



ESG Report 2024/25

Our Commitment to Sustainable Growth

2024/25 highlights

FINANCIAL



£1,151.9m
turnover



£90.5m
pre-tax profit



2,811
new homes delivered
(2,347 affordable homes)



£112.8m
land investment
commitments



£104.2m
of tax paid through
Corporation Tax, RPD, NI
& PAYE, VAT, SDLT & CIS



£2.8m
community
infrastructure levy
contributions



£4.4m
Section 106
contributions



£865.2m
value spend
with suppliers and
sub-contractors

SOCIAL



£621.2m
Total social value delivered
including our spend with
MSME businesses



£30m
in added social
value activities



786
hours of EDI
training



5,010
staff volunteering
hours



£293,633
charitable donations



26
Released on Temporary
Licence (ROTL) work
placements



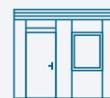
10,901
earn as you
learn weeks



493
work placement
weeks



26,954
school engagement
hours



234
SoloHaus (including Foundation 200)
homes for the homeless delivered to date



869
jobs created through
Hill and our supply chain

ENVIRONMENTAL



68%
brownfield
development



19%
average Biodiversity
Net Gain (BNG) score



9%
absolute reduction in
Scope 1 and 2 greenhouse
gas emissions



85
average Standard
Assessment Procedure
(SAP) rating of the
homes built



98%
of construction
waste diverted
from landfill



38%
building circularity
score at Douglas
Bader Park Phase 3



2,000+
modular bathroom
and utility
cupboards delivered



75%
pre-manufactured
value score at Sawyers
Close in Windsor



241
Passivhaus homes
completed and 479
in progress



53%
of the homes we delivered are 'zero
carbon ready', powered by air-source heat
pumps and renewable energy, ahead of the
Future Homes Standard



746 kg CO₂e/m²
whole life carbon score
for Active Homes at
Marleigh Park

GOVERNANCE



95%
customer
satisfaction rating



3rd place
in the NextGeneration
sustainable housebuilder
benchmark; leading private
company in the sector and
gold award winner



15 of 17
United Nations Sustainable
Development Goals are
being progressed



3rd
Task Force on
Climate-related Financial
Disclosure published

Contents

- 01. CEO'S MESSAGE
- 02. OUR STRATEGIC APPROACH
- 03. ENVIRONMENT
- 04. SOCIAL VALUE
- 05. GOVERNANCE
- 06. JARGON GARDEN
- 07. INDEPENDENT LIMITED ASSURANCE STATEMENT
- 08. CONTACTS



Knights Park, Cambridge.



Hollymead Square, Newport.

53%
of the homes we
delivered in 2024/25
are 'zero carbon
ready'

Our commitment to sustainable growth

Our mission is to create a more equal society by developing healthier homes and vibrant, sustainable places where people love to live and communities can thrive. This purpose underpins our vision to be the UK's most trusted housebuilder, delivering exceptional quality and lasting impact.



This year, we achieved our first NextGeneration Gold Award, ranking as the highest-rated private housebuilder in the UK and raising our position from fifth to third place. We have made great progress in reducing our reliance on gas-fuelled homes and are a market leader in delivering energy-efficient homes. 53% of the homes we delivered in 2024/25 are 'zero carbon ready', ahead of the Future Homes Standard (FHS); this figure is expected to exceed 75% by 2026. Despite our steady growth as a business, we have reduced our absolute Scope 1 and 2 greenhouse gas emissions by 9%. Our ongoing investment in modern

methods of construction (MMC) has also delivered over 2,000 bathroom pods and utility cupboards, further enhancing energy efficiency and reducing waste. This progress is a fantastic achievement and testament to the hard work and dedication of Team Hill, our valued partners and our supply chain.

Sustainable placemaking is about creating spaces where people enjoy living and that foster a sense of community. Our commitment to excellence has earned us more than 500 industry awards, including scooping the coveted WhatHouse? Housebuilder of the Year three times, as well as the Best Low Carbon Home Award at the 2024 Evening Standard New Homes Awards, for Agar Grove, our PassivHaus development in partnership with Camden Council.

2024 was marked by continued political uncertainty, and the economy struggled with flat growth and cautious investment. The housing and construction sectors faced ongoing pressures from planning delays, regulatory overload and an uncertain macro-economic environment. Positively, the new government brought optimism with its mission to deliver 1.5 million new homes, and vision for business and planning reform.

Despite this mixed backdrop, The Hill Group goes from strength to strength. Since 1999, we've become the UK's second-largest privately owned housebuilder, with a

diverse portfolio of projects. We deliver much-needed, high-quality new homes of all tenures across London, the home counties, the South and the Midlands, with a team of over 980 employees. We were named a top 10 housebuilder for the first time this year, an impressive reward for the Group.

We have exceeded £1 billion in revenue for the second consecutive year. This is a particularly impressive accomplishment given the macro-economic challenges, highlighting the effectiveness of our strategy and the commitment of our team.



We have grown to over 980 employees.



We are committed to sustainable placemaking.

INVESTING IN PLACES, PARTNERSHIPS AND PEOPLE

Our social impact is growing too. This year we delivered £30 million in added social value. We remain committed to expanding our SoloHaus homes and our Foundation 200 initiative, providing much-needed temporary accommodation that offers a stepping stone for people experiencing homelessness. We've continued to offer site-based roles to individuals released under the government's 'Released on Temporary Licence' (ROTL) scheme, which allows prisoners temporary release to engage in employment.

We continue to invest in our talent and leadership, doubling our graduate intake in 2024 to 40 and expanding senior teams to support the next phase of growth. Our dedication to opening pathways for all has been recognised through our first entry into the Social Mobility Employer Index, where we ranked 52nd in the Top 75.

We're proud to have been recognised as a five-star homebuilder in the HBF's annual Customer Satisfaction Survey for the eighth year in a row; over 95% of our customers would recommend Hill to a friend. Our industry-leading 4.8 out of 5 Trustpilot rating illustrates our ongoing commitment to delivering high-quality homes and outstanding after-sales support.

With strong financials, a talented team and an expanding supply chain, we are positioned for a successful 2025/26 and beyond. A heartfelt thank you to our team, partners and valued supply chain network - your dedication and expertise continue to be the cornerstone of our responsible growth story.

Our mission is to create a more equal society by developing healthier homes and vibrant, sustainable places where people love to live and communities can thrive. This purpose underpins our vision to be the UK's most trusted housebuilder, delivering exceptional quality and lasting impact.



Andy Hill OBE, Founder and Group Chief Executive.

Andy Hill OBE
Founder and Group Chief Executive

Please share your feedback on this report at ESG@Hill.co.uk so that we can continuously and responsibly improve our ESG activities.

Our ESG strategy and goals

We launched our ESG strategy four years ago and have stayed focused on our vision: to be the UK's leading, most trusted housebuilder, creating exceptional homes and sustainable communities.



JARGON GARDEN
See page 40 for definitions and acronyms.

Canalside Quarter, Oxford North.

We have built on our momentum, continuing to deliver across our three ESG pillars, despite a challenging economic climate, a complex planning system and an increasing regulatory burden. Our 2024/25 highlights and **Key Performance Indicators** (KPIs) reflect the progress we're making and the impact of our strategy in action.

We welcome the government's steps to address barriers to housing delivery. The revised National Planning Policy Framework (NPPF), the Planning and Infrastructure Bill, the Future Homes Hub (FHH) 'Future Homes, One Plan Scaling up delivery', and the New Homes Sector Net

Zero Transition Plan all mark positive shifts in the right direction. Together, these efforts will support a new era of high-quality, affordable, and sustainable homes for the communities that need them most.

As legislation continues to evolve, it will shape how we refine our ESG strategy, our **2030 Roadmap**, and the policies and KPIs that sit alongside them. This will strengthen our approach to environmental responsibility, social value delivery, and governance, helping us manage risk, improve the transparency of our reporting, and publish our third **just transition statement**.

OUR ESG PILLARS



ENVIRONMENTAL

- Creating net zero carbon homes
- Taking care of our natural resources
- Reducing our environmental impacts



SOCIAL

- People come first
- Communities and customers
- Tackling homelessness



GOVERNANCE

- Strategy and responsible business
- Reporting and assurance
- Future proofing



School engagement at Aylesborough Close, Cambridge.



Marleigh Park, Cambridge.

Creating thriving, sustainable places

We embed ESG principles and deliver 'zero carbon ready' homes that support healthier communities, lower running costs, and create long-term value.

Through tailored community engagement and place-led masterplans, we shape visions that work for both new and existing residents. Our stewardship models, supported by partners and registered providers, integrate green, blue, and grey infrastructure to ensure lasting, high-quality places.

During the reporting period, approximately 68% (72%:2023) of our projects were delivered on brownfield land, and 32% of developments in sustainable greenfield (28%:2023) locations. Looking ahead, we will also account for developments on 'grey belt' land.



CREATING 'ZERO CARBON READY' HOMES

Although the FHS remains delayed, we expect legislation in late 2025, with implementation from 2027. These homes will emit 75–80% less carbon than the 2016 regulatory standards by eliminating fossil fuels and benefitting from grid decarbonisation in the early 2030s.

Anticipating this shift, we began designing to enhanced fabric-first standards in 2021, incorporating low-carbon electricity and heat pumps. Since 2023, we have applied solar form design guides and Passivhaus principles. During the reporting period, 53% of homes we delivered were 'zero carbon ready'; a figure expected to exceed 75% by 2026. This forward-thinking approach demonstrates sector-leading progress and ensures our homes are future-proofed for residents.

We have delivered over 500 FHS 'zero carbon ready' homes across Passivhaus-certified and Active Homes-compliant projects, including Hollymead Square, one of the UK's largest Zero Bills™ developments.

According to the latest 'Watt a Save' report, new build homes can reduce energy bills by up to 55% and reduce carbon emissions by 60% compared to existing homes. With the FHS and the FHH Valuation and Lending Group's forthcoming green premium criteria, we expect to see stronger valuations, improved lending outcomes, and enhanced resident comfort across future developments.



Case study
Aylesborough Close,
Cambridge




Case study
Vincent Street,
Newham




Knights Park, Cambridge.



Topping out event at East Wick and Sweetwater, East London.

Our projects proactively tackle both physical and transitional climate risks, including flooding, overheating, water efficiency, net zero transition, and resource and waste management, as outlined in our **TCFD analysis**.

Our design guides set clear strategies to deliver resilience, including enhanced thermal performance, overheating mitigation, and daylighting strategies that optimise year-round resident comfort.

Until the FHS and its Home Energy Model are fully implemented, the Standard Assessment Procedure (SAP) rating remains the benchmark for regulated carbon performance. During the reporting period, our homes achieved an average SAP rating of 85, surpassing the industry average of 84.



Case study
East Wick and Sweetwater,
London



Climate change is placing increasing pressure on water supplies, making efficient water use a growing priority. In response, all our homes are designed to use no more than 105 litres per person per day (lpppd), outperforming the Building Regulations Part G standard of 125 lpppd. On pioneering projects such as Knights Park in Cambridge, we have achieved usage as low as 80 lpppd – a benchmark expected to be adopted more widely in water-stressed areas by the mid-2030s.

Looking ahead to the **FHH New Homes Sector Net Zero Transition Plan**, we are integrating whole life carbon (WLC) and circular economy assessments into our projects, supporting a practical and measurable net zero journey across all developments. Our developments outperform GLA benchmarks and are progressing towards the aspirational targets. Notable examples (Modules A–C):

- Active Homes Marleigh Park: 746 kgCO₂e/m²
- Hartley Centre: 800 kgCO₂e/m²
- East Wick & Sweetwater: 751 kgCO₂e/m²

These insights inform our compliance work with the evolving **Net Zero Transition Plan**, Building Regulation Part Z and align with the emerging GLA Land and Property Climate Action Strategy.





Bird boxes are a valuable tool for achieving Biodiversity Net Gain.

Prioritising the planet

We create places with purpose, while putting the planet first. Every home and development is design-led, shaped by a commitment to quality, longevity and meaningful sustainable placemaking

Environmental stewardship is at the heart of what we do - we strive to conserve the world's resources for the benefit of current and future generations.

We take a bespoke approach to planning every project, recognising the unique context and character of its location. Our philosophy focuses on delivering lasting value without compromise - prioritising community, landscape, sustainability, and innovation. With experience across rural and urban settings, we adapt our approach, balancing contemporary and traditional design to suit sensitive or complex sites.

Since 2022, we have embedded Building for a Healthy Life (BHL) principles into our design and sustainability briefing processes, supported by certified ISO 9001 and 14001 standards. We collaborate with qualified architects, landscape and urban designers, and specialist consultants to deliver consistently high-quality, well-curated developments.

We are now evaluating our developments post-occupancy, too. We are currently monitoring more than 10 projects to measure outcomes, embed lessons learned and deliver a just transition.

Our future-ready developments and public spaces integrate climate adaptation and build resilience for the future. Our approach includes long-term stewardship models and green and blue infrastructure such as Biodiversity Net Gain (BNG) features, urban greening, sustainable urban drainage systems, engineered water management systems and green/brown roofs. These measures complement grey utility infrastructure, such as heat networks, and also help manage flood risk, reduce the urban heat island effect, provide summer shading, improve air quality, and create healthy, characterful places.

The Environment Act 2021 introduced a mandatory 10% BNG requirement for developments from February 2024. Anticipating this, we embedded BNG into our Sustainability Linked Loans (SLL) and projects early. As a result, developments granted planning consent during the reporting period achieved an average of 19% BNG across our portfolio.

Where on-site measures cannot fully meet the requirement, we offset residual units, along with regulatory carbon, water, and nutrients neutrality needs. To support this, we have developed comprehensive commercial expertise and an internal offsetting due diligence framework, including policies and procedures, to ensure timely, cost-effective, and high-quality arrangements for us and our partners.



CIP bug hotel.



JARGON GARDEN:
See page 40 for definitions and acronyms.



Lampton Parkside, Hounslow.

Reducing our impact

We are committed to the New Homes Sector Net Zero Transition Plan.

We worked with the Future Homes Hub and industry partners to help develop the **New Homes Sector Net Zero Transition Plan**. As a result, we've committed to the sector-wide shared pathway plan to reach net zero by 2050, in place of the SBTi. The plan enables collaboration between homebuilders, suppliers, contractors, financiers, and the government to tackle decarbonisation challenges, while supporting housing growth and the delivery of more efficient, comfortable homes.

Despite our strong growth during the reporting period, we achieved a 9% absolute reduction in Scope 1 and 2 emissions, driven by site efficiency measures, a continued switch from diesel to green biofuels (in place since early 2022), and ongoing investment in renewable energy tariffs. We have begun transitioning to a greener vehicle fleet via a salary sacrifice scheme and are trialling battery technologies to reduce emissions during construction.

Our Scope 1, 2, and 3 GHG (SECR) emissions, excluding completed homes' energy use, fell by 2%. We are increasing both the number and quality of whole-life carbon and circular economy assessment scores for new projects. As part of our ISO 50001 commitment, we have created an Energy Review strategy that aligns with the New Homes Plan. Together, these actions support our **2030 Roadmap Goals** and the longer-term transition pathway.

Greenhouse gas (GHG) emissions	Category	Year ended 31.12.2020	Year ended 31.12.2021	Year ended 31.12.2022	Financial year ended 31.03.2024*	Financial year ended 31.03.2025	% reduction FY24 compared to FY23
For Streamlined Energy and Carbon Reporting (SECR)	Scope 1 emissions (t CO ₂ e)	3,464	5,449	3,020	3,045	2,848	-6%
	Scope 2 emissions (t CO ₂ e)	666	980	812	1,190	1,013	-15%
	Combined scope 1 & 2 emissions (t CO ₂ e)	4,130	6,429	3,832	4,235	3,861	-9%
	Scope 3 emissions (t CO ₂ e) - business travel in employee-owned cars	657	881	1,184	1,202	1,460	21%
	Total SECR* scope 1, 2 & 3 emissions t CO₂e location based	4,787	7,310	5,016	5,437	5,320	-2%
	Carbon intensity (t CO ₂ e/£million turnover)	7.9	9.7	7.0	4.7	4.7	0%

*Financial year ended 31.03.2024 was a 15-month reporting period.

Reporting Methodology: For the fifth consecutive year we are reporting our performance, for this period we have followed the government's 2024/25 Environmental Reporting Guidelines and the 2024 DEFRA Conversion Factors for Company Reporting. Our footprint has been calculated in line with the Greenhouse Gas Reporting Protocol - Corporate Standard and ISO 14064 - part 1. We report on an operational control basis, meaning that our data covers energy use from premises where we have the authority to introduce and implement operating policies.

For consistency, our reporting scope covers all construction sites, including temporary welfare accommodation, mobile plant, both Hill and contractors' fuel and our main operational offices. We have allowed for all forms of contracts, including joint ventures. We have not included for our off-site manufacturing facility.



JARGON GARDEN:
See page 40 for definitions and acronyms.



Spring planting event at Farehurst Park in Fulbourn.

Our commitment to social value

We generated more than £621.2 million in social value, equating to 54.3% of turnover.

As a market leader, we are committed to delivering social impact and leaving a lasting, positive legacy that benefits people and places well beyond our involvement. Throughout 2024/25, our social value activities generated £30 million in added social value.

Our spend with micro, small and medium-sized enterprises (MSMEs) reached £621.2 million. We also donated £293,633 to charitable causes. We drive meaningful, long-term change and foster thriving, resilient communities.

SOCIAL VALUE: THE HILL WAY

1

EDUCATION TO EMPLOYMENT:

Equipping individuals with the skills and training needed to secure meaningful careers.



3

COMMUNITY BELONGING AND CONNECTIVITY:

Fostering a sense of belonging and connection within local communities.



2

BUSINESS SUPPORT AND MENTORING:

Empowering local businesses to flourish and contribute to the economic landscape.



4

SAFE AND HEALTHY LIVES:

Promoting healthy lifestyles and wellbeing initiatives for residents of all ages.



JARGON GARDEN:

See page 40 for definitions and acronyms.

Education to employment

We retained Platinum-accredited membership of The 5% Club's 2024-25 Employer Audit Scheme

Our education-to-employment programmes open doors for people living near our developments to access skills training and meaningful careers. We invest early in opportunities and create pathways from the classroom to long-term employment.

THE 5% CLUB

As proud members of The 5% Club, we have committed to 'earn and learn' opportunities for apprentices, graduates and sponsored students. We have achieved Platinum-accredited membership for the second consecutive year through The 5% Club's 2024-25 Employer Audit Scheme, a recognition of our inclusive and accessible workplace training.



Case study

Archie Owens



T-LEVEL PLACEMENTS

T-Level placements give students the essential work experience needed to complete their qualifications. Many go on to join our management trainee programme, creating a pipeline that takes students from college through to a rewarding career.

CARE LEAVER COVENANT

Each year, around 10,000 young people leave the care system without the resources and networks from which many other young people benefit. This year, we proudly joined the Covenant, a national initiative supporting young people leaving the care system into education and employment.

In November 2024, the Covenant's CEO delivered a 'lunch and learn' session to our supply chain. We are now receiving referrals for work placements and job opportunities, helping care leavers gain valuable skills and a stepping stone into employment.



Traffic Marshall Toni, released on temporary licence.

RELEASED ON TEMPORARY LICENCE

We continue to offer site-based roles to individuals released under the government's 'Released on Temporary Licence' (ROTL) scheme, which allows prisoners temporary release to work, maintain family connections, or access medical care.

In 2024/25, we supported the rehabilitation of over 26 individuals from the justice system by providing meaningful paid work placements that help build skills and confidence for a successful reintegration into society and a smooth transition into the workplace.

At our Ivy Lane project in Oxford, the site team worked with community interest company Evergreen to offer a traffic marshal role for an individual from HMP Spring Hill. Reflecting on his experience, he said:

BB

I'm lucky that my work allows me to leave the prison, stay active and keep busy. I get to visit home throughout the month and have some free time. During my time in prison, I worked, took courses and furthered my education. I actually gained my Gas and Heating qualifications through the prison. When I moved to HMP Spring Hill, I saw this role being advertised and applied for it. The process was quick, and I started work within a couple of weeks. Several roles were available, but this one stood out, and I'm grateful for the opportunity.

99



We are proud to be recognised by The 5% Club.



Business support and mentoring

We support local economies by creating jobs, boosting business growth, and empowering individuals with meaningful career opportunities, helping communities thrive and build lasting opportunities.

Case study

Supporting Apprenticeship Retention through Levy Funding

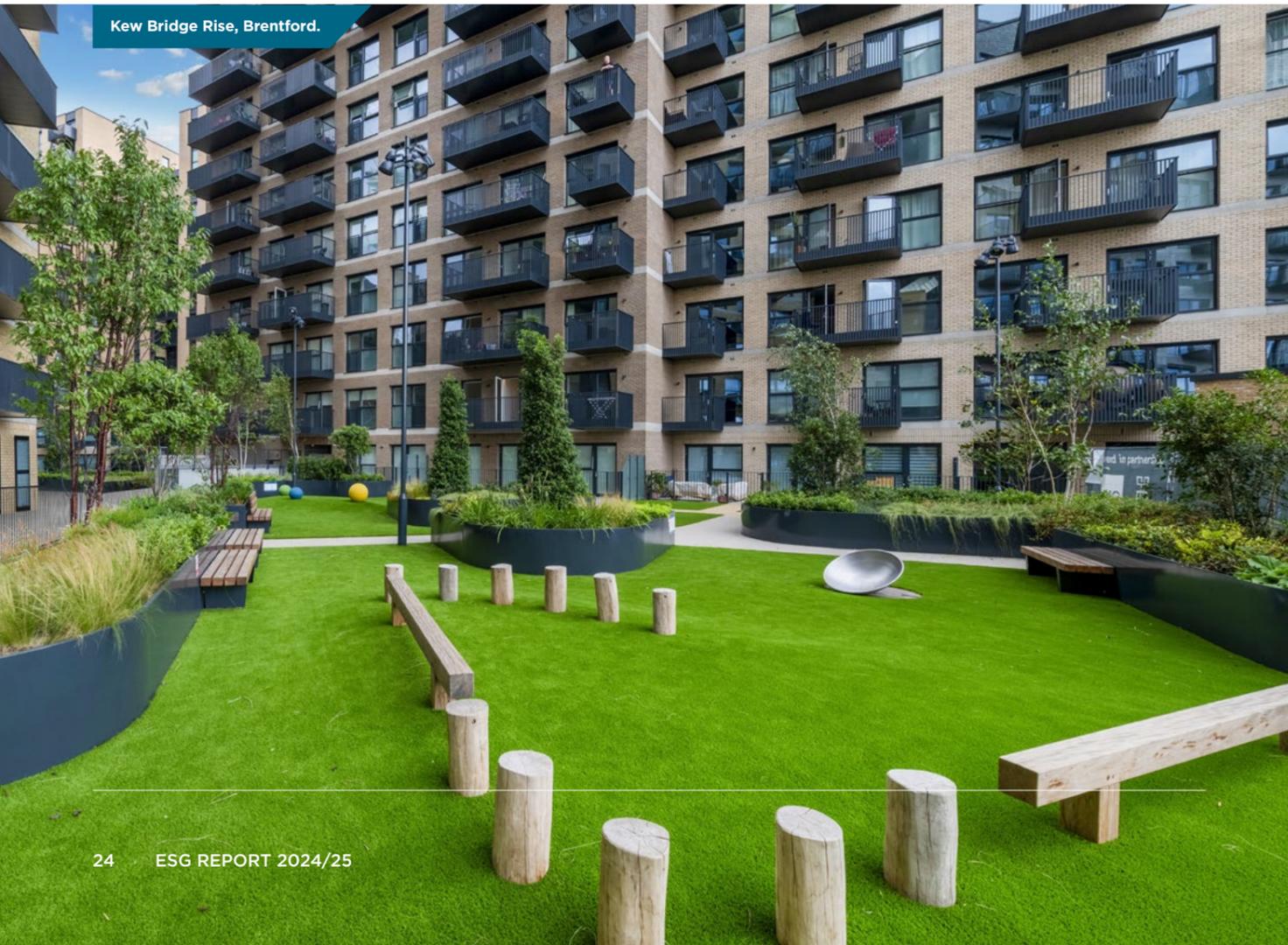
To help retain two apprentices with subcontractors Lee Marley Brickwork, we provided two £13,000 levy funding transfers – contributions from the Apprenticeship Levy, which employers can allocate to cover apprenticeship training costs. This support allowed Harry Laing-Ross and Paulo Puglisi, who were at risk of being displaced due to the lack of an allocated levy donor, to continue their training and career development.

BB

With limited funds within our levy, we urgently needed to secure a levy transfer for two of our brick apprentices within a short time frame. The Hill Group stepped in efficiently, ensuring both apprentices were fully funded. We are extremely grateful for the help received, which enabled their training and investment in skills development.

Chantelle Horton, Early Careers Programme Manager

99



SoloHaus homes for homeless charity Jimmy's on Barnes Close in Cambridge.

Case study

Kew Bridge Rise: Building a legacy for Brentford

In partnership with L&Q, we are transforming a former brownfield site in Brentford into a sustainable new community, Kew Bridge Rise. The tenure-blind project will deliver 441 homes – 50% affordable through shared ownership and rent. The development includes a public square, nursery and commercial space, contributing to the wider Brentford regeneration.

Our dedicated Social Value and Community Manager at Kew Bridge Rise, Salma Khan, works alongside the London Borough of Hounslow and 'Work Hounslow' to deliver job placements, mentoring and education outreach. So far, 21 students have completed work experience, with a target to employ 22 apprentices. All labourers and welfare cleaners are locally hired and retained for the duration of the project.

To date, Hill has spent over £33 million with local suppliers, exceeding its £21 million local spend target by £12 million, prioritising local procurement and community involvement throughout construction.

The team actively supports local causes, raising over £2,500 for the local food bank last Christmas and continuing efforts to tackle homelessness through ongoing fundraising. Kew Bridge Rise was recognised with the Community Project of the Year Award at the Built Environment Inclusion and Social Value Awards (BPIC).

Case study

Pre-employment courses tackling homelessness in Cambridge

We partnered with community-based charity Jimmy's to support people experiencing homelessness, helping candidates access training and progress into employment.

Our employability programme pilot provides training and job opportunities for residents of our SoloHaus homes in Cambridge, as well as others supported by Jimmy's.

During the reporting period, we met with 35 candidates, offering taster days, coaching in interview skills, time and money management and ongoing mentor support to people through their work placements.

We also helped five people with Construction Skills Certification Scheme (CSCS) training, with one now employed as a labourer and another in the process of securing a role in one of our developments. We plan to expand the programme to other locations.



Community belonging and connectivity

We believe that a strong sense of belonging nurtures social connections, enhances wellbeing and helps communities thrive. We have invested in various programmes, including fundraising initiatives, to support local communities, particularly during the cost-of-living crisis.



A honey bee workshop with Strand on the Green Junior school in West London.

Honey bee workshop - Hen Corner

The urban beekeeping experience at Hen Corner offered a unique opportunity for students from Strand on the Green School in West London, to reconnect with nature in the heart of the city. Through hands-on learning, they gained valuable insight into the vital role bees play in pollination, food production, and biodiversity.

By putting on protective gear, observing the hive up close, and tasting honey straight from the source, students developed a practical understanding of beekeeping and the fascinating life of bees. Importantly, the experience helped them explore where their food comes from and how even the smallest creatures play a big part in what ends up on our plates. The session also highlighted the importance of creating bee-friendly spaces in urban environments and encouraged more sustainable, environmentally conscious living from an early age.



Murals at St Richard's Primary school, close to Hill's Ham Close project in Richmond.



'Kindness shop' hosted in Newham.

Case study

Hill 'Kindness shops' support 570 households in winter

To mark World Kindness Day, our teams came together to support 10 local communities across London, Harlow, Cambridge and Oxford. Staff volunteered 239 hours to host 'kindness shop' events, offering a wide range of donated goods to those in need, in exchange for a pledge of kindness that will benefit their community.

Thanks to the generosity of our partners and donors, we collected over £10,000 worth of items, all of which went directly to residents. This initiative reflects our ongoing commitment to creating not only quality homes but meaningful social value in every community we serve.



People pledged acts of kindness in return for donated goods.



Safe and healthy lives

We recognise that community health and wellbeing form the foundation of building strong, resilient, and thriving neighbourhoods.

Case study

Helping victims of domestic abuse feel safer at home

In partnership with four subcontractors, we donated 56 Ring doorbells to Basildon Council, supporting their campaign to enhance the safety of domestic abuse victims. The doorbells provide peace of mind to vulnerable individuals, allowing them to monitor and record activity at their front doors remotely.



Ring doorbell initiative in Basildon.



Consent workshop at Oaks Park High School in Redbridge.

Case study

Free cycle lessons in Redbridge with Cycle Sisters

We partnered with Cycle Sisters to deliver a series of free lessons in Redbridge for women, helping participants develop their cycle skills and confidence, while fostering a more cycle-friendly community.

Ten sessions were delivered to 22 people who had cycled infrequently before the programme. All participants reported they were likely to continue cycling after the programme. One participant said:

“

I've gone from not being able to even balance on a bike to cycling solo on roads in a few months. My physical and mental health has improved so much, and Cycle Sisters is such a warm and friendly community. Cycling has changed my life.

”

Case study

Collaborating with Talk Consent at Oaks Park High School

In March, we sponsored a consent workshop for 300 Year 11 students at Oaks Park High School in Redbridge, delivered by Talk Consent. The one-hour session focused on sexual violence awareness, positive consent, safe relationships, the impact of sexual violence on victims and how it is committed, and how to manage grey areas to ensure everyone is safe and respected.

A teacher at Oaks Park High School commented:

“

The consent workshop was very beneficial, especially with social media and TV being a big influence on young people. Some of the students asked good questions too, which was really encouraging to see.

”



234

SoloHaus and DuoHaus (including Foundation 200) homes delivered to date



SoloHaus in Harlow.

Addressing homelessness

Launched in 2019 to mark our 20th anniversary, Foundation 200 is our pledge to design, build and donate 200 modular SoloHaus homes to charities supporting people experiencing homelessness.

To date, we have completed or allocated a total of 177 homes, including 32 installed over the last 12 months, and a further 22 homes are in planning at the end of the reporting period.

Case study

Turning Point, Chelmsford

In Chelmsford, we partnered with CHESS Homeless charity to deliver 24 DuoHaus homes, each designed for two occupants, including two adapted for wheelchair users. The homes provide move-on accommodation for residents leaving their hostels, offering safety and independence. The development was formally opened by the Lord-Lieutenant of Essex, Mrs Jennifer Tolhurst, on 9 April 2025.

Building on this success, Hill will deliver an additional Foundation 200 development in partnership with Chelmsford Council in 2026.

Case study

Lower Meadow, Harlow

In Harlow, we donated eight SoloHaus homes in partnership with Harlow Council and local charity Streets2Homes. Designed for single occupants, the self-contained homes provide stable accommodation for individuals currently living in short-term hostels. The project also improved a public footway across this former garage site, improving connectivity and public space.

Foundation 200 continues to make a tangible impact on homelessness in the UK, transforming the lives of those much in need of support.



Our approach to risk and materiality review

Building on insights from two materiality reviews, we have strengthened our ESG strategy and integrated key findings into our projects to create measurable impact across our business and communities.

The ESG principles for our 2025–2030 business plan are now fully established and will continue to advance in line with emerging regulatory and stakeholder expectations. In 2025/26, we will conduct a third materiality review focused on our supply chain, supporting efforts to reduce Scope 1, 2 and 3 GHG emissions and drive sustainable outcomes.

While formal disclosure occurs every two years, we maintain active engagement with our stakeholders to keep our ESG strategy aligned as priorities evolve. During the reporting period, we worked with advocacy

groups and updated our **Principal ESG Risks and Uncertainties Register**, our **2030 Roadmap** and our **KPIs** to reflect the latest materiality insights. Alongside Task Force on Climate-Related Financial Disclosure (**TCFD**) reporting, we track emerging mandatory and voluntary standards to remain ahead of the curve. Further information can be found at **Risk Highlights**.

Health, safety and environmental stewardship are central to everything we do, in our offices, on our construction sites, and in the communities where we build.



Creating social value is at the heart of what we do.

HEALTH & SAFETY

We remain committed to the highest standards of safety and wellbeing across all operations. On any given day, we are responsible for approximately 4,900 operatives and staff (4,200:2023/24). During the reporting period, 12.6 million person-hours were worked (12.6 million:2023/24), with an Accident Frequency Rate (AFR): 0.09 (0.11:2023/24) and Annual Injury Incidence Rate (AIIR) 222 (303:2023/24). By comparison, the construction industry average AIIR is 306 (296:2023/24) and the Home Builders Federation AIIR is 223 (201:2023/24).

Systematic reviews of our AIIR performance have informed an improvement plan, producing clear, positive outcomes. We remain fully committed to our Health, Safety and Environment Five-Year Strategy and Vision (2022–26).

INTEGRATED MANAGEMENT SYSTEM

Hill's Integrated Management System (IMS), fully aligned with ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and ISO 50001:2018 standards, ensures exceptional quality management, minimises environmental impact, maximises energy efficiency, and upholds rigorous health and safety standards. This standardised framework delivers robust governance across all our sites and offices, empowering our teams with reliable performance tracking, effective risk mitigation, and a commitment to continuous improvement across all sites and offices.

Our Digital Transformation Strategy is designed to give our teams a decisive edge, providing real-time data and advanced software solutions that enable smarter, faster decision-making. To ensure ongoing excellence, the IMS undergoes annual certification reviews and internal audits as well as monthly site inspections by independent third parties, giving us confidence in our consistent compliance and proactive risk management. During the reporting period, no environmental prosecutions were received or are pending.

BEING A CONSIDERATE CONSTRUCTOR

We prioritise the wellbeing of our people, supply chain, and neighbours through Construction Environmental Management Plans (CEMPs) and the Considerate Constructors Scheme, achieving an average score of 43/45, above the industry average of 40/45. Notably, our Lampton Parkside project in Hounslow has consistently achieved a perfect score of 45/45 across five visits, with one visit achieving an 'Outstanding' score of 46.



Fun with face painting at the Teviot Festival.

MODERN SLAVERY AND HUMAN TRAFFICKING RISK

We use Constructionline to pre-qualify our supply chain, ensuring companies with a turnover of over £36 million comply with the Modern Slavery Act. All employees are mandated to complete modern slavery e-learning courses, and our compliance statement is published at **Modern Slavery and Human Trafficking**.

RESPONSIBLE PROCUREMENT

Our **Sustainable Procurement Policy** and use of Constructionline help manage ESG risks, including the net zero transition. We are building a skilled, integrated supply chain with 84% (2023:83%) of our suppliers being local SMEs, supporting the UK economy and a **just transition**. Regular regional 'Meet the Buyer' events help develop supply chain capacity.

As we grow, we provide suppliers a stable pipeline of projects, supporting their resilience in a challenging economic environment. Longstanding partnerships, many over a decade, are central to our approach, and we are fully invested in prompt payment.

Our biennial Supply Chain Awards, most recently in June 2024, recognises partners vital to our business and their contributions to customer service, skills, diversity, sustainability, and social value.





Our 2025 graduate trainee intake.

An inclusive approach

PEOPLE AND CULTURE

At Hill, we are proud to be building a more responsible, sustainable, and inclusive future – not only through the homes we create, but through the way we support and develop our people.

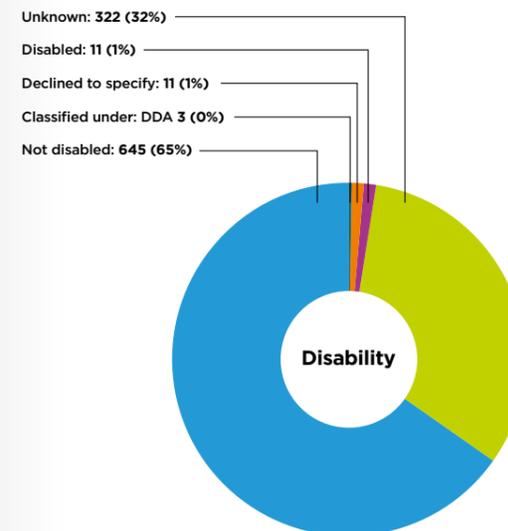
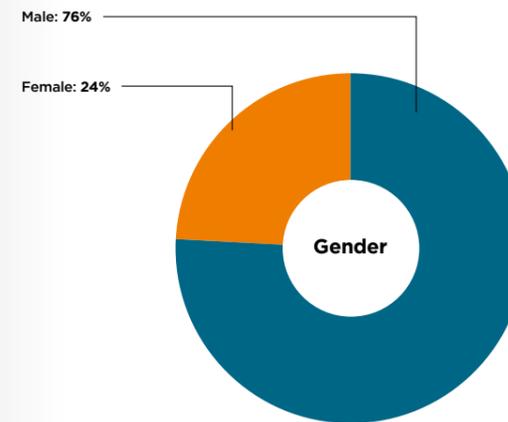
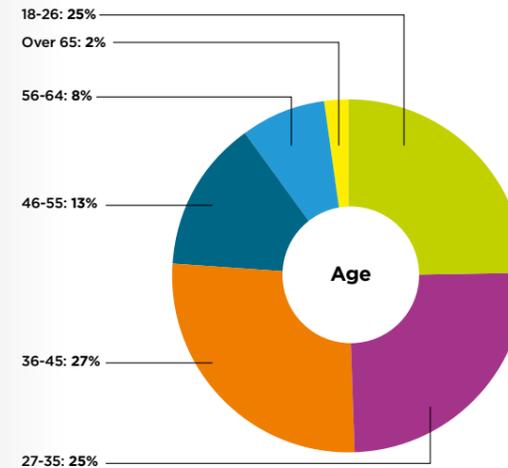
As a corporate sponsor of The Lighthouse Club, we're committed to improving wellbeing in the construction sector. Our partnership includes active support for the Help Inside the Hard Hat campaign and complements our network of 45 trained Mental Health First Aiders who champion employee mental health across the business.

We're equally committed to inclusivity and opportunity for all. Our Equality, Diversity and Inclusion (EDI) Policy and 2023–25 strategy are helping us create a workforce that better reflects the communities we serve. We are committed supporters of national initiatives, including Women into Homebuilding, the Armed Forces Covenant,

the Age Friendly Pledge, and Disability Confident, each helping us attract and retain a more diverse and representative workforce.

We entered the Social Mobility Employer Index for the first time this year and ranked at 52 within the Top 75, joining a movement that champions the vital role and value of social mobility in the workplace. At Hill, we are dedicated to creating a workplace where everyone can thrive, and we are proud to be recognised for building an inclusive culture within our business.

While our age, gender, and ethnicity profiles currently reflect industry norms, we recognise that more must be done. That's why we continue to take meaningful steps to diversify our people and our supply chain, in support of a just transition. Read our latest [Gender Pay Gap report](#).



TRAINING RESPONSIBLY

Our ongoing investment in Team Hill has seen us grow to over 980 employees (860:2023). More than 25% of our current workforce has progressed through our Future Talent Programme, many now holding senior manager and director roles. This is a clear demonstration of our commitment to social mobility, supporting lifelong learning and meaningful work opportunities in partnership with organisations such as the Home Builders Federation (HBF).

Every new team member is welcomed through a comprehensive induction into The Hill Way, which includes ESG training and a suite of mandatory courses. These cover key topics such as:

- Equality, Diversity and Inclusion
- Modern Slavery and Human Trafficking
- Resource and Environmental Management
- Business Data and Cyber Security
- Sexual Harassment Prevention

Training at Hill is guided by our Values: Ambition, Collaboration, Agility and Impact. These values are embedded into our Powerhouse of Learning e-learning platform and supported by an ESG skills needs analysis that informs every employee's personalised ESG training plan.

We also invest in our wider industry. Through the Supply Chain Sustainability School (SCSS), 208 of our supply chain partners accessed training resources – equivalent to £155,920 in value. We host regular supply chain events to help our partners upskill and embed sustainable best practices.

To celebrate those going above and beyond, our bi-annual Values in Action Awards recognises outstanding contributions to sustainability and ethical practice. These achievements are showcased at our company update meetings and in our quarterly employee magazine, alongside stories of social value, volunteering, and community outreach.



Future proofing

PUTTING OUR CUSTOMERS' NEEDS FIRST

We are dedicated to delivering exceptional homes and sustainable communities, demonstrated by our eighth consecutive year achieving 5-star HBF and NHBC ratings, with over 95% customer satisfaction. Hill also holds an industry-leading Trustpilot score of 4.8 out of 5 and a 4 out of 5 rating on HomeViews, positioning us as their top-rated developer, based on verified resident reviews. These accolades reflect the consistent quality, care, and attention to detail that define every Hill development.

Committed to creating sustainable, high-quality homes that stand the test of time – for today's customers and future generations.

DRIVING INNOVATION

The Building Safety Act (BSA) 2022 has introduced new regulatory requirements, reshaping how we work with our supply chains and making sure that safety standards are consistently maintained throughout every stage of the construction process. We actively liaise with the building safety regulator, statutory bodies and industry to share, define best practice and refine our approach to preparing submissions. These efforts reflect our commitment to leaving a positive legacy for future generations of residents.

Our building information models (BIM) delivery and digital tools continue to evolve, with most clients now requiring BIM and COBie asset registers. The Golden Thread concept from the BSA continues to influence our procedures, leading to the implementation of a new site Quality Management System across projects. This approach enhances greater engagement, improved delivery for clients, and alignment with ISO 19650 compliance.



Inside the Volumetric factory.



Hill has a long-standing reputation as an innovator in MMC, and as a top 10 housebuilder, we are committed to staying at the forefront of sustainable construction methods.



Inside the Volumetric factory.



EMPLOYING MODERN METHODS OF CONSTRUCTION (MMC)

We embrace sustainable construction to support company growth, address the industry-wide skills shortage, and strengthen our ESG strategy. Our Design for Manufacture approach aligns with Homes England's 2021-26 Affordable Homes Programme, meeting the policy requirements. Key examples include Ivy Lane in Oxford, Hengrove Bookends in Bristol and Fosters Estate in London, all achieving a baseline pre-manufactured value (PMV) score of 55%, with projected scores up to 75% at Sawyers Close in Windsor, unlocking additional funding opportunities for our partners.

Our investment in specialist manufacturing business Volumetric Modular Ltd has been repurposed to become a leading deliverer of pods, bathrooms and utility cupboards for use in high rise buildings. This MMC approach provides greater precision and quality control and boosts efficiency, while on-site benefits include faster delivery, reduced traffic and waste, and enhanced insulation and airtightness, leading to long-term energy savings for residents.





Agar Grove, Camden.

NEXTGENERATION SUSTAINABILITY BENCHMARK

We were honoured to receive our first-ever gold award from the NextGeneration Sustainability Benchmark, the leading sustainability assessment system for UK homebuilders. Moving up from fifth to third place overall, this achievement reflects our ongoing commitment to building responsibly and sustainably, consolidating our position as the highest-ranked private housebuilder, a title we have proudly held for the past four years.

The benchmark evaluates performance across 15 key sustainability metrics. We're proud to have met or exceeded the industry average in all areas, with standout results in futureproofing, the circular economy, environmental site management and sustainable transport initiatives. This progress reflects the commitment and collaboration of Team Hill, our partners, and supply chain.



Hill has continued to demonstrate its commitment to sustainability, advancing the environmental and social performance of its homes and operations, as evidenced by achieving a gold award in the NextGeneration Benchmark in 2024. Hill is the highest-ranked privately owned homebuilder in the UK with a score of 74, earning an additional five points compared to 2023, and advancing from fifth to third place overall.

Iona Deacon, NextGeneration Initiative Lead, JLL



SUSTAINABILITY LINKED LOAN (SLL)

Since securing the sector's inaugural £220 million SLL in 2021, with Lloyds, NatWest, HSBC UK, and Santander UK, we have made strong progress in meeting the targets, or three of the four linked KPIs as noted. During the reporting period, and in agreement with the banks, we revised two of the KPIs to reflect evolving regulatory and industry standards.

Aligned with our 2030 Roadmap, we monitor a broad set of KPIs linked to 15 of the 17 relevant UN SDGs. Our risk-rated review of 2024 demonstrates solid progress, with most of goals either achieved or on track, reflecting Hill's ongoing commitment to sustainable growth.

- Biodiversity Net Gain: Adjusted to a 2.5% annual improvement instead of the original 5% annual target reflecting the changing mix of sites in our portfolio. We achieved an average of 19% (22.3%:2023) across our portfolio compared to our restated 22.5% target. Whilst slightly below target, we remain well-positioned to achieve the national target of 10%.

- Reducing operational carbon in the homes we produce: This KPI now measures the installation of non-fossil fuel heating sources, with an initial target of 30% and an annual 10% improvement. We achieved a 53% installation of air-source heat pumps, exceeding the target and positioning us ahead of the industry. This strong performance ensures we are well prepared for the FHS.
- Reducing Scope 1 and 2 carbon emissions in our business operations: We achieved a 9% (12%:2023) reduction, surpassing our target of 5%.
- The company's overall sustainability rating, as measured by the NextGeneration sustainability benchmarking of the UK's top housebuilders: We achieved a 7% improvement compared to our 2.5% improvement target.



Knights Park, Cambridge.



JARGON GARDEN:
See page 40 for definitions and acronyms.



Jargon Garden

There are lots of terms and acronyms specific to our industry. We've put together this handy glossary to give you more information about what we are referring to throughout this report.

TERM	DEFINITION
Active Homes	An Active House is a vision of buildings that create healthier and more comfortable lives for their occupants without impacting negatively on the climate – moving us towards a cleaner, healthier and safer world.
Apprenticeship Levy	The Apprenticeship Levy is a tax inherited by the UK government in 2017 where employers with an annual pay bill of more than £3m are charged a levy of 0.5% which can be used by employers to buy apprenticeship training for employees of all ages and levels.
Biodiversity Net Gain (BNG)	BNG is an approach to development. It makes sure that habitats for wildlife are left in a measurably better state than they were before the development. In England, BNG is mandatory under Schedule 7A of the Town and Country Planning Act 1990 (as inserted by Schedule 14 of the Environment Act 2021). Developers must deliver a BNG of 10%. This means a development will result in more or better-quality natural habitat than there was before development. There are three ways a developer can achieve BNG: 1. They can create biodiversity on-site (within the red line boundary of a development site). 2. If developers cannot achieve all of their BNG on-site, they can deliver through a mixture of on-site and off-site. Developers can either make off-site biodiversity gains on their own land outside the development site or buy off-site biodiversity units on the market. 3. If developers cannot achieve on-site or off-site BNG, they must buy statutory biodiversity credits from the government. This should be a last resort. The government will use the revenue to invest in habitat creation in England.
Blue infrastructure	Blue infrastructure refers to water features, including ponds, lakes, streams, rivers and storm water provision swales, raingardens, wetlands and canals and their banks.
Brown, green and blue roofs	In the case of brown roofs, the rooftop surface is covered with a layer of substrate, which will heat and dry up. Brown roofs are the best way of replicating exactly the wild urban spaces that are found at ground level and similar plants will colonise the area. In the case of a green roof, the surface is covered with dense vegetation layer to provide shade and reduce temperatures of the roof surface and surrounding air. A blue roof stores the water or restricts the speed at which it can run off. The water can be 'harvested' and used to irrigate a green roof or for flushing toilets in the building below. This reduces demand on the mains water supply. Like green roofs, blue roofs can also be used to cool urban environments.
Brownfields	Previously Developed Land or land which is or was occupied by a permanent structure. For example, factories, office buildings, or any location that was once a work site.
Building for a Healthy Life (BHL)	Building for a Healthy Life (BHL) updates England's most widely known and most widely used design tool for creating places that are better for people and nature. The original 12-point structure and underlying principles within are at the heart of BHL.
Building Safety Act 2022	The Building Safety Act 2022 is a legislative response to the Grenfell Tower tragedy in 2017, aimed at ensuring the safety of residential buildings. It introduces new processes for addressing fire and structural risks in both new and existing buildings. Among its key changes are the establishment of clear responsibilities for building owners, developers, and managers regarding fire safety, as well as the creation of a Building Safety Regulator to oversee compliance.
The Building Regulations Approved Document F: 'Ventilation'	Sets out the minimum standards for ventilation in buildings in England and Wales. It is designed to ensure that buildings have adequate ventilation to prevent condensation, dampness, and mould growth, and to provide fresh air to occupants.
The Building Regulations Approved Document L: 'Conservation of fuel and power'	Sets out the minimum standards for energy efficiency in buildings in England and Wales. It is designed to reduce the energy consumption of buildings and to help to combat climate change.
The Building Regulations Approved Document O: 'Overheating'	Sets out the minimum standards for preventing overheating in buildings in England and Wales. It is designed to ensure that buildings are comfortable to live and work in, even during hot weather.
The Building Regulations Approved Document G: 'Sanitation, hot water safety and water efficiency'	Sets out the minimum standards for sanitation, hot water safety and water efficiency in buildings in England and Wales. It is designed to ensure that buildings are safe and healthy to use, and that they are water efficient.
The Building Regulations Approved Document Z: 'Whole Life Carbon assessments'	Sets out the minimum standards for whole-life carbon assessments in buildings in England and Wales. It is designed to reduce the carbon footprint of buildings throughout their entire life cycle.
Carbon intensity	The carbon intensity of electricity is a measure of how much CO ₂ emissions are produced per kilowatt hour of electricity consumed.
Care Leavers / Care Experienced	An individual who has spent time in the care system as a child (under 18). This could be with a foster family, children's home or supported housing.
Community Infrastructure Levy (CIL)	The Community Infrastructure Levy - GOV.UK (www.gov.uk) is a charge which can be levied by local authorities on new development in their area. It is an important tool for local authorities to use to help them deliver the infrastructure needed to support development in their area. The levy only applies in areas where a local authority has consulted on, and approved, a charging schedule which sets out its levy rates and has published the schedule on its website.
Circular economy	The circular economy is a system where materials never become waste and nature is regenerated. In a circular economy, products and materials are kept in circulation through processes like maintenance, reuse, refurbishment, remanufacture, recycling, and composting.
Considerate Constructors Scheme	The Scheme is an independently managed, not-for-profit organisation that works side-by-side with the construction industry and the public to raise standards and build trust. They promote and support improvement in the way construction activity impacts the community, the environment and its workforce.
Construction, Operation, Building Information Exchange (COBie)	COBie is a non-proprietary data format for the publication of a subset of building information models (BIM) focused on delivering asset data as distinct from geometric information.
Constructionline	Constructionline is a leading online platform in the UK construction industry. It serves as a centralised hub for contractors, suppliers, and consultants to connect with potential clients. By providing a database of pre-qualified professionals, Constructionline streamlines the procurement process for clients and helps contractors showcase their expertise and capabilities.
DEFRA conversion factors	The DEFRA Conversion Factors are numerical values used to convert measurements of various activities or substances into equivalent measurements of greenhouse gas emissions. These factors are published by the UK's Department for Environment, Food & Rural Affairs (DEFRA) and are essential for organisations to accurately calculate and report their greenhouse gas emissions.

TERM	DEFINITION
Double Materiality Review	A double materiality review is a process used in environmental, social, and governance (ESG) reporting to assess the significance of an issue from both a financial and a non-financial perspective. This involves considering how an issue can impact the company's financial performance, its reputation, social and environmental impact. By conducting a double materiality review, companies can identify the most critical ESG issues that need to be addressed to ensure long-term sustainability and value creation.
Energy Service Companies (ESCO)	An energy service company (ESCO) is a company that provides a broad range of energy solutions including designs and implementation of energy savings projects, retrofitting, energy conservation, energy infrastructure outsourcing, power generation, energy supply, and risk management.
Environment Act 2021	An Act to make provision about targets, plans, and policies for improving the natural environment. Under this Act, all planning permissions granted in England (with a few exemptions) except for small sites will have to deliver at least 10% BNG from 12 February 2024. BNG is required for small sites from 2 April 2024.
Fabric-first standard	The 'fabric first' approach prioritises the energy efficiency of a property right from conception, at the start of the design and development process, as opposed to considering it as an afterthought or 'add-on' to ensure properties meet building requirements.
Future Homes Hub	The <i>Future Homes Hub</i> (FHH) is a platform that provides information and resources related to the Future Homes Standard. In September 2020, the Future Homes Task Force was set up to develop a long-term delivery plan for the sector in line with the Government's legally binding net zero and wider environmental targets. The Delivery Plan is divided into four areas with a goal and roadmap for each area.
Future Homes Standard	In 2025, compliance with the <i>Future Homes Standard</i> (FHS) will become mandatory. Its aim is to ensure that new homes built from 2025 will produce 75-80% less carbon emissions than homes built under the current Building Regulations.
Green biofuels	HVO renewable diesel is a direct replacement for red and white diesel, made for use in on and off-road vehicles and machinery. Derived from certified sustainable raw materials, HVO cuts up to 90% of net CO ₂ emissions.
Green infrastructure	A Green Infrastructure network can include street trees, green roofs/walls, parks, private gardens, allotments, sustainable drainage systems, through to wildlife areas, woodlands, wetlands, and natural flood management functioning at local and landscape scale.
Green Belt	Green belts are a buffer between towns, and between town and countryside. There are 14 areas of green belt in England and one in Wales. A green belt designation is a planning tool, and the fundamental aim of green belt policy is to prevent urban sprawl by keeping land permanently undeveloped. The NPPF lists the five purposes of the green belt as follows: <ol style="list-style-type: none"> To check the unrestricted sprawl of large built-up areas To prevent neighbouring towns merging into one another To assist in safeguarding the countryside from encroachment To preserve the setting and special character of historic towns To assist in urban regeneration, by encouraging the recycling of derelict and other urban land
Greenfield	Land which has not been developed.
Grey Belt	The National Planning Policy Framework (NPPF) defines 'grey belt' as land within the green belt that includes previously developed areas and those that contribute only a little to the green belt's purpose. However, it excludes land with significant environmental importance.
Grey infrastructure	Grey infrastructure is energy and heat networks.
Integrated Management System (IMS)	An integrated management system consolidates multiple management systems to allow for a more streamlined and efficient process within an organisation. This includes ISO 9001:2015 (Quality Management), ISO 14001:2015 (Environmental Management), ISO 50001:2018 (Energy Management) and ISO 19650 (Building Information Modelling).
Just transition	Just-transition is a vision-led, unifying and place-based set of principles, processes and practices that build economic and political power to shift from an extractive economy to a regenerative economy.
Modern Methods of Construction (MMC)	Modern methods of construction is a process which focuses on off-site construction techniques, such as mass production and factory assembly, as alternatives to traditional building. MMC can be employed to create whole homes using factory-built modules or may be used to speed up particular techniques, through innovative working processes. This approach provides benefits by speeding up delivery, reducing labour costs, eliminating unnecessary waste, and improving quality.
Net zero pathway	In 2015, world leaders signed on to a bold and necessary vision: a collective agreement to limit global warming to well below 2°C above pre-industrial levels, and pursue efforts to limit it to 1.5°C. To achieve this, net zero pathways are fundamental – a strategic plan outlining the steps necessary for an organisation, country, or region to achieve net zero greenhouse gas emissions. This means balancing emissions with removals, effectively reducing the overall carbon footprint to zero.
NextGeneration	NextGen <i>Benchmark - Next Generation (nextgeneration-initiative.co.uk)</i> is the annual sustainability benchmark for the UK's largest (publicly-listed and privately-owned) top 25 homebuilders. The benchmark is made up of over 60 criteria, across 15 sections, covering the full ESG spectrum. These criteria require companies to go beyond regulation and achieve industry best practice.
Nutrient neutrality	Nutrient neutrality requires that new housing developments in certain areas should not add more 'nutrient pollution' to the water catchment. It applies only to new housing developments in areas with protected habitats sites that are already in 'unfavourable condition' (due to nutrient pollution).
Offsetting protocols	Offsetting protocols are sets of rules and standards that govern the process of carbon offsetting (and increasingly BNG and water). They provide a framework for quantifying, verifying, and certifying emissions reductions or removals to offset greenhouse gas emissions from another source. Offsetting is a process of neutralizing or compensating for greenhouse gas emissions by purchasing carbon credits. These credits represent verified reductions or removals of greenhouse gases elsewhere.
Passivhaus-certified	Passivhaus certified is a rigorous standard for building design and construction that emphasises energy efficiency and low environmental impact. Buildings that achieve Passivhaus certification are designed to minimise energy consumption for heating and cooling, while maintaining a high level of comfort.
Post-Occupancy Evaluation (POE)	Post-Occupancy Evaluation (POE) is a systematic process of assessing a building's performance after it has been occupied. It involves collecting data and feedback from building occupants to evaluate how well the building meets their needs and expectations.
Pre-manufactured value (PMV)	PMV is a measure of the extent of offsite construction used on a project. A project that is predominantly of traditional construction will have a low PMV, whereas a modular construction project would be likely to have a high PMV.

TERM	DEFINITION
Public realm	Any publicly owned streets, pathways, right of ways, parks, publicly accessible open spaces and any public and civic building and facilities.
ROTL	Released on Temporary Licence allows prisoners to be released from prison for a short period of time to take part in paid or unpaid work.
S106	A Section 106 is a legal agreement between an applicant seeking planning permission and the local planning authority, which is used to mitigate the impact of a new home on the local community and infrastructure.
Science Based Targets initiatives (SBTI)	A global partnership between numerous organisations that have developed a framework to link business carbon reduction targets to actual climate science and global reduction commitments. This methodology disaggregates the emissions reductions required for a company by the sector they operate in.
Scope 1 emissions	Scope 1 covers emissions from sources that an organisation owns or controls directly – for example from burning fuel on site or our fleet of vehicles.
Scope 2 emissions	Scope 2 are emissions that a company causes indirectly and come from where the energy it purchases and uses is produced. For example, the emissions caused when generating the electricity that we use in our buildings and sites would fall into this category.
Scope 3 emissions	Scope 3 encompasses emissions that are not produced by the company itself and are not the result of activities from assets owned or controlled by them, but by those that it's indirectly responsible for up and down its value chain. An example of this is when we buy, use, and dispose of products from suppliers
SME and micro-enterprises	An SME is any organisation that has fewer than 250 employees and a turnover of less than £50 million or a balance sheet total less than £43 million. Micro-enterprises are a subset of SMEs, typically defined as businesses with a very small number of employees (usually fewer than 10) and a low annual turnover.
Social Enterprises	A business designed to achieve specific social objectives as its primary purpose. Social enterprises strive to maximise profits whilst also maximising positive impacts on society and the environment.
Streamlined Energy Carbon Reporting (SECR)	SECR is a UK government initiative designed to simplify and standardise the reporting of energy and carbon data for large businesses and public sector organisations. The goal of SECR is to improve transparency and accountability in energy use and emissions, and to drive energy efficiency and carbon reduction. This includes reporting on scope 1, 2 and 3 emissions. This is submitted to Companies House each year.
Sustainable Linked Loan	Sustainability Linked Loans (SLLs) are a type of loan facility where the interest rate is tied to a borrower's performance against pre-determined sustainability targets. This incentivises companies to adopt more sustainable practices and reduce their environmental impact.
Sustainable Urban Drainage Systems (SUDS)	By mimicking natural drainage regimes, SUDS aim to reduce surface water flooding, improve water quality, and enhance the amenity and biodiversity value of the environment. They lower flow rates, increase water storage capacity and reduce the transport of pollution to the water environment. The need for SUDs is likely to increase to meet environmental challenges such as climate change and population growth.
Task Force on Climate-related Financial Disclosure (TCFD)	TCFD has become a mandatory (since November 2021) for companies of more than 500-person and revenue of more than £500m to report and meet the TCFD recommendations requirements. Given Climate Change represents significant final risk to global societies, accordingly financial markets need clear, comprehensive, high-quality information on the impacts of climate change. This includes the risks and opportunities presented by rising temperatures, climate-related policy, and emerging technologies in our changing world.
Task Force on Nature-related Financial Disclosure (TNFD)	TNFD was established in 2021 in response to the growing need to factor nature into financial and business decisions. TNFD aligns with TCFD with the mission to develop and deliver a risk management and disclosure framework for organisations to report and act on evolving nature-related risks and opportunities, with the ultimate aim of supporting a shift in global financial flows away from nature-negative outcomes and towards nature-positive outcomes. The first mandated reporting is anticipated for 2025.
The National Planning Policy Framework* (NPPF)	Sets out government's planning policies for England and how these are expected to be applied. It is essentially a document which acts as the rulebook for planning. It advises local planning authorities (LPAs, usually district or county councils) and developers on what they can and cannot do when planning developments.
The Standard Assessment Procedure (SAP)	SAP ratings are required as part of Building Regulations (Part L) and show the energy performance of a property on a scale of 1 to 100, with A to G categories within this scale.
Transition Plan Taskforce (TPT)	TPT is a UK initiative, launched by HM Treasury in March 2022, that aims to develop good practice for transition plan disclosures for finance and the real economy, in order to support the UK's legally binding net zero and climate resilience goals.
Supply Chain Sustainability School (SCSS)	Launched in 2012, the Supply Chain Sustainability School is an award-winning virtual learning platform around sustainability, with the aim to upskill those working within, or aspiring to work within, the built environment sector.
United Nations Sustainable Development Goals (UN SDGs)	The SDGs were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity. The 17 SDGs are integrated – they recognise that action in one area will affect outcomes in others, and that development must balance social, economic, and environmental sustainability.
Urban Greening Factors	The Urban Greening Factor (UGF) is a tool to evaluate the quality and quantity of urban greening. It enables major developments to demonstrate how they have included urban greening as a fundamental element of site and building design in order to meet London Plan Policy G5 Urban Greening.
Urban heat island effect	Heat islands are urbanised areas that experience higher temperatures than outlying areas. Structures such as buildings, roads, and other infrastructure absorb and re-emit the sun's heat more than natural landscapes such as forests and water bodies. Urban areas, where these structures are highly concentrated and greenery is limited, become 'islands' of higher temperatures relative to outlying areas.
Water neutrality	Water neutrality is defined as development that takes place which does not increase the rate of water abstraction for drinking water supplies above existing levels. Water neutrality has impacts for the Local Plan, Neighbourhood Plans and Development Management.
Whole life carbon (WLC)	WLC emissions account for the carbon footprint of a building throughout its entire lifespan, including the materials used, construction processes, operational energy consumption, and end-of-life disposal.



Sustainable affordable homes at Orchard Park, Cambridge Investment Partnership.

INDEPENDENT ASSURANCE REPORT

Introduction and objectives of work

RPS Consulting Services Limited (RPS) was engaged by The Hill Group, "Hill" to provide assurance of sustainability data and information supporting four Key Performance Indicators (KPIs). The objective is to provide assurance to Hill, stakeholders, and investors of Hill.

Scope of work

The boundaries of the assurance process included the following information from Hill's head office and active development projects covering the reporting period 1 April 2024 to 31 March 2025:

- Review how Hill addresses Inclusivity, Materiality, Responsiveness and Impact in its business practices.
- Validation of performance measures used to inform the four KPIs. This includes:
 - Performance of KPIs in 2024-25 compared to the previous year (2023-24).
 - Reported Scope 1 and 2 greenhouse gas (GHG) emissions for 2024-25.
 - Delivery of homes with air-source heat pumps, compared to homes with gas boilers, Combined Heat and Power (CHP) and/or district heating connection.
 - Average BNG across developments that gained planning permission in 2024-25.
 - NextGeneration Initiative Benchmark 2024 performance.
- Undertake limited assurance of GHG emissions processes of the following, in accordance with the requirements of ISO 14064 – part 3 standard:
 - Scope 1 (gas, diesel, other fuels, company-owned vehicles).
 - Scope 2 (electricity, location-based).

Limitations do apply. Please refer to the full assurance statement on the Hill website.

Assessment standard

RPS undertook the assurance in accordance with AA1000AS v3 (2020) Type 2 moderate-level assurance.

Adherence to AA1000 assurance principles

- Inclusivity:** People should have a say in the decisions that impact them.
- Hill undertakes a comprehensive review to identify its key stakeholders and engages with them in line with the Community Engagement Policy. Hill published feedback from stakeholders in their most recent Double Materiality Assessment in May 2023. For internal stakeholders, there is an Equality, Diversity, and Inclusion Policy in place.

Materiality: Decision makers should identify and be clear about the sustainability topics that matter.

- In the May 2023 Double Materiality Assessment, the topics were assessed to be most material based on survey feedback from internal and external stakeholders.

Responsiveness: Organisations should act transparently on material sustainability topics and their related impacts.

- The outcomes of the Double Materiality Review were published in the 2023-24 ESG Report and aid in informing the ESG pillars and the **2030 Net Zero pathways roadmap**.

Impact: Organisations should monitor, measure and be accountable for how their actions affect their broader ecosystems.

- Hill has published information on ESG issues in its ESG Reports to date. The report is structured in line with the Environmental, Social Value and Governance pillars and presents how Hill is performing against their objectives. The information within the ESG report has been subject to third party limited assurance.

Verified Performance Data	
2024 Scope 1 and 2 GHG emissions reduction compared to 2023	8.8% reduction
Air-Source Heat Pump Installation Target in homes delivered	85
Average BNG for sites that gained planning permission in 2024	22.3%
NextGeneration Initiative Benchmark 2024 performance score	74 final score (+7% from 2023)

Conclusion

Nothing has come to our attention that causes us not to believe that, in all material aspects, Hill's sustainability data and information supporting the four KPIs provided in the table above and wider business practices do not adhere to the AA1000 Principles. No material errors were identified during the assurance process.

Independence and competencies

RPS is an independent licenced provider of sustainability assurance services. Assurance has been managed by Tanya Lloyd Jones, Director, who has over 20 years' experience in producing and verifying environmental, sustainability and GHG information. Tanya is a Chartered Environmentalist and Member of the Institute of Environmental Management and Assessment (IEMA). RPS confirms that there is no conflict of interest with the parties collecting activity data. This assurance has been undertaken independently.

Tanya Lloyd Jones, MA (Oxon), MSc, MIEMA, CEnv.
Director – Sustainability at RPS Consulting UK & Ireland

23 June 2025



CONTACTS

Head Office

The Power House
Gunpowder Mill
Powdermill Lane
Waltham Abbey
Essex
EN9 1BN
020 8527 1400

Email

recruitment@hill.co.uk
land@hill.co.uk
sales@hill.co.uk
info@hill.co.uk

Cambridge Office

The Courtyard
Abbey Barns
Duxford Road
Ickleton
Cambridgeshire
CB10 1SX
01223 792700

Crawley Office

Westfield House
Bonnetts Lane
Crawley
West Sussex
RH11 0NY
01293 572260

Abingdon Office

Suite A
Windrush Court
Abingdon Business Park
Abingdon
Oxfordshire
OX14 1SY
01869 360123

Bristol Office

Origin Workspace
40 Berkeley Square
Bristol
BS8 1HP
020 8527 1400

This publication has been printed on Amadeus Silk, an FSC® certified paper from responsible sources by Pureprint, a CarbonNeutral® company with FSC® chain of custody and an ISO 14001 certified environmental management system diverting 100% of dry waste from landfill. The paper has been balanced with the World Land Trust, an international conservation charity, who offset carbon emissions through the purchase and preservation of high conservation value land.



Over half our new homes are 'zero carbon ready', reflecting our leadership in sustainable housebuilding and commitment to a low-carbon future.

Marleigh Park, Cambridge.

hill.co.uk