# Environmental, Social & Governance (ESG) Policy Statement

## March 2026

**Next review date: March 2027**

**ESG at Hargreaves**

ESG within Hargreaves refers to the framework that help us make commercial and operational decisions that are responsible, sustainable and aligned to our business goals. Hargreaves measures and manages the sustainability and societal impact of our business as follows:

**Environmental:** Monitors and reports how the Group controls and improves its impact on the environment.

**Social:** Examines how the Group manages its relationship with employees, suppliers, and communities.

**Governance:** Controls and monitors how the Group deals with its leadership, internal controls, risk management, regulatory compliance, and shareholder communications.

## Environmental

Hargreaves recognises the potential impact of its activities on the environment. The Group is committed to demonstrating its environmental performance following relevant legislation through robust measuring systems and appropriate goal setting, tracking, and reporting basis.

The Group has embedded ESG as a critical component of its Inspire, Excellence to Win strategy. With ESG playing a key role in both attracting, engaging and retaining staff and also winning and retaining quality clients. Each work stream has its own working group who are made up of representatives from across the company's business units to ensure collaborative action, and include the Chief People Officer and Chief Executive Officer . Each Business Unit has appropriate implementation plans in situ, which are cascaded into operational deliverables.

**Climate Change Assessment**

Each business unit undertakes an annual risk assessment of the impact of climate change and embeds this into the risk register.

Climate change mitigation is reviewed by the Chief Financial Officer and changes and polices are implemented where necessary and forms part of the Group's overall Risks Management processes.

**Net Zero**

The Group has developed and published a Net Zero Plan, updated annually , which conveys the Group's commitment to deliver Net Zero from corporate emissions by 2030 and all emissions by 2050. The Plan is publicly available via the Company's website (www.hsgplc.co.uk) and aligns with UK government legislation and what is both technologically and economically feasible.

The Group is working to further reduce carbon emissions by reviewing energy production and consumption to identify suitable opportunities for carbon reduction. This is an on-going area of work.

As an operator of a logistics fleet and plant machinery, reducing vehicle emissions is a key consideration for Hargreaves. The Group is exploring new technologies and green-fuel-based options to reduce dependency on fossil fuels and enhance efficiencies, investments include electric excavators and bio-gas trucks, which have been deployed.

Furthermore, the Group continues to offer clients the option to use HVO/alternative powered HGV fleet where practical and several long-term service contracts are now in place on this basis. Additionally, the Group is exploring behavior based initiatives to reduce emissions where possible in advance of any change to alternative fuels.

As a master developer of large-scale sites, Hargreaves Land continues to embed sustainability principles in all its new developments, from design stage through to completion, with due consideration to future societal use. Wherever applicable, new schemes incorporate renewable technologies, and developments will be designed to achieve BREEAM status and EPC Sustainability Principles, subject to individual occupiers' requirements.

Hargreaves Land is increasingly engaged in the delivery of renewable energy projects, which include the development of wind farms and battery storage facilities, the Company is acting as lead enabler on numerous UK sites. Additionally, the Group has planted thousands of trees on Company-owned land, with more planned through 2026 and beyond.

Through its Environmental Services business, the Group has successfully rejuvenated extensive landscapes, facilitating biodiversity and returning fauna and wildlife to acres of countryside.

Employees' vehicle emissions are reduced where possible with hybrid/remote working and the use of digital communications for meetings to reduce unnecessary travel. The range of electric vehicles (EVs) and hybrid vehicles (HVs) made available to company car users has been extended, and there is a steady increase in the uptake of salary sacrifice scheme-based EVs with EV charging points available for use on most major sites. Hargreaves are in the process of introducing a CO2 cap on Company cars which will further reduce the overall Group emissions.

### Waste Reduction

The Group embraces and promotes the five steps of the Waste Hierarchy to reduce waste and reduce waste to landfill. All office-based facilities must recycle paper, card, plastic, glass and aluminum. New systems have been implemented to enable the recycling of food waste. Where possible, IT hardware such as laptops and mobile phones are reallocated when an individual starts/leaves the business or recycled at the end of life. The Group is also working to identify suitable ways to recycle and re-purpose PPE.

### Metrics & Targets

The Group currently measures and reports on the Energy Savings Opportunity Scheme (ESOS), Scottish Pollutant Release Inventory (SPRI,) and Streamlined Energy and Carbon Reporting (SECR) framework. Additionally, the Group utilises external non-mandatory sustainability scorecards and frameworks to benchmark against industry standards and identify areas for improvement.

## Social

### Employee Wellbeing

Hargreaves values its people and is committed to supporting employees and to promote a positive work-life balance. To facilitate this, the company provides flexible working opportunities where applicable, and maternity and paternity leave.

At point of recruitment, and whilst in employment, all employees are subject to our Recruitment and Selection Policy, Equal Opportunities Policy, Positive Work Environment Policy, Grievance Procedure Policy, and Further Education Policy. These policies must be strictly adhered to in addition to occupational health screening when appropriate to the role in question.

The Company nurtures promotional opportunities by offering development training, which fosters staff loyalty, bolsters morale, and encourages employee retention.

Hargreaves offers an Employee Assistance Programme which can be accessed free of charge for confidential mental health, physical support and legal advice. Additionally, trained Mental Health First Aiders are in place who act as the first point of contact around the Group.

Employees have access to a confidential whistleblowing helpline, managed by an independent external provider.

Hargreaves work with the Government Apprenticeship Scheme and associated Levy, which helps encourage and support young people in the world of work, as well as welcoming pupils and students for work experience.

**Equality, Diversity & Inclusion**

Hargreaves believes in a fair future for all and everyone has the right to live without fear of prejudice regardless of race, age, gender, disability, sexual orientation, social class, religion and belief.

Hargreaves commits to:

**1.** Encouraging equality, diversity and inclusion in the workplace.

**2.** Creating a working environment free of bullying, harassment, victimisation and unlawful discrimination; promoting dignity and respect for all and fostering an environment where individual differences and the contributions of all staff are recognised and valued.

**3.** Taking complaints of bullying, harassment, victimisation and unlawful discrimination by fellow employees, customers, suppliers, visitors, and the public seriously, and any others in the course of our work activities. Such acts will be dealt with as misconduct under the company's grievance or disciplinary procedures, and appropriate action will be taken.

**4.** Making opportunities for training, development and progress available to all employees, providing help and suitable support to develop employee skills and talents.

**5.** Making decisions concerning employees based on merit (excluding necessary and limited exemptions and exceptions allowed under the Equality Act).

**6.** Reviewing employment practices and procedures when necessary to ensure fairness, updating policies as needed to reflect changes in the law.

**7.** Monitoring the composition of the workforce regarding information such as age, sex, ethnic background, sexual orientation, religion or belief, and disability, and using this information to encourage equality, diversity and inclusion, and meet the aims and commitments set out in the equality, diversity, and inclusion policy.

The Group is conscious of the need to identify and improve the ethnicity and gender split of its workforce. Employment practices continue to be designed to positively change this, which is reflected in the Group's Equal Opportunities Policy.

The Group operates a Recruitment and Selection Policy and an Equal Opportunities Policy and promotes local employment initiatives, recruiting locally wherever possible.

**Social Value**

Hargreaves is proud to support communities, to enable community growth, deliver community benefits and create social value. This is an expanding area of activity within the Group with ongoing investment.

The Group works with customers and supply chain partners to maximise the social, economic and environmental wellbeing of local communities, setting targets, and delivering projects that reflect our social value priorities, ambitions, and goals and is committed to monitoring and reporting on social value delivered by using recognised independent tools such as the National TOMS Framework, as well as internal systems.

**Social Engagement**

Hargreaves believes in teamwork and through its global Corporate Social Responsibility Fund ("CSR Fund"), the Group is committed to supporting a combination of employee sponsorships, charities, and clubs directly linked with employees, and office-based charity events, in addition to enabling our employees to participate in volunteering initiatives within their respective local communities.

Hargreaves holds a gold CSR accreditation that lasts three years and is reviewed annually to ensure the company remains vigilant and proactive to business and legislative changes.

## Governance

Hargreaves is committed to maintaining high standards of corporate governance and previously adopted the Quoted Companies Alliance Corporate Governance Code 2018 ("QCA Code"). During the year, Hargreaves adopted the Quoted Companies Alliance Corporate Governance Code 2023 ("QCA Code").

The Group will endeavor to hold various ISO and other relevant accreditations demonstrating the high standards the Company seeks to achieve.

Following an independent assessment, by Integrum ESG, the Group was awarded an ESG A rating which indicates a good overall approach to ensuring a company acts in line with expected standards for ESG matters.

Hargreaves' ESG Working Group will continue to review the Group's strategy on environmental and social matters and ensure there is a consistent group-wide approach to assessing environmental and social issues, which includes giving due consideration to future strategy regarding climate-related risks, mitigation, and disclosures.

Significant progress has been made in rationalising and improving the accessibility of the Group's key polices in the last twelve months, as the Group recognises the importance of ensuring visibility and understanding of key policies by all members of staff.

The ESG Working Group report quarterly to the Board and is now also featured as a standing agenda item in all Board meetings, giving it more prominence and maintaining awareness of the Group's ESG responsibilities. The Board will continue to develop its governance arrangements in respect of environmental and social matters to comply with relevant legislation and reporting requirements.

**Nigel Halkes - Chair Of the Audit & Risk Committee**

**Simon Hicks**
**Group Chief Executive**

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