

Sustainable procurement policy



Our vision is to be the UK's leading, most trusted housebuilder, creating exceptional homes and sustainable communities. To achieve this, we have developed an Environmental, Social and Governance (ESG) strategy that is central to business planning and underpins company culture and values. Safeguarding the environment is a key theme within our ESG strategy; we have a responsibility to use sustainable resources and materials from the outset and continue to develop supply chain capacity, innovation and resilience.

We have reset our Sustainability Leadership Group (SLG) and its focus groups to operationalise our first Double-Materiality Review findings, and the resulting Principal ESG Risks and Uncertainties. These outcomes have informed our ESG pillars and the integrated 2030 net-zero pathways Roadmap (2030 Roadmap), and in the short-term compliance with the emerging 2025 Future Homes Standard (FHS). This policy also informs our just transition statement and annual improvement plans.

This policy is to be read in conjunction with the 2030 Roadmap that sets out milestones to become a net zero company by 2030 and specific objectives regarding the supply chain. Our 2030 Roadmap and associated objectives are steered by the FHS Framework, which requires places and developments to be low carbon, nature-rich, healthy, well designed, and beautiful.

Our Objectives:

- Complying with relevant legislation. This is in alignment with Sustainable Development Goal 12 (responsible production and consumption), to ensure minimisation of environmental and social impacts of the materials, services and labour within our operations and supply chain.
- At Hill, we strive to maintain long-term relationships with our suppliers, and we will work with them to ensure that they understand our needs and deliver the correct goods and services when required. We will also provide training and support to our suppliers to help them improve their performance and meet our standards. We have implemented a subcontractor minimum standards procedure (via Constructionline), to ensure that environmental and ethical factors are considered when making procurement decisions.
- We work closely with our supply chain partners to minimize any negative impacts on people and the environment, while also seeking to maximize the socio-economic benefits resulting from our procurement decisions.
- To minimise the overall amount of energy consumption and environmental impact across our developments.

Our Policy:

The key elements of our Policy to suppliers and subcontractors are:

- Compliant with Hill's Anti Bribery & Corruption, Equal Diversity and Inclusion, Health & Safety, Modern Slavery, Social Value, and sustainability related policies, and relevant ISO9001 and 14001 management systems.
- Meeting UK legislation including but not limited to the Modern Slavery Act 2015.
- Ensuring timber and products are sustainably sourced with FSC/PEFC Chain of Custody Certification.
- Procuring materials compliant with the BES6001 Responsible Sourcing Standard.
- Sourcing Environmental Product Declarations (EPDs).
- Encouraging the payment of the relevant local living wage.

Our bidding processes for major procurements remain open and fair, ensuring we obtain the best possible value for money. We will ensure that all our suppliers adhere to our ethical standards, and we require them to demonstrate their compliance with all relevant laws and regulations, assessing them on their qualifications, experience, capacity, and financial stability. The most suitable suppliers based on these criteria are then selected.

Our procurement policy is reviewed and updated regularly to ensure that it reflects our latest developments in best practice, and we strongly encourage our suppliers to provide feedback on our procurement processes, enabling us to continually improve our policies and practices.

Governance: To reflect priorities of Hill and our stakeholders, this policy will be periodically reviewed by the SLG Focus Groups and amended or revised where appropriate. This policy is shared and communicated to stakeholders and is available on our website.