

Saving and enhancing lives

Health, safety and wellbeing



Why does it matter?

Keeping our employees, customers, and suppliers safe is our number one priority. Ensuring that our employees work in a safe environment and can return home to their loved ones at the end of their working day is of paramount importance.

What have we achieved in 2025?

In 2025 we continued to enhance the Group wide incident management system, ensuring qualitative data and detailed investigations were being delivered by our operating companies. The system makes it easy for all employees to report accidents in real time, and encourages the reporting of leading indicators such as near misses, unsafe acts or conditions. Throughout 2025, we launched a monthly theme around the Group's Nine Life Saving Rules, with individual subject matter poster campaigns at all operating companies, enhancing the focus on accident prevention rather than reaction to accidents. Significant focus was placed on machinery guarding safety in year and will continue into 2026 with the focus on ensuring adequate risk assessment on all workplace machinery is conducted and adequate controls are implemented to prevent personal injuries.

During the year we have sought feedback on operational and facility improvements through our employee engagement, which includes health and safety as a key discussion topic. To complement this and obtain a comprehensive view from all employees, we conducted a groupwide employee safety culture survey in September 2025. This indicated there is a high level of understanding of internal health and safety expectations and employee responsibilities.

While we still have work to do, our efforts have led to a 9% reduction in the Lost Time Incident Rate ('LTIR') to 0.30 in 2025 (2024: 0.33). All lost time incidents were investigated by health and safety managers alongside members of the local operational teams. Managing Directors were requested to present the investigation findings to the Group Presidents and Executive Committee members to demonstrate elevated involvement in the process.

Our targets

Although we did not achieve our LTIR 2025 target, management remains firmly committed to attaining it in 2026 and has established a range of initiatives to support its achievement.

Learnings from all incidents are shared with the wider organisation, reinforcing the importance of keeping our people safe and communicating corrective actions.

In 2025, we launched the Global Safety Alert, ensuring that repeat incidents with significant learnings are shared to all locations ensuring preventative measures are implemented.

Our 2026 focus areas

Our aim continues to be to reduce the number of health and safety incidents throughout our organisation along with minimising the severity of lost time incidents.

To support this objective, we will:

- Elevate our focus on employee behaviours and accountability by launching a new cultural change programme, "I Own Safety" ensuring every employee around the Group is trained and educated on recognising safe and unsafe behaviours and enabling them to intervene to prevent incidents from occurring
- Continue to focus on leading indicators, such as near miss reporting and safety observations, rather than lagging indicators
- Continue to drive campaigns focusing on those areas that represent major risks for the Group's operating companies
- Continue to improve case management of Lost Time Incidents
- Enhance the delivery of safety training for our people

How will we measure progress?

We use Lost Time Incident Rate as the key indicator to track and monitor our progress in health and safety.

Measure	2025 actual	2024 actual	2025 target	2030 target
Lost time incident rate	0.30	0.33	0.275	0.1

Our approach to sustainability *continued*

Talent, development and engagement



Why does it matter?

Talented people are fundamental to the success of our autonomous business model and help deliver our purpose and growth ambitions. We need a highly engaged and capable workforce within our operating companies, and this can only be done by attracting, developing, supporting, and retaining the right people. Positive employee engagement and offering great careers for people increase our productivity, enhance our reputation, and deliver our growth plans.

What have we achieved in 2025?

In 2025, we have continued our focus on senior level succession, the development of high potential individuals within our operating companies, as well as manager and supervisor training and development. Following on from 2024, where we saw four internal promotions in our Managing Director population, we have welcomed two new externally sourced Managing Directors across our regions. We will continue to focus on succession planning and internal development programmes to provide further future talent readiness for internal opportunities and for our people.

We conducted our annual employee engagement survey in September 2025, with a high participation rate of 88%, which was a five percentage point increase on our 2024 participation rate. Employee engagement for the overall Group increased to 58% (2024: 56%). The survey results highlighted that there is some variation in the engagement levels across our operating companies. Our aspiration is for every company to increase their employee engagement level every year. To achieve this, we know that local action plans will be most meaningful and will have the biggest impact.

We have continued to use apprenticeships as a way of attracting and developing early career talent as well as advancing our existing employees. In the UK, 11 new apprentices joined in 2025, with 27 existing employees enrolling onto an apprenticeship as a way of upskilling themselves. In September 2025, we held our annual Apprenticeship Event in Coombe Abbey in Coventry, where we celebrated the achievements of our brilliant UK apprentices.

The Board has reviewed the mechanism by which it engages with its workforce. Instead of continuing with its Employee Forum, members of the Board now hold direct meetings with employees from a wide variety of disciplines and seniority levels at individual operating companies with no senior management present. These meetings allow direct and confidential feedback to the NEDs from colleagues on the ground and provide valuable insights into workforce perceptions on matters such as remuneration, working conditions, and health and safety. Please see the Governance Report for more information.

Our 2026 focus areas

Understanding the importance of highly engaged people, our Managing Directors and their teams have developed local action plans to address the areas identified for improvement in the recent engagement survey. These plans are being overseen by our Group Presidents to ensure that employees continue to have regular feedback on progress being made and to enable employees to give feedback during the year. Our HR teams will continue to hold regular sessions to share best practice with the aim of assisting all companies to increase their engagement levels in 2026.

We will continue to develop our supervisors and managers, with development programmes planned for 2026. We are tracking progress that our supervisors and managers make after completing the programme. We will continue to provide development for our newer Managing Directors and will be refreshing our succession plans.

How will we measure progress?

We will continue to measure progress through our engagement survey against our targets. We will continue to seek further feedback via various communication channels and will act on feedback that we receive from our employees during the year. We will track internal moves at a senior level and for those supervisors and managers who complete our Enterprise-wide development programmes.

Our targets

Measure	2025 actual	2024 actual	2025 target	2030 target
Engagement score	58%	56%	66%	75%

Kelsy Valko, Chemical Engineering Supervisor

Creative Composites Group

Kelsy joined Creative Composites Group in May 2022 after graduating from the University of Pittsburgh with a Bachelor of Science degree in Chemical Engineering. What began as an unexpected opportunity close to home quickly became a career defined by growth and challenge. "Every day is different," Kelsy shares. "There's always a new problem to solve and an opportunity to keep learning." That constant evolution is what continues to fuel her development.

In April 2025, Kelsy was promoted to Chemical Engineering Supervisor, where she now leads a growing team while supporting product development, chemical process improvements, tooling and part estimating, and technical specifications. She also plays a key role in environmental compliance, working closely with regulatory agencies to ensure accurate reporting and adherence to standards across operations.

Beyond her site-based responsibilities, Kelsy supports sustainability initiatives across the broader Group. She leads carbon footprint reporting for Creative Composites Group, contributes to Environmental Product Declarations, and conducts Life Cycle Assessments for selected products, work that supports the company's long-term environmental goals.

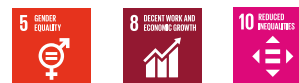
With recent retirements creating opportunity within the engineering department, Kelsy is energized by what lies ahead. She is deeply invested in mentoring and developing her team, finding fulfilment in leadership. "I really enjoy training and coaching others," she says. "Helping people grow and succeed is one of the most rewarding parts of my role." Looking forward, Kelsy sees continued opportunity to expand her leadership and technical expertise while contributing to the future of Creative Composites Group.



"Helping people grow and succeed is one of the most rewarding parts of my role."

Our approach to sustainability *continued*

Equity, diversity and inclusion



Why does it matter?

We aim to employ the best people for the job and help them thrive. We know that we can only do this by considering talented people from the whole community, making our business attractive for them to join and by providing an environment where they can be themselves and give their best. If we can provide attractive opportunities for our people and ensure we have a workforce that is truly diverse, our business will perform to its absolute potential and achieve our ambitious economic growth plans, as well as deliver individual success.

Everyone is actively encouraged to communicate and share information with colleagues. It is important to us that we create an inclusive culture, where all voices and perspectives have an opportunity to be heard.

What have we achieved in 2025?

The 2025 employee survey highlighted that 73% of employees agreed that Hill & Smith values diversity. While this is a good starting point we still have more to do in this area.

During 2025, the focus was to continue to provide tools, resources and information in support of increasing levels of diversity both locally and at a Group level to represent the communities that we serve. Some of our local operating companies have seen updates, remodels or new purpose builds of their facilities to provide an inclusive environment for all employees, regardless of their gender. We have also received positive feedback following the introduction of personal protective equipment ('PPE') specifically designed for females. We have enjoyed celebrating various national and international days that celebrate inclusion across regions and we continue to partner with two external Women's Networks to enable our employees to benefit from access to a wider network, tools and resources. In addition, we continue to offer variety of inclusive activities and webinars to raise awareness and open communication channels, for which we received positive feedback from our people.

Our targets

	2025 actual	2024 actual	2025 target	2030 target
Gender diversity				
PLC Board	25%	38%	40%+	40%+
Executive Committee	17%	33%	40%+	40%+
Senior leaders	25%	22%	20%+	40%+
Ethnic diversity				
PLC Board	13%	13%	10%+	10%+
Executive Committee	0%	0%	10%+	20%+
Senior leaders	19%	15%	10%+	10%+

We have seen a slight decline in our 2025 Gender Pay Gap, with the median and mean pay gap shifting back to favour men, however, this indicates imbalance in distribution of females within the Group and its operating companies, which is not unusual for companies operating within environments like ours, as opposed to fairness and/or equality of pay.

We have also reviewed our equal opportunities and diversity policy and our dignity at work policy, which set out clear expectations for all employees. Our apprenticeship programme continues to be another method of attracting more diversity into our businesses.

Our 2026 focus areas

We will continue to focus on increasing levels of diversity across our operating companies as well as at the Group level. We will review our Inclusive Hiring Guide along with our training modules in 2026 to further develop the skills and knowledge of our employees. This will cover the benefits of a diverse workplace and how everyone can play a positive role in promoting inclusivity. We will continue to provide tools, resources, and information in support of this, as well as taking part in national and international days that celebrate diversity and inclusion.

We want to build on the success of our apprenticeship programme, recognising it is an important way of attracting and retaining diverse talent. We will recruit additional apprentices and upskill existing colleagues through apprenticeships where feasible to do so. We will continue to employ interns in our US businesses.

As set out in the Chair's Report, a key priority for our new Chair will be addressing gender diversity at Board level.

How will we measure progress?

We will continue to measure gender and ethnic diversity at a senior level and review the engagement survey scores for diversity and inclusion to track progress.