



Scotland

Environmental, Social and Governance (ESG) report

Home Group Scotland

2024/25





Introduction

by Bryony Willett,
Director of Scotland

Welcome to our third ESG report

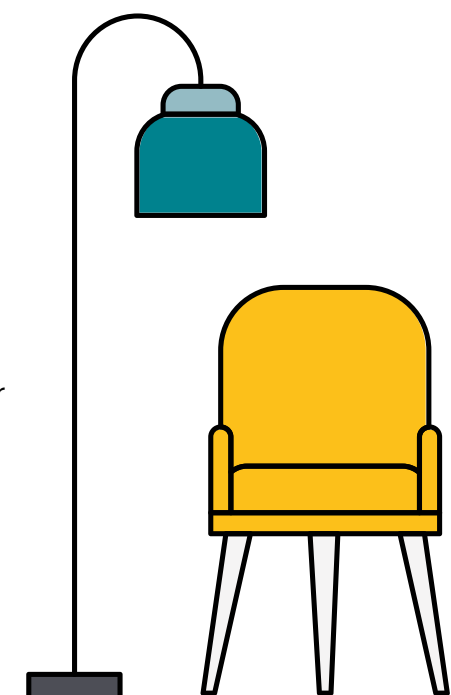
This report outlines the progress we've made across key areas including energy efficiency upgrades, the development of sustainable new homes, support for biodiversity, and reflecting the voice of our customers in all that we do.

We're proud of the steps we've taken so far and are encouraged by the impact we're starting to see. There's still more to do, but we're confident in our direction. We remain committed to working openly and in partnership with others to build on this progress as we continue our ESG journey.

Throughout 2024/25, we continued to deliver against our strategy and business plan. This has also allowed us to support key Scottish Government aims, such as delivering on the urgent need to provide more affordable homes, continuing to work towards helping the Government reach its 2045 net zero target, and continuing to support people most in need.

We seek customers' views on how we deliver our services at Home Group Scotland and this year made a number of changes to what we do and how we do it based on this feedback.

I'm particularly proud of this work and we are already working hard to build on this both now and into the future. It highlights the value customer feedback brings both through our customer engagement and involvement work and also through having two customers on our Board. You'll read more about the changes we have made this year later in this report.



Another particular highlight this year has been the completion of our first retrofit pilot in Dundee. With some financial support from the Scottish Government, we have transformed 14 flats in the city bringing them from EPC C or D to EPC B. Again, you can read more about this work later in this report.

We are now considering future opportunities to improve our existing homes through retrofitting projects.

We have continued to deliver our Customer Promise Assessments this year where trained customers visit other customers' homes and speak to them about their experiences of being a Home Group Scotland customer. This allows customers the opportunity to challenge us and to make sure we are getting things right. Allowing our customers to hold us to account ensures we are delivering a service which meets their needs and expectations.

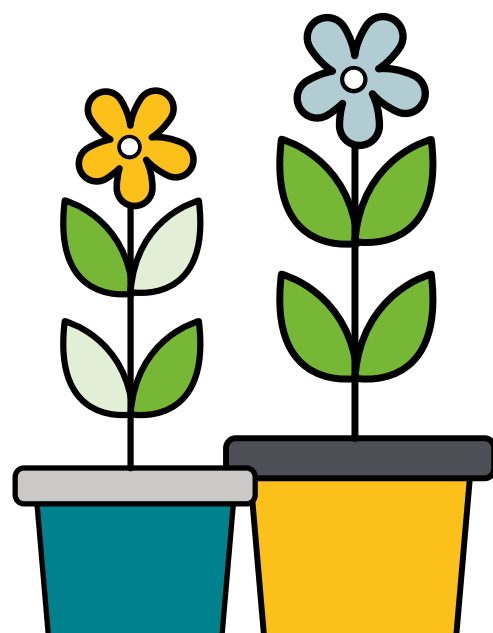
A central part of our ESG journey is our commitment to advancing equality and upholding human rights. We believe that good housing is a foundation for a fairer society and we are actively working to ensure our homes and services are inclusive, accessible, and responsive to the diverse needs of our customers.

This year, we used the Dementia-Friendly Housing Framework to assess how well we support customers living with dementia. This has helped us identify practical improvements to the physical environment of our homes, staff training, and the way we deliver services.

Beyond this, we continue to review our policies and practices through an equalities lens. We are improving the quality and use of equality data, developing a more inclusive approach to customer participation and identifying barriers to access.

This work sits at the heart of our mission as a social landlord. We are proud of the progress we are making but recognise that meaningful change requires a long-term focus. In the year ahead, we will continue to strengthen our approach, guided by the voices and experiences of our customers and colleagues.

Bryony



Retrofit pilot, Dundee

Our report structure

We have structured this report against the Sustainability Reporting Standard themes of Environmental, Social and Governance.

Each of these themes include information that is aligned with the UN Sustainable Development Goals.

“The UN Sustainable Development Goals (SDGs) are a set of common global goals that demand investors, government, business and society to do more to end poverty, protect the planet and ensure people enjoy peace and prosperity.”

(UN, Transforming our world: the 2030 agenda for sustainable development, September 2015).

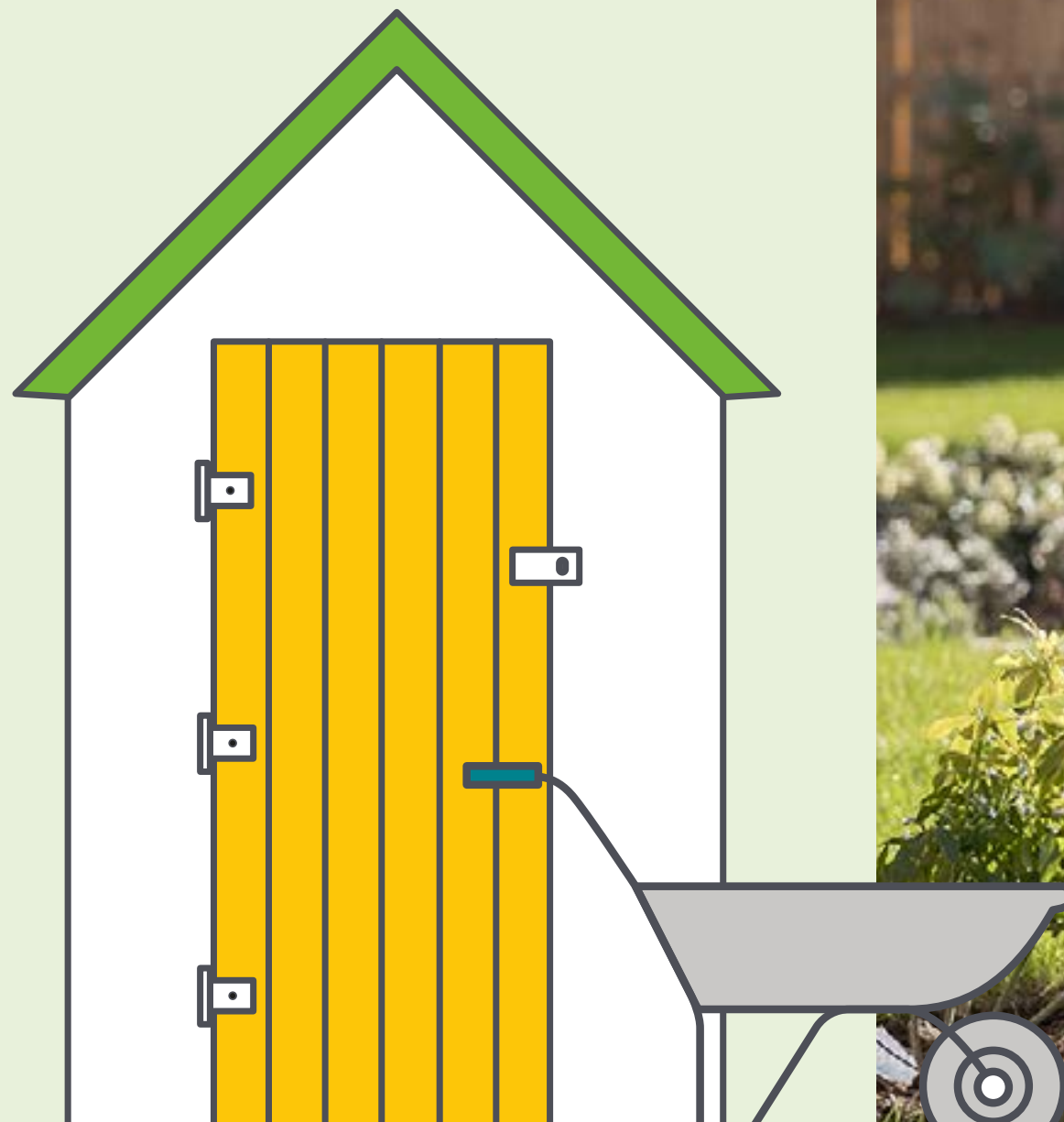
UN Sustainable Development Goals (key)



ESG area	Theme	UN Sustainable Development Goal		Page reference
Environmental	Climate change	Climate action		10
	Ecology	Life on land		18
	Resource management	Sustainable cities and communities		20
Social	Affordability and security	No poverty		26
		Reduced inequalities		
	Building safety and quality	Sustainable cities and communities		30
	Resident voice	Sustainable cities and communities		34
	Resident support	Sustainable cities and communities		38
	Placemaking	Sustainable cities and communities		40
Governance	Structure and governance	Peace, justice and strong institutions		44
	Board and trustees	Peace, justice and strong institutions		46
	Staff wellbeing	Decent work and economic growth		48
	Supply chain management	Responsible production and consumption		56

Environmental

In this chapter



Climate change

This theme seeks to assess how the activities of the housing provider are impacting on climate change, and how they are mitigating the physical risks of climate change.

The path to net zero in the UK hinges on decarbonising our residential sector. With buildings accounting for approximately 25% of greenhouse gas emissions nationwide, Home Group Scotland acknowledges our role in creating sustainable homes and reducing environmental impact – all while delivering affordable, safe and comfortable homes for our customers.

Our net zero commitment

As part of a large national housing provider, we understand our responsibilities towards helping Scotland and the UK achieve its net zero targets by decarbonising the country's building stock. In Scotland, we are committed to achieving net zero by 2045, in line with the Scottish Government's legally binding target. This target is five years ahead of the UK-wide target of net zero by 2050. This commitment forms part of our organisational strategy and is integrated into our long-term asset management approach.

We are currently in the fifth year of our 30-year roadmap to decarbonise our homes and help the UK meet its targets. However, we recognise that to deliver a comprehensive, property-specific plan requires robust data analysis and strategic planning. We are undertaking significant work to improve our data capabilities and build individual property plans that will help inform our pathway to net zero.

Central to this is our technology roadmap and in particular our centralised, managed storage of asset data and Salesforce system implementation – which encompasses three key strands. The 'one property project' consolidates all asset data into a single system, providing us with a comprehensive view of our portfolio. Our 'property hierarchy' work enables us to structure data effectively through detailed estate mapping, while our 'asset data enterprise' model allows us to record, capture and utilise data meaningfully to inform decision-making across our 30-year plan. These implementations are currently in progress as a key priority for 2025/26.

This enhanced data capability, along with our investment planning tools, will enable us to develop an asset and development plan that identifies what interventions are needed for each property and when, ensuring our approach to net zero is both affordable and viable. These individual property plans will be incorporated into our updated asset management strategy, which is under review.

We have made significant progress in our carbon accounting capabilities over the past 12 months. At a Group level, we now have 100% clarity over our operational Scope 1 and Scope 2 emissions and have created an independently certified roadmap for Scope 3 emissions. While some Scope 3 data is already captured, we have established a five-year plan to achieve complete understanding of our carbon footprint, which also includes embodied carbon from building processes.



Energy performance and EPC targets

Our asset and financial plans will continue to support our objective of meeting any requirements set by the Scottish Government. While the Government has moved away from a mandatory EPC B by 2032 target, we will

continue to work towards this across our stock until new targets are agreed. We await the government's response to the Social Housing Net Zero Standard (SHNZS) consultation, which will set out future targets and timelines.

EPC Analysis – Scotland		New build 2024/25		Existing stock 31/03/2024	
Scoring breakdown		Stock	%	Stock	%
EPC rating A = 92–100 Standard Assessment Procedure (SAP) points (most efficient)		0	0%	25	1%
EPC rating B = 81–91 SAP points		75	100%	1,460	30%
EPC rating C = 69–80 SAP points		0	0%	3,172	65%
EPC rating D = 55–68 SAP points		0	0%	158	3%
EPC rating E = 39–54 SAP points		0	0%	20	0%
EPC rating F = 21–38 SAP points		0	0%	8	0%
EPC rating G = 1–20 SAP points (least efficient)		0	0%	0	0%
No EPC data		0	0%	45	1%
Total		75	100%	4,888	100%

We continue to enhance the data we collect in order to report on the key energy efficiency measures of our homes. We have recorded average SAP rating for our existing homes of 77.1 (2023/24: 75.5) and 84.6 (2023/24: 86.2) for our affordable new build homes. Average energy intensity usage for our existing homes, using industry standard assumptions via SHIFT reporting metrics is 131.22 Kwh/m2/yr.

Having a good understanding of the thermal performance of our homes is central to our asset investment plan. Our asset plan and financial plans support our achievement of EPC B in Scotland by 2032 in the absence of any updated targets and timelines. Reaching the 2045 net zero target set by the Scottish

Government is a major challenge where accurate stock data plays a key role.

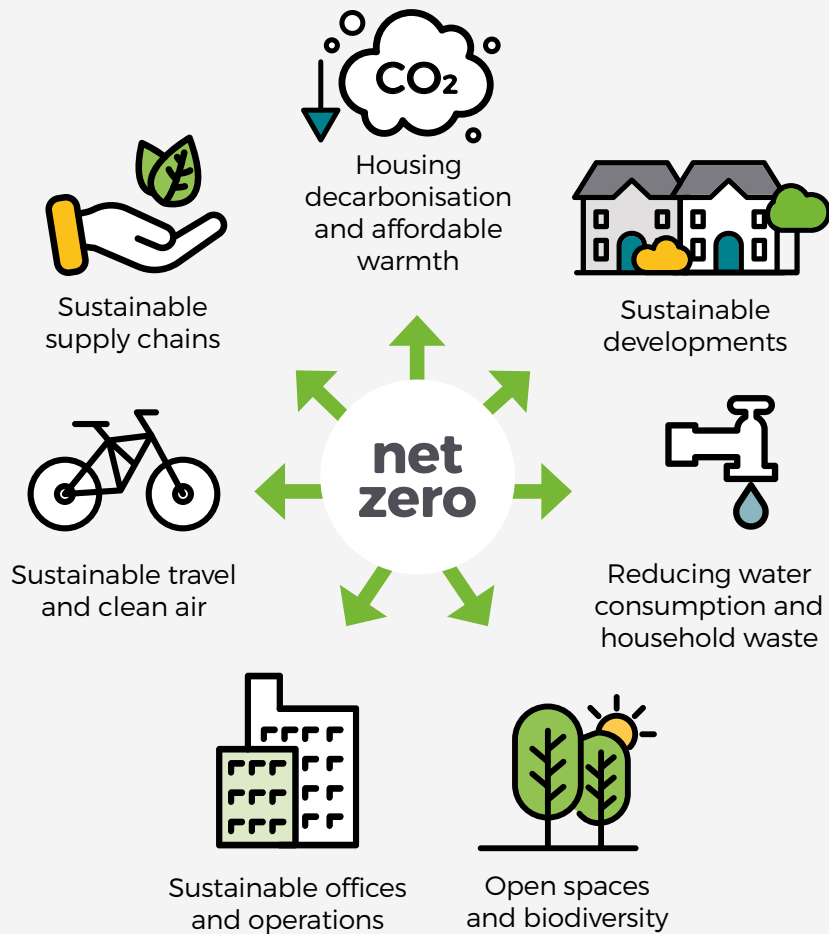
Our understanding of our stock is underpinned by our ongoing programme of stock condition surveys. In 2024/25 we carried out 963 surveys across Scotland. In 2025/26 we plan to carry out a further 1,000 across the country. The surveys are carried out by qualified Home Group Scotland colleagues or external contractors. Our plan is to resurvey properties on a five-year basis to ensure our stock data remains robust.

All new build homes procured by Home Group Scotland are EPC B or better. In 2024/25, all completed new build homes were EPC B rated.

Our approach to meeting net zero targets

We are focusing on seven key areas to further improve our environmental performance as part of our commitment to achieving the UK Government's net zero aspirations.

These are:



Ramping up retrofit activity – Case study

Transforming homes in Dundee

In Scotland, we completed our first major retrofit programme – a comprehensive decarbonisation project involving 14 flats in Dundee that demonstrates the transformative potential of whole-house retrofit.

The pilot scheme, part-funded by the Scottish Government's Social Housing Net Zero Heat Fund with close to £500,000 in grant support, involved retrofitting a block which is expected to improve homes from EPC C and D to a B rating - a change that delivers significant benefits for customers' comfort and energy bills.

The work included the installation of external wall insulation, cavity wall insulation, triple-glazed windows and insulated doors, loft insulation top-up, and solar panels. We have also replaced existing gas boilers with internal air source heat pumps linked to new hot water systems, alongside making ventilation improvements.

Customer involvement has been key. We created an extensive customer engagement plan and held workshops to explain the works and technology, while also offering bespoke in-home energy advice and full training on effective heat pump operation. To measure the scheme's effectiveness, we installed monitoring devices in several flats before works commenced, collecting data on energy use, temperature, humidity and occupation. These monitors remain in place for 12 months post-completion to provide robust before-and-after performance data.



Greenhouse gas emissions

At Group level, our total emissions for 2024/25 were 3,779 tCO²e (2023/24: 2,517 tCO²e). The increase from the previous year is primarily driven by our implementation of direct labour organisation (DLO) services in some parts of the UK, which transfers emissions from non-reportable Scope 3 datasets into fully reportable Scopes 1 and 2. In Scotland, we do not currently operate a DLO.

The move from outsourcing maintenance to in-house delivery in some areas means that vehicle emissions, fuel consumption, travel, transport and procurement activities are now captured in our direct reporting. While this increases our reported emissions, it provides better visibility of our operational carbon footprint and enables more targeted reduction strategies.

We have also made substantial improvements to our carbon data collection capabilities

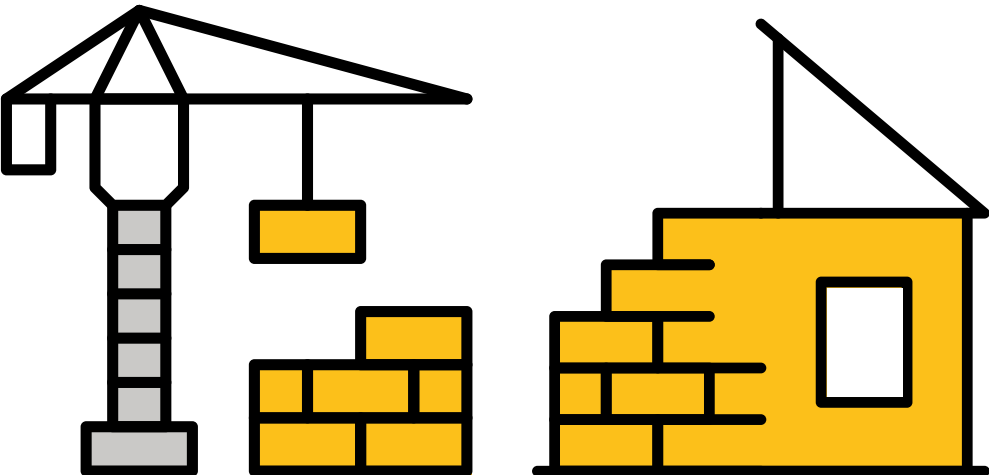
during 2024/25. We now capture 100% of data for Scope 1 operational emissions and Scope 2 emissions. Additionally, we have gained more accurate information from server-linked carbon data, improved the accuracy of our F-Gas data, and enhanced our reporting of procured energy for centralised offices.

We are working hard to understand and reduce our carbon footprint through robust carbon accounting processes and data analysis. We utilise ISO14001:2015 procedures for carbon accounting in line with SECR reporting requirements. We also disclose annual information on our carbon footprint to SHIFT to identify trends and benchmark our performance against similar housing organisations.

Our energy intensity ratio (carbon against number of rented stock) for the UK as a whole is: 0.080 (2023/24: 0.054).



Measure	Scope	Tonnes CO ² e
Emissions from combustion of gas	1	43.6
Emissions from combustion of fuel (DLO)	1	1,475.5
Emissions from pool van	1	2.5
Emissions from refrigerated leaks (F-gas)	1	0.0
Total Scope 1		1,521.6
Emissions from electricity	2	280.3
Total Scope 2		280.3
Emissions associated with electricity transmission and distribution	3	24.8
Emissions from water usage	3	1.3
Emissions from mileage claims	3	857.7
Emissions from server consumption	3	11.2
Emissions from air travel	3	22.5
Emissions from rail travel	3	61.9
Emissions from hotel stays	3	75.6
Emissions from home working	3	922.6
Total Scope 3		1,977.6
Total tonnes CO²e	1, 2 & 3	3,779.5





Climate risk mitigation and resilience

As the climate changes, mitigating the risks of overheating and flooding across our housing and land portfolio is a fundamental part of our approach to sustainability. We are investing in programmes designed to address these risks through both new development and retrofit projects.

For new build developments, flood risk is an essential criterion when selecting sites, with flood mitigation forming a substantial factor in our decision-making processes. In line with planning requirements and industry best practice, we implement sustainable urban

drainage systems (SuDs) in our new build and regeneration schemes to reduce flooding risk in and around our properties.

For example, in 2024/25 we delivered two schemes in Scotland utilising our knowledge around SuDs deployment – one in Edinburgh and one in Dundee. These sites both incorporated SuDs basins and a hydro brake to control the outlet discharge flow rate, which again provided wholesale benefits over a below ground solution.

In order to combat overheating, our climate resilience strategy focuses on appropriate ventilation and insulation levels in all homes.

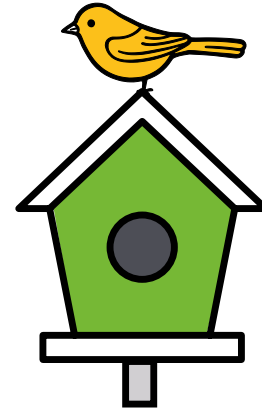
We integrate whole house ventilation technologies and thermal comfort mitigation measures into every new development to provide comfortable, healthy living environments for our customers. Our qualified in-house specialists apply best practice quality standards when designing retrofit projects, which helps to effectively manage heat-related risks.

Our assessments draw on communication with insurance partners, planning guidance and implementation of our new build housing standards which meet water, ventilation and thermal comfort requirements. For existing homes, we apply PAS2035 standards so that

ventilation and temperature control are integral to all retrofit planning and design.

For Scotland, our specification focuses on thermal performance aligned with the latest iteration of Section 6 of the Scottish Technical Handbook for Domestic Construction. As of April 2024, direct emission heating systems are no longer permitted on new build developments, which supports our transition to low-carbon heating solutions.

Ecology



This theme seeks to assess how the housing provider is protecting the local environment and ecology.

Biodiversity

We implement biodiversity considerations through our ISO14001 procedures and various environmental initiatives. Our biodiversity performance is independently recorded and assessed annually via SHIFT to provide external assessment and validation of our environmental impact. This informs our plans to enhance green space and promote biodiversity, and will support a strategy going forward.

In Scotland, the standards we must meet are set out in the Fourth National Planning Framework (NPF4) which places climate and nature at the centre of the planning system and includes a cross-cutting outcome to improve biodiversity.

Within NPF4, Policy 1 gives significant weight to the global climate and nature crises to ensure that they are recognised as a priority in all plans and decisions. Policy 3 plays a critical role in ensuring that development will secure positive effects for biodiversity. It rebalances the planning system in favour of conserving, restoring and enhancing biodiversity and promotes nature-based solutions, benefiting people and nature. This policy intends to protect biodiversity, reverse biodiversity loss, deliver positive effects from development and strengthen nature networks.

In new build environments, we incorporate wildlife elements into our developments where possible, including bee bricks, bird boxes, bat boxes, hedgehog runs, habitat creation points and wildflower meadows. These features are designed to address the specific ecological needs of each site,

supporting local wildlife while creating attractive environments for residents. In urban settings, we are exploring solutions to biodiversity enhancement. Several of our developments incorporate swift boxes into building facades – this shows how ecological considerations can be integrated into dense urban environments while supporting local wildlife populations. We have been working closely with one of the leading swift experts in the UK, as well as local wildlife groups.

At our ongoing development in Mill O'Mains in Dundee, we are incorporating bat poles, swift bricks and hedgehog holes across the development.

Reducing pollutants

We have a robust and certified approach to pollutant management through our ISO14001:2015 Environmental Management System (EMS). Our monitoring platform enables us to identify any pollution incidents and track how they are managed and resolved. We are pleased to report that we had no substantial or meaningful pollution incidents during 2024/25.

Pollution prevention extends throughout our supply chain via tendering and contractual obligations. We continuously work to remove harmful pollutants from our operations through environmental policies assessed during procurement, with checks conducted through internal and independent ISO14001 audits covering spill reports, storage, handling and disposal procedures.



Gruinard Terrace, Dundee

Resource management

This theme seeks to identify the extent to which the housing provider has a sustainable approach to materials in both the construction and management of properties.

Sustainable procurement principles are embedded within our tendering processes and contractual obligations with partners. We expect our suppliers and contractors to share our environmental values and demonstrate their commitment through their operations.

During tendering, we assess the environmental policies of applicant organisations and evaluate their sustainability experience and proposed delivery methods for contracts. Suppliers and contractors are required to explain their practices for:

- Recycling
- Waste reduction
- Packaging minimisation
- Carbon emissions reduction in transportation

Our procurement practices include specifying environmentally responsible products, such as recycled paper and FSC wood. Our new build specifications include environmentally considerate features such as flow restrictors on taps and low energy lighting to reduce the operational impact of homes.

Our procurement process includes environmental and ethical questions that form part of tender evaluation, and these directly

influence our procurement decisions. These requirements are integrated into contract documentation and discussed in regular contract management meetings to ensure monitoring throughout contract lifecycles. We expect suppliers to hold environmental policies as a minimum, set as a pass-or-fail requirement, and seek ISO14001 accreditation for contracts with a significant environmental impact.

For new build developments, our standard preliminaries require contractor partners to monitor and report on CO₂ production, energy use, water consumption and waste diversion from landfill, alongside initiatives to reduce environmental impact. We issue annual sustainability surveys to development partners to collate information and measure the environmental impact of their work.

We aspire to develop more rigorous environmental standards for contractor selection, but recognise this must be balanced against value for money requirements and maintaining viable supply chains. With our new Group Director of Procurement and Supply in place, we will work towards making environmental performance a more formalised element of our procurement policy, while ensuring we can continue delivering the homes communities need.



Waste management

Across both Scotland and the wider Group, we monitor all waste streams through online portals and apply waste hierarchy principles to minimise environmental impact. Our practices are independently reviewed through annual ISO14001:2015 audits and SHIFT submissions, with performance data used to implement continuous improvement plans.

	2023/24	2024/25
Recycled	85%	81%
Diverted	100%	100%

Disposal route	Volume of waste (tonnes)
Recycled	41.6 (43.3%)
Materials Recovery Facility (MRF)	38.3 (39.9%)
Refuse Derived Fuel (RDF)	8.4 (8.7%)
Incineration	6.2 (6.5%)
Energy from Waste	1.4 (1.5%)
Anaerobic Digestion	0.1 (0.1%)

Our Group waste management performance has seen fluctuations due to the implementation of our DLO services in some

parts of the UK as mentioned earlier in this section. The recycling rate has decreased year-on-year as we brought more maintenance processes in-house, creating additional office and depot sites that generate different waste streams.

For development activity, we collaborate closely with contractors on robust waste management strategies. Our build contracts encourage contractors to register with the Considerate Constructors Scheme – this requires suitable waste minimisation and management systems such as designated storage, organised waste management and maximised reusing and recycling to minimise community and environmental impact.

We also encourage sites to maintain site waste management plans (SWMP) to plan, implement, monitor and review waste minimisation on construction sites. This helps reduce over-ordering and site wastage, delivering environmental benefits while generating cost savings for reinvestment in our programmes.

We are exploring opportunities for further improvements in waste reduction. We are actively investigating modern methods of construction, recycled materials and adaptability of housing stock.

Future changes will help to cut construction waste and reduce resource consumption during construction activities.

Water management

Our strategy is to implement water reduction measures across our asset base, operations and supply chain and share performance data via SHIFT for independent assessment and ranking against similar organisations.

Our developments comply with relevant sections of the Scottish Technical Handbook for Domestic Construction. Section 3 Environment requires water-efficient fittings on WCs, wash hand basins and showers, while Section 7 Sustainability targets are met through Bronze Level as baseline, with Silver Aspect Level 1 and 2 as minimum for grant requirements.

All properties are built with independent water supplies, which enables customers to manage their water usage and costs effectively. We are investigating the possibility of offering customers water-efficient dishwashers and washing machines where we provide

appliances, exploring models that adjust water levels based on load size and use innovative filtering systems to reuse water during cycles.

We provide customers with practical tips on efficient water and energy use, helping them live more sustainably. This is important in our efforts to support customers to maximise the environmental and financial benefits of their homes.

Our development team monitors evolving water regulations and incorporates any lessons learned into our specifications. Every decision balances water efficiency with affordability to ensure customers benefit from lower bills without compromising on home quality.

For our operational sites, we consider water efficiency in the design and fit-out of our office spaces. This includes the installation of water-saving fixtures such as motion-sensor taps and dual-flush toilets.



Social

In this chapter



Affordability and security

This theme seeks to assess the extent to which the housing provider provides long-term homes that are genuinely affordable to those on low incomes.

Home Group properties

93% of Home Group Scotland homes have rents that are lower or equal to Local Housing Allowance (LHA).

96% of Home Group Scotland homes have rents that are lower than or equal to private rental sector (PRS) rents.

On average, Home Group Scotland rents are **73%** (2023/24: 78%) of LHA, and **58%** (2023/24: 65%) of PRS rents.

*This amount is based on the area in which claimants live and the size of dwelling appropriate for their household.

The table below shows the tenure of homes we owned and managed at 1 April 2024 and the tenure of new homes completed and disposed of in 2024/25.

	At 1 April 2024	New homes completed 2024/25	Homes completed and disposed of on 2024/25
General needs (social rent)	4,187 / 86%	75 / 100%	0 / 0%
Mid Market Rent	661 / 14%	0 / 0%	2 / 100%
Low cost home ownership	21 / 0%	0 / 0%	0 / 0%



Security of tenure

Where relevant, Home Group Scotland are partners in Choice Based Letting Schemes (Edinburgh and Dumfries & Galloway) and in other local authority areas we hold our own waiting lists.

We operate a ‘no wrong door’ approach to enable those in most need of housing to access suitable homes by coming direct to us. Security of tenure is offered through our Scottish Secure Tenancies and Private Residential Tenancies (for MMR homes) both of which can only come to an end through termination by the customer, or by the court in specific circumstances.

Home Group Scotland has assisted over 800 customers through the current Cost of Living challenges over the past two years. This has been achieved by making available a fund of

£360,000 which has been distributed to those customers who are having difficulty in meeting their rent charges – enabling them to meet other household bills such as food and utilities, and so helping to sustain their tenancies.

Our Tenancy Sustainment Framework and our support referral process ensures customers have the services that they need to enable them to remain in their homes.

We understand that security is not just about the customer’s own home and through our Customer Promise to ensure that people live in a safe and secure environment, we will work to address any anti-social issues and ensure our contractors provide a good service to maintain the area around customers’ properties.

The table below shows analysis of the six local authority areas where we have homes:

	Average weekly Home Group Scotland rent (£)	Average weekly LHA (£)	Home Group Scotland rent discount (%)	Average weekly PRS (£)	Home Group Scotland rent discount (%)
Dundee	104	138	25%	186	44%
Glasgow	118	213	45%	257	54%
Edinburgh	116	229	49%	311	63%
Dumfries & Galloway	107	106	(1)%	117	9%
Fife	113	153	26%	184	39%
West Lothian	132	158	16%	195	32%



Reducing the effect of high energy costs on our customers

We have a range of activities that aim to help our customers reduce the impact of high energy costs. This includes anything from financial support from our financial inclusion team to advice and guidance in our customer magazine, Homelife.

This year we also accessed HACT fuel vouchers for our customers. A total of 608 vouchers were issued to customers across Scotland with a total value of £29,792.

Our financial inclusion partners work closely with customers to reduce their energy costs and if that is not possible, on reducing other costs or claiming financial support.

Case study

Pine Court: 30 Years of community and cultural connection

Pine Court, Dundee's first sheltered housing complex designed specifically for the city's Chinese community, marked its 30th anniversary in 2024 with a celebration bringing together residents, founders, and community members.

Opened in 1994 by Home Group Scotland in partnership with Dundee City Council, Pine Court was created to meet the needs of Chinese seniors, offering culturally appropriate housing in a supportive environment. Over three decades, it has grown into a thriving, multicultural community.

The anniversary celebration included a cake-cutting at Pine Court and a meal at a local Chinese restaurant – echoing the 20th anniversary held there a decade earlier.

Two long-standing residents, Lee Yin Cheung (90) and Shiu Ching Cheng (83), moved in during August 1994 and have called Pine Court home ever since.

They value its independence, cultural familiarity, and mutual support. "I can cook my own food, which is a big part of our culture," said Lee Yin. Shiu Ching added: "We all speak the same language and look after each other. Our monthly meetings with the housing manager and interpreter are very handy."

Pine Court demonstrates our commitment to placemaking that embraces heritage and diversity. Thirty years on, it remains a vibrant example of how housing can nurture both community and culture.



Building safety and quality

This theme seeks to assess how effective the housing provider is at meeting its legal responsibilities to protect residents and keep buildings safe.

100% (2023/24: 100%) of our homes have an up-to-date gas inspection and safety certificate.

100% (2023/24: 100%) of eligible homes have a fire risk assessment.

100% (2023/24: 100%) of eligible homes have had an electrical safety test.

99.8% (2023/24: 99.8%) of eligible homes in Scotland meet Scottish Housing Quality Standard (SHQS).

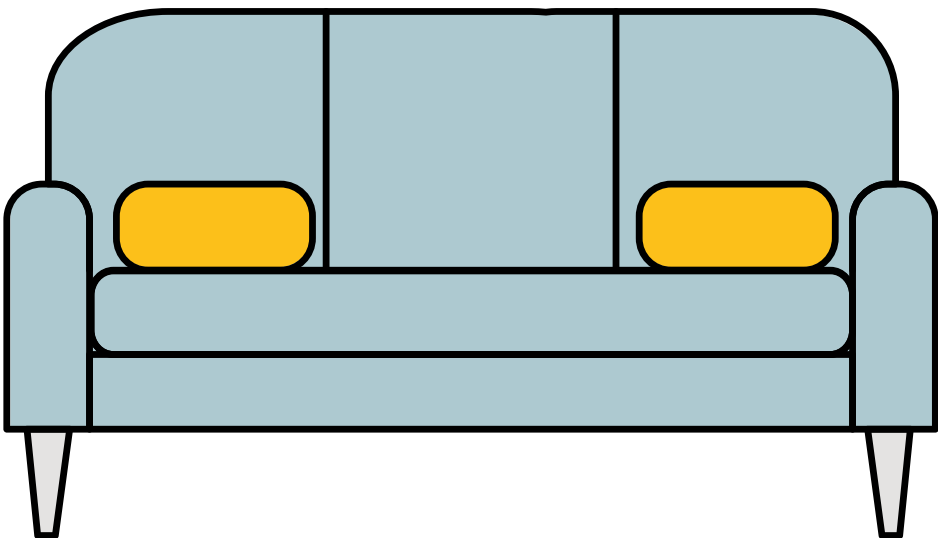
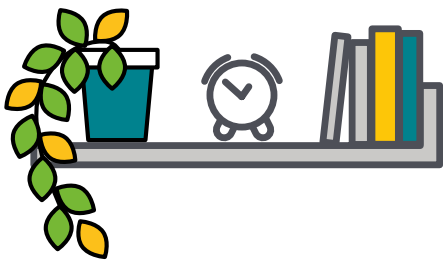
Performance against the SHQS was measured on 31 March 2025. We had 19 homes which did not meet Scottish Housing Quality Standard. Since that time, 6 homes (32%) have had work carried out to bring them up to standard or have a live job against them to complete work.

We also have 3 homes with works scheduled as part of the annual planned programme, and 10 homes where customers have declined planned works, or have other exemption factors such as being a listed building.

100% (2023/24: 100%) of our eligible homes have had asbestos management surveys, or re-inspections have been carried out.

100% (2023/24: 100%) of our eligible homes have had legionella risk assessments carried out.

100% (2023/24: 96.7%) of our eligible homes have had communal passenger lift safety checks carried out.



Managing and mitigating the risk of damp and mould

In the past year, we have made significant strides towards improving our services and ensuring customer satisfaction through the following initiatives:

- Implemented mandatory training for all Home Group colleagues to enhance their understanding of damp and mould issues, including Awaab's Law legislation. This initiative reinforces our zero-tolerance policy.
- Launched a review of the professional qualifications for our key frontline staff, ensuring all maintenance surveyors are well-equipped to accurately assess the work needed and identify root causes during home visits.
- Initiated a dedicated project to enhance our approach to managing and mitigating damp and mould, which includes:
 - Reviewing and, where necessary, redesigning our existing processes to further minimise risk.
 - Implementing an internal case management system that features an enhanced customer-centric risk assessment to fully understand the severity and impact of individual cases.
 - Ensuring our process design aligns to Awaab's Law legislation ahead of the Scottish Government creating similar legislation through the Housing (Scotland) Bill which is making its way through the Scottish Parliament.
 - Developing comprehensive information to support customers by providing additional guidance on heating approaches and ventilation to reduce the risk of condensation in their homes to complement information already available on our website.

Customers are able to report suspected cases of damp and mould via a dedicated damp and mould team within our Customer Service Centre. Customers can also use our live chat, email or webform on our website, and we are reviewing our digital customer journey to enhance our customers' experience.

Our engagement with customers:

When we visit a customer following a report of damp and mould we work with the customer in order to help them make better heating and ventilation choices, and what to do if they identify different types of damp and mould.

We have a dedicated page on our website to provide customers with information regarding damp and mould, including signs of damp and mould, guidance on how it may be prevented and how to report suspected cases.



Resident voice

This theme seeks to assess how effective the housing provider is at listening to and empowering residents.

Measuring satisfaction

As part of our regulatory reporting requirements, we survey our customers in Scotland about their satisfaction with us as a landlord and the services we provide every three years.

This survey covers:

- how customers feel about repairs;
- whether they feel their home is a safe place to live;
- how well customers are kept informed;
- if customers feel their rent is good value for money;
- how customers are kept engaged and given opportunities to become involved;
- satisfaction over how easy Home Group Scotland is to contact.

In the most recent survey, we spoke with 902 Home Group Scotland social rented customers. This included customers across all Scottish local authority areas where we operate, with both national and regional scores collated. The research, which is carried out by an external expert, helps to direct both colleagues and the Scotland Board to what we are doing well as a provider, as well as where and how we can further improve.

In our 2023 survey, the percentage of customers satisfied with Home Group Scotland's overall service was 77% (80% in 2020). Despite the slight overall drop, there was positive progress made in a number of categories.

Home Group Scotland continued to perform well regarding providing customers with a

safe place to live, with 88% agreeing (89% in 2020), while satisfaction with the quality of our homes rose slightly to 86% (84% in 2020). Elsewhere, we also received positive feedback relating to our ways of working with our customers. Satisfaction with opportunities provided to share feedback with us rose to 92% (89% in 2020) while scores for being perceived to be good at keeping customers informed rose to 94% (92% in 2020).

You can see more about our performance results on the Scottish Housing Regulator's website and read about what actions we have taken following this customer feedback in the adjacent case study.



Case study

Listening and acting on customer feedback in Scotland



At Home Group Scotland, listening to and acting on the voices of our customers is central to how we shape and improve our services.

We understand that good homes alone are not enough, it's the quality of service, communication, and support that makes the difference to customers' experiences. That's why we place a strong emphasis on gathering feedback, reflecting on what we hear, and making meaningful changes based on what matters to our customers. As part of our commitment to understanding how well we're doing and to meet regulatory

requirements, we carry out a large-scale customer satisfaction survey every three years. Our most recent was in late 2023, when 902 of our customers across Scotland took part in our survey. The insight gained from this feedback directly informed a year-long programme of improvements, many of which are already making a real difference to how our services are delivered.

One of the most significant changes to come from customer feedback was the creation of a dedicated Scotland team within our Customer Service Centre. All calls from Scottish customers are now automatically routed to this new team. Whilst still based at

our Customer Service Centre in Newcastle, the team has undergone enhanced training on Scotland-specific issues such as factoring, and they have in-depth knowledge of our homes, policies, and local teams. This ensures that when customers get in touch, they receive advice and support that is tailored to the context and expectations in Scotland. Call waiting times have been reduced, making it easier for customers to reach us when they need us and it is one of the many ways our customers can contact us.

Alongside this key change, we've introduced a range of other improvements based on what our customers told us they wanted to see:

- We have improved how we handle complaints by implementing a new process for Stage 2 cases, making resolutions quicker and more consistent.
- We held in-person events in both Dundee and Glasgow to meet customers face-to-face, listen to their experiences, and have meaningful conversations about what matters to them.
- A new section of the website dedicated to Scotland is now live. This provides easy access to relevant information and updates tailored specifically for our Scottish customers. It is something we are also continuing to develop to add more Scotland specific content for customers.
- We've recently introduced rolling feedback mechanisms so we can hear from customers throughout the year, rather than only through our large-scale surveys every three years.
- We've improved how we communicate, especially around important issues like rent consultations, using email and text messaging to share links and reminders. This is in addition to the posted paper version of our consultation.
- Our maintenance team in Scotland has grown to improve service delivery.
- We've reviewed our approach to anti-social behaviour, ensuring lessons from recent cases inform how we support and protect communities.

- Joint estate inspections between housing and maintenance teams take place, allowing us to tackle estate-level issues more efficiently and collaboratively.
- We've made a commitment to transparency by sharing more of the feedback we receive, including publishing a summary of this year's rent consultation online.

We've also acted on customer feedback around how we present ourselves.

As of March 2025, we have introduced new branding and now refer to ourselves as Home Group Scotland in all communications.

This is ahead of a formal name change which will be voted on by our Board at a Special General Meeting in September 2025. This change was driven by customers telling us that our legal name, 'Home in Scotland', caused confusion when paired with our wider Home Group branding. The new branding has been introduced gradually to avoid unnecessary waste, but customers can expect a clearer, more consistent identity going forward.

We are also expanding how customers can get involved. We have recently recruited a new Community Connector to lead on customer engagement in Scotland. This role will focus on growing involvement opportunities and ensuring that customers have regular and accessible ways to shape the services they receive. It will also allow us to deepen our understanding of the communities where our customers live and add value to some of the great work already taking place.

These changes are part of our ongoing commitment to listening, learning, and delivering better outcomes for our customers. As ever, we are so grateful to our customers for the time they take to share their views with us.

Maladministration

In Scotland we have a two-stage complaints process prior to the customer escalating their complaint to the Scottish Public Services Ombudsman (SPSO). We will always try to resolve issues for customers as early in the complaints process as possible.

In the past 12 months there have been 4 cases reviewed by the SPSO of which none were upheld.

We encourage the recording of all complaints from customers. We have a team of colleagues who review complaints received on a weekly

basis to understand the nature of the complaints, to ensure that the issues raised are responded to by the correct people, that a full response is given timely to resolve to the satisfaction of the customer. This review, where relevant will also include our contractor and raised through regular meetings with them.

On a quarterly basis, a complaints report is provided to our Home Group Scotland Board and this will include details of lessons learned and on how to prevent future complaints. Complaint trends are also discussed with our Customer Viewpoint team.



Resident support

This theme seeks to assess the effectiveness of the initiatives that the housing provider runs to support individual residents.

Supporting our customers is one of the most important things we do at Home Group Scotland.

Many of our customers find themselves facing unfavourable circumstances, especially in relation to financial or social opportunities. This is why we spend a huge amount of time, energy, and resource in this area.

Support for customers comes in various forms and can have a lifechanging impact. The support we offer includes helping customers to better manage their finances and help increase their income. Our financial inclusion team in Scotland continues to make remarkable difference to the lives of many of our customers.

In 2024/25, we received 554 referrals to the Financial Inclusion Service in Scotland reflecting an increase of 40% on the previous year. This highlights the significant demand and lack of access to services provided by others. We have had reports from customers they have been advised the waiting time for financial advice and support from external services can be up to four months. Some 83% of customers referred to the service actively engaged with the financial inclusion partners.

A total of 263 cases had a reduction in their rent arrears through engagement with the service, reducing arrears by a cumulative £135,056.



The valuable service also helps increase income for our customers. The team completed 221 benefit checks this year and increased benefit income by a huge £862,350 to our customers. They also raised £712,871 in additional income such as grants and improvements in personal income, such as utility grants. By increasing the support available to our customers, we improve their wellbeing, and their increased income improves their ability to pay rent.

In addition, in 2024/25 we had 71 applications to our Home Group Fund. We made available a further £180,000 of funding this year to help support our customers who were most in need.



Mill O Mains

Placemaking

Home Group Scotland is proud to be contributing to one of the UK's largest placemaking projects at Winchburgh in West Lothian.

Once complete, the historic town will feature over 3,800 new homes, three new schools, 40 acres of business and retail space, and extensive green and recreational areas. The development has been further enhanced by the creation of a new motorway junction, greatly improving accessibility and connectivity for residents.

We are providing an increasing number of affordable homes within the development, ensuring that this new community is balanced and thriving. For many of our customers, moving to Winchburgh has offered a fresh start and the chance to put down roots in a growing town.

Salvatore and April Bonanno relocated from Bournemouth with their young daughters, Josephine and Amber.

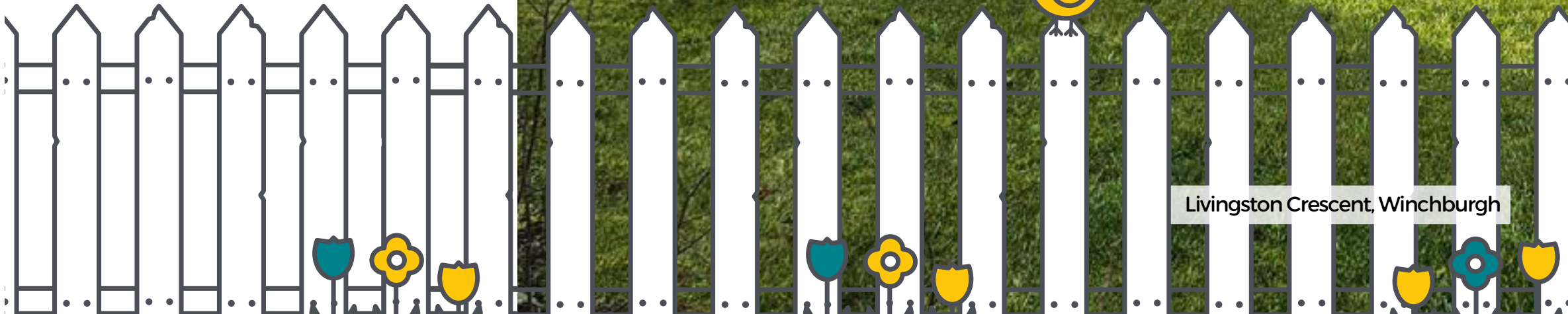
Salvatore said: "Having a brand new home to furnish and make yours is always an exciting change. With young children, you need a safe place to build your memories.

"Auldcathie Park is a gem and it offers exactly what we as a family crave the most - we spend most of our time outdoors among the fields, canal and woodland. We've used local services like the community centre, pharmacy, health centre, allotments, and playgrounds, which has helped us connect with others. My wife has also joined activities for our young girls.

"Winchburgh is shaping into a lovely community, but I believe more independent shops and hospitality would help people connect further and create even more vibrancy."



By delivering high-quality affordable homes, Home Group Scotland is helping Winchburgh grow into a diverse and sustainable community. We are delighted to play a role in supporting families to thrive in this transformational placemaking project.



Governance

In this chapter



Susan Deacon, Chair of Home Group Scotland

Structure and governance

This theme seeks to assess the housing provider’s overall structure and approach to governance



Home in Scotland Limited (“Home Group Scotland”) is a registered society, registered with the Financial Conduct Authority under the Cooperative and Community Benefit Societies Act 2014 (registered number 1935R(S)). It is a charity registered with the Office of the Scottish Charity Regulator (Scottish Charity No. SC005247), and is a not-for-profit Registered Social Landlord registered with the Scottish Housing Regulator.

Home Group Scotland is regulated by the Scottish Housing Regulator and holds a regulatory status of “compliant”. The regulator considers Home Group Scotland to be of “systemic importance” due to the size of its development programme and associated levels of grant funding and

borrowings, and publishes an engagement plan setting out the additional assurance it requires as a consequence of this.

The Home Group Scotland Board is committed to adhering to high standards of governance and financial management. The Chair of Home Group Scotland also sits as a member of the both the Group Board and the Governance and People Committee to ensure the Scottish context is considered in any Group decisions, and other Scotland Board members sit on Group committees such as the Audit Committee and Health and Safety Committee.

We have not been subject to any adverse regulatory findings in the last 12 months that have resulted in enforcement or equivalent action.

Managing ESG risks

Across the Group, Home Group defines risk as an ‘event with the potential to affect our performance’. We apply a methodology derived from the Institute of Risk Management (IRM) to identify threats or opportunities related to our objectives and cultivate proportionate responses to their surrounding context.

We have a delegated model of risk management, meaning that items are owned by the most appropriate senior leader or executive. They are supported by a central team which consists of a General Counsel, Head of Regulatory Compliance, Governance & Risk and a Risk Manager qualified to IRM standards.

Our Risk Management Framework, which is refreshed every two years, describes our architecture, structure and protocols. This document is the foundation of a rolling communication programme which aims to embed a positive risk culture across the organisation and increase our maturity level.

Risks are measured in terms of the likelihood of them occurring and the impact to the business if they did, using a bespoke scoring matrix and corresponding criteria.

These scores are captured at 3 points; with no controls in place (inherent), with current controls (residual) in place and with any future controls identified in place (target).

Home Group Board provides direction in the form of appetite statements which establish what level of risk they are willing to tolerate/accept in specific areas of the business. The residual and target scores are compared against appetite levels to drive improvements or inform decision making.

We have a dedicated risk management system where current items are updated and historical items are stored. We utilise automation features to support the continual review cycle. Key data is extracted and shared with the business via a bespoke Power BI report to improve performance and encourage discussion.

Working closely with the Governance and Regulatory Compliance team creates a comprehensive second line function. These teams also regularly liaise with the Internal Audit team to ensure their findings are reflected. We periodically report on risk at variety of forums including group & subsidiary Boards, including Home Group Scotland; Audit Committee; and the Health and Safety Governance Committee.

We align our risk model to our core activities, so ESG forms an integral part of our risk consideration. Examples of risks with an ESG theme include:

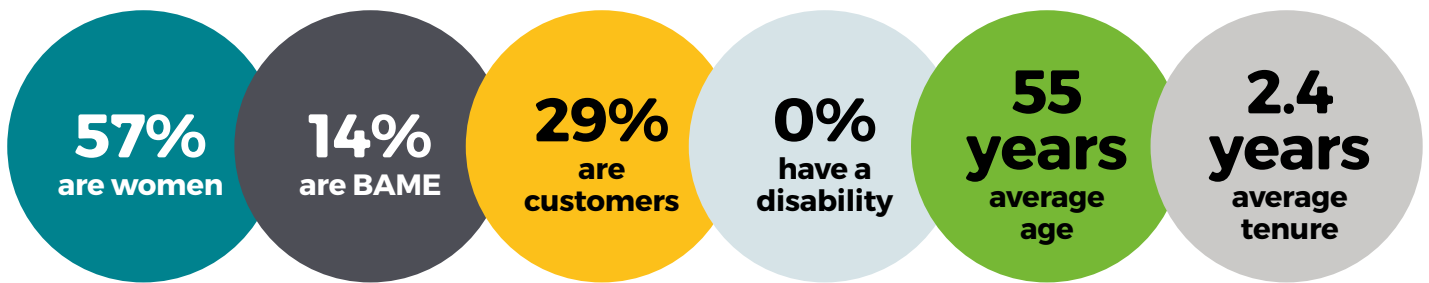
Environmental Risks	Social Risks	Governance Risks
Failure to meet obligations regarding new and existing home energy performance. Failure to deliver an effective retrofit programme. Failure to have effective asset planning.	Failure to efficiently manage Anti-Social Behaviour. Failure to let homes in a fair, transparent and efficient way.	Failure that the governance structure does not fulfil its responsibility to ensure rigour and challenge in decision making. Failure to attract, recruit, develop and retain skills and talent.

Controls to manage these risks are regularly assessed in terms of their effectiveness and action plans are developed to ensure that the risks are managed in line with our overall risk appetite.

Board and trustees

This theme seeks to assess the quality, suitability and performance of the Board and trustees.

Home Group Scotland Board



The Board ensures it receives input from a diverse range of people into the governance processes. This includes a variety of mechanisms to make sure our customers' voices are heard at Board level. We obtain input through our Customer Viewpoint team, and Customer Promise Assessments, as well as general feedback received through other channels.

Customer-focused items are included on each Board agenda. Board also receives data on complaints and tenant satisfaction including the findings of the large tenant satisfaction survey carried out every 3 years which it scrutinises and considers as part of its decision-making processes. We also have two customer Board members serving on Home Group Scotland Board and are set to begin recruitment for a third.

As a National Equality Standard (NES) accredited organisation, we are fully committed to embedding Equity, Diversity, Inclusion and Belonging (EDI&B) into the recruitment and selection of Board members and senior leadership.

Workplace adjustments are offered to candidates and colleagues wherever reasonably possible, helping everyone to perform at their best.

Overall, EDI&B is deeply embedded in our approach to recruitment at all levels, including our Board, executive team and senior management team.

There are 9 members of Home Group Scotland Board of which 7 (78%) are non-executive directors. The remaining posts are two executive directors of the group (the Chief Executive and Chief Financial Officer). The roles of the Chair and Chief Executive are held by two different people.

Our Group-wide Audit Committee consists of 3 non-executive directors and an independent committee member. Three members of our Audit Committee have recent and relevant financial experience and are qualified accountants. One member of the Audit Committee is also a Board member of Home Group Scotland.

Succession planning is discussed at every meeting of our Governance Committee and a Home Group Scotland Board skills matrix



Home Group Scotland Board visiting one of our developments in Edinburgh.

is used to inform recruitment decisions. In January 2025, the Governance and People Committee considered several items including approval of the Board and committee induction framework, review of the Board skills matrix and the scope of an external Board effectiveness review. The committee discussed succession planning for all Boards and committees This plan was then presented to Home Group's Board in January 2025.

The average length of service of our current Home Group Scotland non-executive Board members is 2.4 years. A total of 30% of our Home Group Scotland non-executive Board members and 29% of our group executive team have left in the last two years.

The Home Group Scotland Board annually assess its own effectiveness and regularly evaluates its skill set. A governance review is carried out annually by the Board to measure compliance with the Scottish Housing Regulator's governance and financial management standards.

Our last external Board and committee effectiveness review both as a group and for Home Group Scotland took place in 2024/25

and the outcome was reported to the Home Group Scotland Board in August 2025.

The review confirmed "Home Group Scotland is a well governed and well-run organisation, supported by fit for purpose governance arrangements. Home Group Scotland's well informed, skilled, and invested Board members are supported by a knowledgeable and competent leadership team. In addition, there are well structured and comprehensive monitoring and assurance mechanisms in place".

Our external audit partner, Deloitte, were appointed in 2020 and carried out their fifth audit of the accounts for the year ended 31 March 2025.

Board/committee and executive team members are required to complete an annual declaration of interests and to inform the group of any changes to their interests during the year.

Declarations of interest are published on our website. Conflicts of interest are a standing agenda item at the start of every Board and committee meetings and are managed in accordance with our code of conduct.

Staff wellbeing

This theme seeks to assess how staff are supported and how their wellbeing is considered.

Our values – accountable, energised, commercial and caring - drive our organisation. We work hard to embed them across everything we do.

To ensure colleagues are best placed to live our values we have a wide range of support in place to help.

Great Place to Work Results (super large category):

- UK's best workplace – 9th
- UK's best workplace for development – 13th
- UK's best workplace for women – 8th
- UK's best workplace for wellbeing – 19th

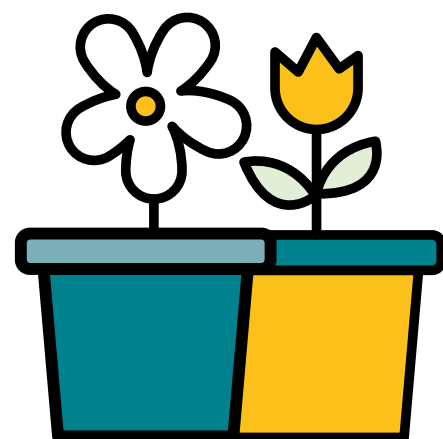


Each year we look for ways to enhance our wellbeing offer to support our colleagues. They include:

- **Living Wage Foundation:** We continue our commitment to the Real Living Wage working with the Living Wage Foundation. This saw eligible colleagues benefit from a 5% pay increase in April last year.
- **Wellbeing hub:** A digital one-stop-shop with information and resources on physical, mental and financial wellbeing.
- **Employee Assistance Programme (EAP):** We offer 24/7 all-year round wellbeing support to our colleagues through an external partner.
- **Virtual clinical hub:** A team of clinicians who support front-line colleagues who experience difficult situations at work.
- **Neurodiversity support:** We offer specialist referrals for neurodivergent colleagues through dedicated organisations to get tailored support.
- **Financial wellbeing:** We've enhanced our wider colleague benefits offer by adding a new financial wellbeing app called **Wagestream**, which is a financial wellbeing platform that supports colleagues to manage their finances more effectively.

Since Wagestream launched we have seen:
 - **42%** of our colleagues across the Group signing up to the platform (circa. 1,500 colleagues).
 - **15,305 streams** (salary advance) totalling £1.1 million, (average of £72 per stream)
 - **30%** of colleagues saving part of their salary each month.Wagestream is a welcome addition to our other financial wellbeing resources including our health cash plan, with a colleague benefit of £1,140 upwards per annum and income protection for all colleagues.
- **Occupational health:** We use occupational health to get the best advice and recommendations to enable colleagues with a health condition to thrive at work.

- **Mental health first aiders (MHFA):** We have around 75 trained and qualified MHFAs across Home Group whose names are published for face-to-face or remote support. Our MHFAs come together every quarter to support their needs and offer peer support.
- **Peer support groups:** We have a wide range of peer support and allies groups including mental health, neurodiversity, disability, women of Home Group, menopause, multicultural and parents.
- **Self-care guide:** A comprehensive tool full of activities and thought exercises to help colleagues practice self-care.
- **My wellbeing plan:** Supports colleagues to identify how they stay well at work, reflect on what can impact on their mental health and tell their manager what support they'd like.
- **My stress support plan:** Supports colleagues to explore any stress triggers in their role and adjustments or support they may need to better cope with their stress.
- **External support:** We make sure colleagues know where to get the right support with a comprehensive list of specialist external organisations supporting wellbeing relating to mental health, addiction, relationships, victims of crime or abuse, LGBTQ plus and multicultural issues.
- **Annual wellbeing fortnight:** We hold an annual fortnight-long wellbeing event. We successfully delivered Wellbeing Fortnight in January of this year, featuring a diverse programme of activities, workshops, and challenges designed to provide colleagues with opportunities to explore and discuss physical, mental, and financial health, thereby enhancing their wellbeing and fostering supportive relationships. Colleagues provided detailed feedback on Wellbeing Fortnight, with all sessions rated from fair to very good. The 2025 programme achieved its goals: raising awareness of Home Group's wellbeing resources, sharing knowledge on financial wellbeing and literacy, offering insights on sleep management, and enabling colleagues to connect and build positive relationships.
- **Weekly CEO updates:** A video and email update every Wednesday rounding up all the important information that has been shared over the week and what to look out for in the coming weeks. The Director of Scotland also provides a monthly summary for all Scotland colleagues as well as drop-in calls every fortnight to allow all colleagues to hear any relevant updates and ask any questions of the senior team or wider colleague group.
- **Menopause:** Dedicated resources on our wellbeing hub including health and wellbeing advice and colleague stories about their own journeys.
- **Domestic abuse:** Dedicated resources for colleagues who might be experiencing, or know someone who might be experiencing, domestic abuse.
- **Pregnancy loss:** Support for all colleagues who experience miscarriage, still birth, ectopic pregnancies, molar pregnancies and neonatal loss.
- **Supporting carers at work:** More people in the UK than ever are balancing caring responsibilities with work. We have a network of carers champions to provide peer support, paid leave, and other wellbeing support for colleagues.
- **External accreditations:** We are signatories to Mindful Employer, Disability Confident and the National Suicide Prevention Alliance, which allows us to check our practices against best practice and provide additional support and resources to our colleagues.



Promoting Equity, Diversity, Inclusion and Belonging (EDI&B)

We spend a lot of time and resource ensuring EDI&B is promoted across the organisation. This includes:

- Our EDI&B steering group is an organisation-wide group to coordinate and monitor progress against our colleague and customer EDI&B plans as well as our EDI&B strategy with representation from all colleague networks and all departments across Home Group.
- Every year, we host a digital inclusivity week to shine the spotlight on all things EDI&B. This brings together a diverse mix of internal and external speakers with sessions that spark meaningful discussions and practical takeaways for colleagues.
- We've reviewed, refreshed and revived our EDI&B network groups across women's, disability, multicultural and pride network groups, empowering them as true colleague-led groups to provide peer support to colleagues and work in partnership with the wider organisation as we review our policies and practices.
- We've completed an organisational assessment to ensure we're protecting colleagues from third-party sexual harassment through our policies, colleague feedback, risk assessments, reporting mechanisms and ongoing learning.
- To reach a broad and diverse pool of candidates, we advertise senior and Board roles through the main and relevant jobs Boards. We also actively headhunt diverse candidates through LinkedIn and local professional networks.
- Our recruitment and resourcing policy specifically supports and embeds EDI&B for all candidates, ensuring equality of opportunity at every stage of recruitment and selection. We actively encourage applications from individuals across all protected characteristics and proactively implement measures to attract candidates from underrepresented groups. This includes applying the Rooney Rule for senior appointments, guaranteeing that at least one multicultural candidate is interviewed, provided they meet the minimum criteria for the role. We have extended this commitment to include women, supporting our aim to address the gender imbalance at senior levels.

- We are a Disability Confident Employer, guaranteeing interviews for disabled candidates who meet essential criteria.
- Our selection processes are fair, objective, and based on merit and hiring. managers are trained to deliver bias-free recruitment through Recruit Hiring Manager training.
- Our Inclusive Leadership training is mandatory for all people managers to ensure they foster inclusive teams where everyone feels valued and supported.
- Our disability disruptors (12 senior and business leaders who have completed our 'disability disruptor' programme) have led and championed and driven team-based conversations across the business to challenge how we think and act when it comes to disability.
- We pride ourselves on transparency and go beyond the statutory requirement to report on our gender pay gap by also reporting our ethnicity pay gap.
- Our EDI&B digital learning is mandatory for all new colleagues.

Supporting colleague development

We have a comprehensive learning and development offer. At the heart of our approach are directorate specific learning pathways which are designed around three key stages of development: induction; tools to do the job; and ongoing development. We have also recently launched a new digital onBoarding hub to support colleagues and their managers during induction, which is vital for engagement.

We also have a range of other learnings which support colleagues, which include:

- **Mandatory learning:** All colleagues are required to complete a core suite of mandatory training.
- **Role-specific training:** Tailored training is provided based on the specific responsibilities of each role.
- **Apprenticeships:** Apprenticeship opportunities are available that enable colleagues to gain professional qualifications relevant to their roles.
- **Coaching and mentoring:** One-to-one coaching and mentoring is available from trained colleagues.
- **iGROW and self-directed learning:** A wide range of digital learning resources are accessible through a learning platform hosted on our intranet.
- **Leadership training:** A structured leadership training pathway is available, comprising Bronze, Silver, Gold, and Platinum levels.
- **Leadership development programmes:** Dedicated programmes are in place to identify and nurture current and future leaders within the organisation. This year's programme, 'Leading With Purpose' is also built around the Institute of Leadership accreditation.
- **Grow our Own:** This programme supports internal talent pipelines and progression of existing colleagues where this fits with their aspirations and the needs of the business.



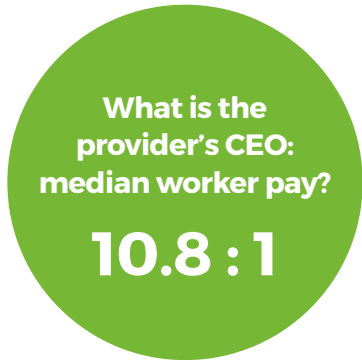
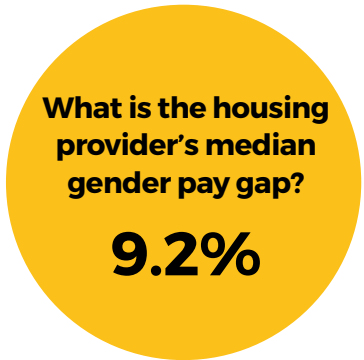
Lilybank Wynd, Ratho

Our approach to pay

Ensuring our colleagues are paid fairly is something we are looking at continually, keeping abreast of best practice in and out of the sector. Alongside this we work hard to ensure we narrow the range of pay gaps there are.

As we have shown throughout our ESG report, we have a strong social mission, with absolute commitment to equality and diversity in the workplace.

We continue to pay the Real Living Wage through the Living Wage Foundation Rate in England and Scotland.



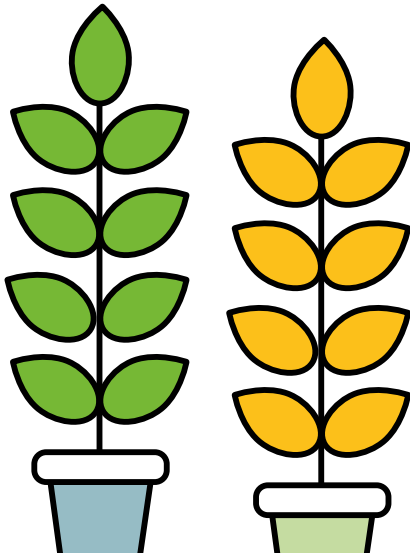
Group wide pay data

All colleagues, including those working in Scotland, are employed by Home Group. As a result, colleague data below represents the entire Group.

Gender

	2024/25	2023/24
The UK gender pay gap is	13.1%	14.3% (ONS April 2023)
Home Group's mean gender pay gap is	7.6%	11.6%
Home Group's median gender pay gap is	9.2%	9.3%
Total people employed	3,716	3,344
Female	2,144 (58%)	2,051 (61%)
Male	1,572 (42%)	1,293 (39%)

Our gender pay analysis shows a mean gap of 7.6% and a median gap of 9.2%, both improving from last year and below the UK median average of 13.1%. Women are well-represented in the top quartile increasing to 51% and we're really proud of that.



Ethnicity

	2024/25	2023/24
Home Group's mean ethnicity pay gap is	18.2%	14.2%
Home Group's median ethnicity pay gap is	11.3%	8.5%
Total people employed	3,716	3,344
Identify as white	2,836 (76.3%)	2,501 (74.8%)
Identify as multicultural	694 (18.7%)	468 (14.0%)
Did not identify their ethnicity	186 (5.0%)	375 (11.2%)

Although we're making progress on gender and ethnicity representation, we'll continue to work on improving. On gender, we're seeing more women step into senior roles, and that's encouraging. It shows that the work we've put into supporting progression is starting to have an impact. When it comes to ethnicity,

representation is improving, most of that growth is happening in lower-paid roles predominantly within our Care and Supported Housing roles. This means our ethnicity pay gap has widened this year. It highlights an opportunity which we're working with our EDI&B steering group and networks to tackle.

CEO: worker pay ratio

The CEO: worker pay ratio follows the BEIS Option A methodology which shows ranking from low to high, identifying those employees in 25th, 50th and 75th percentiles. Remuneration includes FTE earnings, bonus and employer pension contributions. Any organisation-wide bonuses are determined by our colleague forum without management involvement.

The pay ratios have widened compared to the previous year but they remain within the expected range for organisations of our size and complexity. The shift reflects a planned uplift in our Executive leadership remuneration, recognising strong performance and the scale of leadership required in a large, complex organisations.

Year	25th Percentile Pay Ratio	CEO Median Pay Ratio	75th Percentile Pay Ratio
2024/25	13.2:1	10.8:1	6.0:1
2023/24	11.1:1	9.9 : 1	4.9:1

Supply chain management

This theme seeks to assess if the housing provider procures responsibly.

As an organisation with social purpose at the heart of what we do, we consider social value each time we undertake a procurement exercise for goods and services. We are cognisant of the impact that our supply chain can have on the communities that we work within and the potential to harness social value benefits through our supplier partners.

The Procurement Reform (Scotland) Act 2014 places duties on public bodies, including housing associations, to consider how procurement can improve economic, social, and environmental wellbeing in their areas. As a result, at Home Group Scotland we must consider the impact of our procurement decisions on the local area, including factors like employment, community engagement, and sustainability. The Act also emphasises the importance of community benefits in procurement.

When tender processes are undertaken, we ask and expect bidders to propose how they will support our community initiatives in financial and non-financial terms and then evaluate this as part of the qualitative assessment of tender returns. Financial support could be offering to donate a percentage of the contract's annual turnover to community projects or making a donation to a specific initiative. Non-financial support are in-kind contributions that they can offer such as apprenticeships, work placements, services, training or volunteering.

Once a contract is awarded, we work with our local housing teams to understand the specific needs of their community and identify the best ways of marrying up the commitments secured through the tender process to these needs. We have found that not all of our supply chain is adept or particularly experienced in delivering real social value through their contracts and so through our flexible and supportive approach we have found that suppliers have been enlightened by what can be achieved and have taken learning that they have been able to use on other contracts.

And it's not always the big return social value activity that has the most impact. Smaller, less high-profile activity can also be just as effective for our customers and their community. For example, Home Group Scotland supported local foodbanks in 2024/25 through the community benefits element of one of our contracts supporting a pressing need within one of our communities.

Monitoring and measurement of social value is done via the contract management routine with social value as a standing agenda item for contract management meetings.

Moving forward, we are looking to further develop our approach improving the sophistication of our assessment of social value proposals. We intend to do this by adopting a mechanism that derives an impact value for each element of a proposal to support the comparative analysis of supplier bids.



Cumnock Place, Dundee

Sustainability

Our consideration of the sustainability of the business activities we undertake via our supply chain starts from the outset of any procurement initiative. Not everything that we buy has an equal impact on the environment and so it is important for us to tailor our approach appropriately and proportionately. As a matter of course, in regulated procurement exercises, at initial selection stage we will seek to understand whether a bidder has an environmental policy and accreditation.

At tender stage, for those categories with a significant environmental impact, we will incorporate sustainability into the qualitative assessment of bidder's proposals by asking questions on areas such as how they will minimise environmental impact in the delivery of the contract. The weighting assigned to sustainability questions will be proportionate to the environmental impact of the category concerned but in all cases it will have an influence on the outcome of the process.

Another important consideration are the sustainability credentials of materials used by our supply chain in the homes that we are building and maintaining. We specify materials such as Forest Stewardship Council (FSC) certified wood products within our standard specifications to ensure that the wood comes from well-managed forests, preventing deforestation, protecting biodiversity, and supporting local communities.

Our standard preliminaries for new build developments require that our contractor partners monitor, report on CO2 production or energy use and water consumption arising from site activities, percentage of waste diverted from landfill along with any initiative that they have taken to reduce their environmental impact. We issue a sustainability survey to all of our development partners annually to collate information and measure the environmental impact of their work for us.

In a turbulent world, our commitment to delivering for our customers and communities remains constant and we exist to deliver on our Customer Promise every day.

We hope you find our reporting interesting and insightful and that it demonstrates our absolute commitment to improving our ESG performance and reporting on it transparently.

If you are an investor and have any questions or feedback at all, please get in touch with **steve.hallowell@homegroup.org.uk**

If you are a customer or other stakeholder, please contact **communications@homegroup.org.uk**

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