution of our strategy, which fully integrates our sustainability approach with our business strategy. Our section on strategy (pages 30 to 37) demonstrates which material issues are addressed by each of our strategic priorities and the progress we are making in these areas.

In line with the requirements of the Corporate Sustainability Reporting Directive, in 2023 we will build on the work we have already completed and will carry out a double materiality assessment. This will involve assessing ‘impact materiality’ i.e. actual or potential significant impacts on people or the environment as well as ‘financial materiality’ i.e. where a sustainability topic triggers financial effects on the Group. We have already mapped the topics identified in our materiality assessment to the ESG topics defined under the European Sustainability Reporting Standards (‘ESRS’) and will evolve our reporting to align with these requirements over the next two years.

