HuwsGrayGroup

Making Building Better

# Sustainability Report

2024

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# Introduction

## We are Huws Gray Group

**Huws Gray is the UK's largest independent builders' merchant, supplying building materials to trade and DIY customers from locations across England, Scotland and Wales. Founded in 1990 from a single branch in Gaerwen, Anglesey, Huws Gray has rapidly expanded over the past 35 years through organic growth and acquisitions.**

Today we are a group of brands dedicated to offering extraordinary service delivered by friendly and knowledgeable staff. Our retail branches are stocked with everything our customers need to complete jobs efficiently, while our construction brands ensure that, across the UK, the sector always has access to the building materials it needs.

**4500+**
Colleagues

**300+**
Sites UK-wide

# A message from the CEO

**One of my priorities on becoming CEO of Huws Gray Group in 2024 was to oversee a step change in the way we approached sustainability. I'm extremely heartened by the progress we have made.**

In this, our second sustainability report, you'll discover how, in just 12 months, we have transformed our governance of sustainability within the business, creating an even more robust structure that is helping us to drive improvement. For the first time, we have set clear targets against our People, Planet, Products and Principles strategic pillars, aligned with the UN Sustainable Development Goals. These are designed to challenge and stretch us while simultaneously helping us to measure progress.

And across each of those key pillars, we have delivered more. In this report, you'll find how our One Huws Gray conference, and our ESG Champions and Think Green initiatives are helping to increase colleague engagement. You'll also learn how a renewed focus on waste has seen us reduce overall volumes by an impressive 10% while increasing the amount we divert from landfill.

We explain how, by working closely with our suppliers, we're ensuring more of the products we supply help our customers operate sustainably too. And you'll discover the countless ways in which Huws Gray Group colleagues are making a difference in their communities.

In 12 months, we've created a better-run company. We've built the platform for growth. But we remain conscious that growth for growth's sake helps no one. So we are focused on creating value, and building resilience. Operating sustainably is a fundamental part of that.

As ever, change can't happen without the people to make it a reality, and I am enormously grateful for the efforts of our colleagues across the UK who are making Huws Gray Group a bigger, better, more sustainable business.

Thanks for reading.

**Daksh Gupta**
*Group CEO*

# Building Huws Gray Group

**1990**
- **5** people
- **First Huws Gray branch** opens in Gaerwen, Anglesey

**2000**
- **7** branches
- **67** people
- **We acquire Anglesey Timber**

**2005**
- **16** branches
- **178** people

**2010**
- **28** branches
- **336** people

**2015**
- **39** branches
- **561** people

**2018**
- **We acquire Ridgeons**

**2020**
- **107** branches
- **We acquire AC Roof Trusses**

**2021**
- **Landmark acquisition** of Buildbase & associated brands

**2025**
- **300+** branches
- **4500+** people

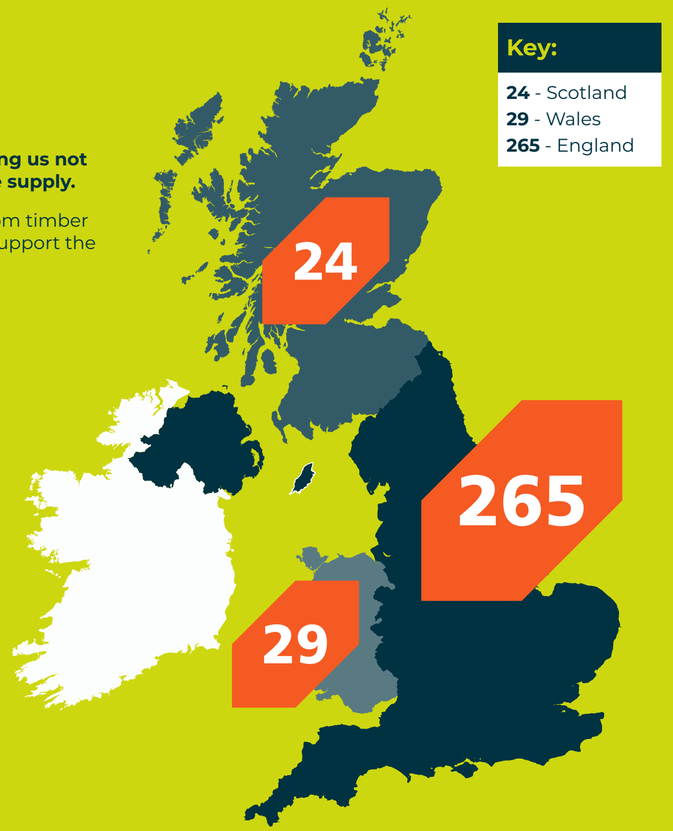
# One Huws Gray

**Now a group of 15 distinct operating businesses, the interrelationships between each business are enabling us not only to broaden the Group's offering but to integrate supply.**

Our "Keep it in the Family" strategy is ensuring that, from timber to windows to bathrooms, we are increasingly able to support the full breadth of our customers' needs.

## Huws Gray Group

HuwsGray Building Supplies & Solutions
HuwsGray Electrical & Lighting Supplies
HuwsGray Kitchens & Bathrooms
HuwsGray Tool Centre
HuwsGray Plant & Tool Hire
HuwsGray Timber Engineering
HuwsGray Partnership Solutions
Lloyd Worrall Architectural Solutions
The Timber Group
QUALPLAS
FRONTLINE the complete bathroom www.frontlinebathrooms.co.uk
SmithsBriten
NDI
C&L
PDM
harvey LINTELS




**Key:**

**24** - Scotland
**29** - Wales
**265** - England

# This is what we stand for

**We have a strong set of guiding principles that underpin everything we do. They are the foundations of our success. They are at the heart of all our decision making. And although it's not always easy (we're only human, after all) we try to live and breathe them every day.**

## We put people first

We want our people to succeed and feel able to bring their 'A game' to work every day. Our growth has created amazing career opportunities and we're investing in learning and development so that more people can reach their potential and take advantage of our commitment to promoting from within.

## We keep things simple

We know that when things are simpler for us, they're better for our customers. That's why we aim to avoid unnecessary complications. We're successful by staying true to the basics of how we do things and we don't let clutter get in the way.

## We strive to be the best we can be

We are focused on making things easier for our customers and are constantly looking for ways we can do things better. We keep an open mind and are flexible to change. We listen to our colleagues because we value diversity of opinion, and we act on what they say.

## We have fun

We conduct ourselves respectfully and appropriately with colleagues and customers, but we want everyone to enjoy the time they spend at work. We believe that creates better customer service and a better work environment.

# 2024 highlights

## We cut waste by 10%

In 2024, we produced **10% less waste**. We also increased our waste diverted from landfill to **98%**. Find out more at **p45**

## We launched Think Green and ESG Champions

We increased the focus on environmental improvement across the business by launching our Think Green and ESG (environmental, social and governance ) Champions initiatives. Explore the results at **p44**

## We transformed our use of renewable energy

In 2024 we used **18,947,723** kwh of electricity, a HUGE **64%** of this was from renewable sources. In 2023, only **16%** of our electricity came from renewables—a significant year-on-year increase that highlights our sustainability commitment.

## We narrowed the gender pay gap

In 2024, we further reduced our median gender pay gap to **2.1%**. That compares to an industry average of **22%**. Find out more at p23

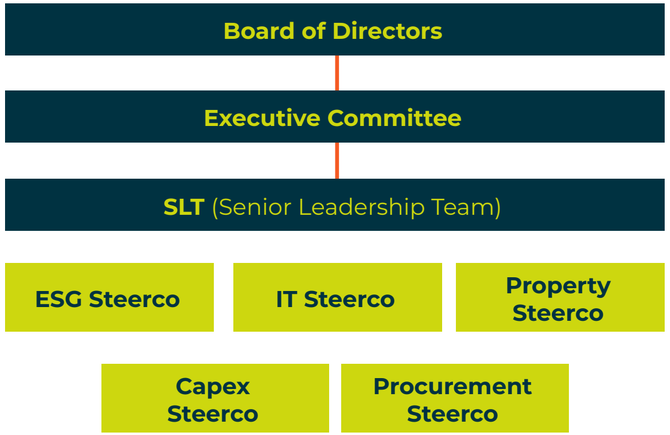
## We won National Merchant of the Year 2024

We were thrilled to be named National Merchant of the Year at the **BMJ Industry Awards**, recognising the very best builders/plumbers/decorators/roofing/timber merchants with nationwide coverage across Great Britain.

# Governance

**In 2024, we formed a new Executive Committee, supported by the founders and directors of the Group. Daksh Gupta, the Group's Chief Executive, joined the Board formally in February 2024.**

## Governance model at Huws Gray Group




## Enhancing governance

Robust governance is an important element in understanding and mitigating risk, increasing efficiency, improving decision making and boosting stakeholder confidence. For these reasons we have enhanced internal governance arrangements by implementing a number of new steering committees (steercos).

**We also appointed new roles including:**

- General Counsel and Company Secretary
- Chief Commercial Officer
- Chief Operating Officer

A new Chief Financial Officer and a new Chief People Officer completed the Executive Team.

## ESG governance

### Strategic

**The Board**

Responsible for endorsing fundamental sustainability matters escalated by the Executive Committee.

**Executive Committee**

Approves matters referred to it by the ESG steerco and escalates relevant matters to the Board. Monitors policy implementation and Group environmental performance.

**ESG Steering Group**
(inc Executive Committee involvement and oversight)

Meets regularly to discuss initiatives, projects, ESG risks and overall progress. Using the information presented to it by the ESG Working Group, the group defines strategy and ambitions and sets goals to drive change. Also updates the Executive Committee on progress and on matters requiring approval.

### ESG Working Group

A group-wide body which includes representatives from all Huws Gray Group brands and departments. The group discusses ESG risks, opportunities and legislation. It also gathers data and looks at how to drive the right behaviours across the business. It raises ideas, advice and recommendations to the Steerco.

### Tactical

**Regional/area managers**

Ensure sustainability-related policies and standards are effectively implemented. They lead on environmental issues in their areas, help promote responsible attitudes, and make sure that sites have the resources they need.

**Branch managers**

Have a key role in local delivery, particularly in reducing energy consumption, fuel consumption and waste produced and sent to landfill.

**All colleagues**

Everyone at Huws Gray Group has a direct environmental and social impact on Huws Gray Group. Our governance structure ensures there's always an avenue for ideas to be raised, considered, evaluated and escalated to the ESG Steerco.

## Reshaping governance at Huws Gray Group

"The changes we've introduced to our governance structure this year are not about bureaucracy. They help us make good decisions, quicker. They ensure the right people are brought together at the right time to consider those decisions. They ensure transparency and accountability. And they help us plan, giving us greater foresight of what's coming down the track."

**Stephen Jones**, *General Counsel and Company Secretary*

# Our strategy

**Our ESG ambitions are centred on four key strategic pillars: People, Planet, Product, and Principles. These pillars are aligned with the UN Sustainable Development Goals (SDGs) and informed by the materiality assessment we carried out in 2023 (see below).**

## The Sustainable Development Goals

Introduced by the UN in 2015, the **17 SDGs** remain the planet's best blueprint for a sustainable world. All the SDGs are important, but we have identified nine with particular relevance to our strategic pillars.

## Understanding our material issues

In determining our areas of focus, It was important that we included the input of our stakeholders. In 2023, we carried out a materiality assessment, developed using quantitative and qualitative data from people across the organisation. This identified our most material environmental, social and governance issues. By "material", we mean the environmental and social topics on which we have an impact, and which have a financial impact on us.

## People, Planet, Product, Principles

We have combined our commitments, SDGs and material topics in the following pillars. Although originally identified as environmental, social and governmental, we have re-categorised our material topics to match our strategic pillars.

### People

**Huws Gray Group is committed to creating a safe, inclusive, diverse, and growth-focused workplace.**

We aim to provide fair working conditions and provide attractive and worthwhile employment opportunities in our local communities.

**Material Topics:**

- Training & development
- Talent acquisition
- Fair working conditions
- D&I

### Planet

**Huws Gray Group is dedicated to a sustainable future that supports net zero.**

We aim to reduce greenhouse gas emissions, increase renewable energy usage, and reduce waste.

**Material Topics:**

- Waste
- Energy type and consumption

### Products

**Huws Gray Group is committed to promoting responsible production and consumption practices.**

We aim to protect natural resources, minimise impact on nature, and help our customers to protect the environment.

**Material Topics:**

- Supplier relationship management

### Principles

**Huws Gray Group is committed to being a principled and ethical business.**

We aim to ensure high standards of business conduct always acting with integrity and transparency.

**Material Topics:**

- Regulatory compliance
- Cyber security
- Workplace corruption
- Corporate culture
- Data privacy
- Protection of whistleblowers

# Our targets

## Why set targets?

This year, for the first time, we've established clear targets in respect of each strategic pillar.

**We've done that to:**

- Help us operate more sustainably.
- Support the progress our stakeholders want to see.
- Shape focused actions.
- Help us measure performance.
- Help us answer increasingly technical questions from our stakeholders.
- Support compliance with some sustainability frameworks.
- To support the onboarding of new clients

In shaping our targets we have worked with our sustainability partner **TBL**.

## People

| Target | Progress | Status |
|---|---|---|
| In 2025, we aim to achieve a YoY reduction in RIDDORS versus 2024 and establish a frequency & severity rate (incidents and days lost versus hours worked).<br>**Baseline year:** 2024 | We have much improved data on H&S including audits, accidents and RIDDORS. | **Working on it** |
| By 2027, we aim to be a certified Great Place to Work (GPTW) by 2027.<br>**Baseline year:** 2024 | We're targeting GPTW to support colleague retention. Our score in 2024 survey was 57%, with 65% required for certification.<br>This year, we hope that a rollout of a group-wide people strategy will help improve our survey scores. | **Working on it** |

**For more on our actions and progress against targets, see People section.**

## Planet

| Target | Progress | Status |
|---|---|---|
| By 2032, we aim to reduce Scope 1 and 2 emissions by 50%.<br>**Baseline year:** 2022 | Against a baseline of 37,218 tCo2e, we have reduced our group Scope 1 & 2 emissions to 31,654. To reach our target of 18,799 tCo2e by 2032, we need to reduce our emissions by a further 12,804 tCo2e between 2024 and 2032 (see Fleet Electrification). | **Working on it** |
| By 2033, we aim to reduce Scope 3 emissions by 35%<br>**Baseline year:** 2023 | Approx 85% of our total emissions come from Scope 3. Assumptions regarding government policies on gas/oil boilers and reliance on supplier sustainability efforts affect this target. Many suppliers are already making progress towards reductions. We are working with them to achieve more. | **Working on it** |
| By 2033, we aim to reduce waste by 45%.<br>**Baseline year:** 2023 | In 2024 (vs 2023 baseline), we reduced waste by 10%, bringing total waste down to 12,439 tonnes from a baseline of 13,845 tonnes.<br>To hit our target, we need a further reduction of 4,860 tonnes. Various initiatives support this (see Waste). | **On target** |

**Assumptions affecting these targets:** The success of our net-zero transition plan is dependent on several factors outside our control - see **p40**

**For more on our actions and progress against targets, see Planet section.**

## Products

| Target | Progress | Status |
|---|---|---|
| By 2026, we aim to launch a range of sustainable solutions, with staff training in place by 2026.<br>**Baseline year:** 2024 | We've launched our first sustainable showrooms, showcasing solutions.<br>We're working with our supply chain on sustainable products and understanding customer demand for different sustainable products. | **Working on it** |
| By 2028, we aim to assess dependencies, impacts, risks and opportunities (IROs) related to nature, in line with the Taskforce for Nature-related Financial Disclosures (TNFD).<br>**Baseline year:** 2024 | The TNFD framework helps organisations respond to biodiversity loss.<br>As timber is one of our largest categories, Huws Gray Group already aligns with the Taskforce for Climate-related Financial Disclosures (TCFD). | **Working on it** |
| By 2028, we aim that 80% of products sourced will have an EPD (Environmental Product Declaration) in place. | Embedding EPDs within our carbon calculations will help us identify key hotspots. 60% of our timber suppliers have EPDs. Of our top 20 suppliers by spend (totalling circa £300m), 80% have EPDs.<br>For more see Timber. | **Working on it** |

**For more on our actions and progress against targets, see Products section.**

## Principles

| Target | Progress | Status |
|---|---|---|
| By end of 2025, we aim to launch and implement a comprehensive business code of conduct.<br>**Baseline year:** 2024 | The code of conduct is at draft stage. Due for release summer 2025. | **On target** |
| By end of 2025, we aim to launch and implement a comprehensive responsible sourcing framework.<br>**Baseline year:** 2024 | Significant steps already taken include the launch of a new Supplier Code of Conduct and Sustainable Procurement Policy, supported by new buyer training and supplier questionnaires. | **On target** |
| By 2026, we aim to produce an annual sustainability report with annual external verification of key data.<br>**Baseline year:** 2024 | Annual reporting gives stakeholders transparency re our sustainability commitments.<br>Verification of key data points ensures we are accurately measuring and tracking progress, giving our reporting greater credibility. | **Working on it** |

**For more on our actions and progress against targets, see Principles section.**

# People

**Huws Gray Group is committed to creating a safe, inclusive, diverse, and growth-focused workplace.**

We aim to provide fair working conditions and provide attractive and worthwhile employment opportunities in our local communities.

**Material Topics:**

- Training & development
- Talent acquisition
- Fair working conditions
- D&I

## Targets

1. By the end of **2025**, we aim to achieve a year-on-year reduction in RIDDORS versus 2024 and establish a maximum frequency & severity rate (incidents and days lost versus hours worked).
2. By **2027**, we aim to be a certified Great Place to Work.

## Diversity & inclusion (D&I) at Huws Gray

**The construction materials sector plays a vital role in building a better future for Britain, but it doesn't currently reflect the communities it builds for. Just 15% of people working in the industry are women (2% on site). 6% are from ethnic minority backgrounds. 6% live with a disability.**

### Our D&I mission

We're continuing to embed diversity and inclusion at the heart of our business, taking deliberate action to tackle bias, track progress, and remove barriers to create a workplace where everyone thrives.

That's why, in 2024, we became a Strategic Partner of the Construction Inclusion Coalition (CIC). The CIC was established by leading organisations in the construction and materials sectors to improve diversity and inclusion across the industry.

One way it does that is by having its members sign the Built on Better Pledge, a set of commitments.

### Coalition of the committed

**During 2024, our involvement with CIC included:**

- Our Group CEO, Daksh Gupta was a keynote speaker at the CIC's 2024 conference.
- For International Women's Day (IWD), Sophie Mellor, Commercial Operations Director at Huws Gray, was interviewed for CIC's news pages and spoke about her career, her inspirations, and the changes still required to achieve gender equality in the industry.
- Members of the HR team attended CIC events and seminars to explore challenges, obstacles and success stories on topics including menopause and diversity data.
- In early 2024, Builders' Merchants News ran a feature on CIC's Strategic Partners, and detailed Huws Gray Group's next steps in building our culture.

## Yes They Can

**In 2024, Hannah Kingsley of Civils & Lintels and Jade Woodward, Public Sector Commercial Director at Huws Gray, were just two of the women demonstrating the difference women are making in construction.**

For International Women's Day, Hannah spoke about the women who had inspired her. Jade was a guest on Yes She Can's blog and discussed her career and inspiration.

*Jade Woodward*

## Bringing Black history home

**Each year, Black History Month fosters inclusivity and inspires the next generation by celebrating pioneering Black writers, musicians, sportspeople, business leaders and academics. In 2024, the Huws Gray Partnering team won the 'Best Collaboration' category of the Social Value Awards 2024.**

They contributed to 15 interactive sessions across London, Kent, Hampshire, and Sussex that enabled hundreds of young people to engage with Black history, culture, and achievements. The initiative made a real difference to community organisations and schools, fostering a stronger sense of inclusivity and awareness among participants.



# Key Target Making Huws Gray Group a Great Place to Work

**We believe Huws Gray Group is a great place to work. Certification with Great Place to Work, the UK authority on workplace culture, is how we prove it. That's important, because the more we can demonstrate the positive colleague experience at Huws Gray, the more it will help us recruit and retain great talent.**

That's why we've targeted certification by the end of 2027, and this year our first ever group survey showed us that we are well on the way to achieving it.

For three weeks in June 2024, we asked everyone in the group to respond to our survey. A fantastic 80% did. The aim of the survey is to establish a 'trust index score'. That's a measure of the overall employee experience at Huws Gray. Great Place to Work demands a score of 65% to be certified. We scored 57%, leaving us with the challenge of increasing our score by eight points.

With scores broken down by branch and department, the survey has given our leadership teams the insight they need to continue driving engagement and improving the workplace for our colleagues.

## What our people said:

- **9 in 10 said...**
  People here are treated fairly regardless of their race
- **Almost 9 in 10 said...**
  People here are treated fairly regardless of their sexual orientation
- **4+ in 5 said...**
  People here are treated fairly regardless of their gender
- **4+ in 5 said...**
  This is a physically safe place to work
- **4+ in 5 said...**
  When you join the company you are made to feel welcome

**Our next survey will be in summer 2025.**

**80%**
**Response rate**

**8%**
**points away from certification**

# Talking shop: improving communication across Huws Gray Group

**In a large and diverse Group, communication is essential for our growth, and to fostering the 'One Huws Gray' mentality. That's why, in 2024, we held our first group-wide leadership conference and launched the Group's new in-house newsletter. Daksh Gupta also regularly provides updates via videos to keep all colleagues informed of group-wide news and progress.**

## One Huws Gray conference

The Telford International Centre was the venue for our first Huws Gray Conference in March 2024, which brought together senior leaders, key support teams and 500+ branch managers. The conference was an opportunity to share management's vision for the future of the Group and explore and expand on the theme of "Unlocking our Potential Together".

We heard from Group CEO Daksh Gupta about our strategic plan. There were updates from Head Office divisions including People, Health & Safety and ESG. And there was lots of opportunity to interact and ask questions.

**The event also saw us announce three initiatives explored elsewhere in this report:**

- Our commitment to becoming a Great Place to Work company
- A long-term commitment to focusing on diversity and inclusion; and
- Development of our internal academy

This event proved a huge success, giving attendees a clear sense of belonging, a vision of where the company is heading and excitement for the future.

## Connecting the Group

We're a 15-strong group of businesses. While we value the uniqueness of each, we want each part of the Group to feel connected to every other part. That's why we launched the Group's new in-house newsletter "HG Connected." We've published three issues so far, sharing news, strategic plans, achievements, and introducing new teams. Our first issue also had a major feature on ESG at Huws Gray Group.

# "Our vision is to create a great place to work."

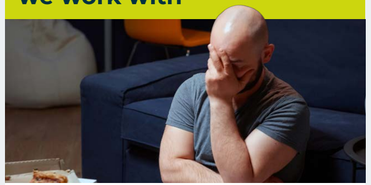
**Chief People Officer Rachel Wheeler explains the strategy behind our ambition.**

"We have a fantastic set of core qualities at Huws Gray that really are the solid foundations of a great place to work. What our Group People Strategy helps us do is to build on those foundations by creating an environment where people feel supported, connected, valued and motivated to grow with us."

"Our focus at this stage is on getting the basics right, deploying initiatives that create a strong platform from which we can grow in areas such as reward, benefits, terms and conditions, recognition, development and communications to name a few"

"And It's more than just a set of initiatives; it's our commitment to building a workplace where everyone can thrive. And when our people thrive, our business grows stronger – with positive impact, not only for our people, but for our customers and communities too."

## Understanding the people we work with



What's it like to live with dyslexia? How can you support a team member with anxiety? And as a line manager, what more can you do to help someone with bipolar disorder?

When we understand the different ways our colleagues think and work, we all work better together.

That's why we've introduced a range of diversity and inclusion related factsheets, readily available on our e-learning portal.

**Factsheet topics include:**

- **ADHD**
- **Anxiety**
- **Autistic spectrum**
- **Bipolar disorder**
- **Depression**
- **Disability etiquette**
- **Dyscalculia**
- **Dyslexia**

# Updating our policies

## Enhancing maternity & paternity leave

**We want to support our colleagues during significant life events and contribute to creating a more inclusive and supportive workplace.**

That's why, in 2024, we drew up new arrangements for maternity and paternity which have ensured everyone in the Group enjoys consistent and enhanced above-statutory terms for maternity and paternity.

For any colleagues who started maternity or paternity leave on or after 1 April 2024, we recalculated the amount to which they were entitled and repaid them.

## Induction at Huws Gray: making our welcome more welcoming

In September 2024 we introduced a new induction process to better help our new starters get up to speed in their new roles. The new format blends a webinar, eLearning and an induction checklist.

**345 colleagues attended the webinar in 2024. 94% of them rated it as 4* or 5*.**

**Huws Gray founder, Terry Owen, adds his contribution to induction eLearning**

"Simply approaching our customers and taking an interest in what they are working on will have a huge impact on sales and margin. We believe it's worth an extra 10% sales and 1% margin!

Don't forget that we have a unique opportunity to connect with our customers and exceed their expectations every single day.

If you take those opportunities, you will make us stand out from the competition and help to make Huws Gray a huge success going forward."

**Terry Owen**
Founder & Chairman, Huws Gray Group

# Narrowing our gender pay gap

**We continue to focus on ensuring equality in the representation, pay and bonuses of female workers in the Huws Gray Group. This year demonstrates significant progress, especially when compared with the wider industry.**

## The big picture

The gender pay gap remains stubbornly high across all employers. It's even higher within construction, at 22%.

| | | |
|---|---|---|
| **All employers – median pay gap** | **2023** | **2024** |
| | **14.3%** | **13.1%*** |
| **Construction – median pay gap** | **2023** | **2024** |
| | **23%** | **22%*** |

## The gender pay gap at Huws Gray

Reviewing the pay and bonuses of 4,750 "relevant employees", we've seen a reduction in our gender pay gap relative to 2023, further expanding the already significant difference between Huws Gray Group and the wider sector.

| | | |
|---|---|---|
| **Mean hourly pay gap** | **Reduction on 2023 pay gap** | **2024** |
| | **2.9%** | **2.2%** |
| **Median hourly pay gap** | | **2024** |
| | **3.1%** | **2.1%** |

| | | |
|---|---|---|
| **Mean bonus pay gap** | **2023** | **2024** |
| | **23.0%** | **9.0%** |
| **Median bonus pay gap** | **2023** | **2024** |
| | **49.5%** | **2.0%** |

**For full details, please see our Gender Pay Gap Report 2024.**

*Taken from provisional ONS data for 2024.

## Our ESG Champions

**In September 2024, we launched ESG Champions to gather sustainability ideas from colleagues.**

We had a fantastic response, receiving around **100** suggestions. All ideas were forwarded to the ESG Working Group for consideration, and the best, most viable options were taken forward. Each winner received a trophy (crafted from sustainably sourced wood) and a £100 Amazon voucher.

**ESG Champions initiatives include:**

- Reducing the use of paper/printing
- Improved way of dealing with electrical waste
- Energy-saving initiatives inspired by ESG champions.

**20** ESG Champion winners

# Apprenticeship stories

**In 2024, 14 colleagues in England and Scotland completed apprenticeship qualifications. As part of National Apprenticeship Week, we spoke to some of our branch apprentices who shared their career stories.**

**Apprenticeships at Huws Gray:** Trade Supplier Level 2, Plant Hire Controller, Business Administration Level 3, Team Leader Level 3, Customer Service Level 5 (Scotland), CIPD Level 5

## Dannii Munro

*Showroom Apprentice, Huws Gray, Penrith*

Danni was a little apprehensive when she first applied for an apprenticeship role. She was significantly younger than most of the people in her branch (and in the industry), and she was well aware of just how male dominated the sector is. But having joined the all-female Showroom team at Penrith, she has found the experience empowering.

“I’m a lot more confident than I was before [my apprenticeship] as I have the support of my two colleagues and my Branch Manager,” she says. “I can see my career flourishing in the future and I am excited to see where it goes!”

## Lola Ramsbottom

*Plumbing and Heating Trade Counter Apprentice, Huws Gray, Cambridge*

Lola was our Cambridge branch’s first ever apprentice. In branch, she was handling counter sales, answering phone calls, and scheduling/routing the delivery vehicle.

“I decided to do the apprenticeship as I thought doing hands-on training would be more beneficial for my career than learning in a classroom,” she says.

“I loved it from the first day! Being in a great team and connecting with my colleagues and customers has been fun. We are like one big family.”

## Brandon Perry

*Level 2 Hire Plant Controller, Hirebase, Nantwich*

The first Hirebase colleague to complete an Apprenticeship, Brandon says:

“I have taken away so much from my apprenticeship. I have a better overall understanding of my role and what is required day to day and how we can best serve our customers. I also learned the importance of attention to detail and knowledge around all our products. I would recommend anyone to do an apprenticeship as it really steers you on the right path to a good career in the industry.”

## Andrew Baird

*Retail Sales Professional SCQF Level 6, PDM Huws Gray Scotland, Falkirk*

“My Apprenticeship has helped me learn all about the products we sell, customer service skills and how I can better my sales. I would encourage anyone who is thinking about doing an Apprenticeship to go for it as it has really helped me in my job. I am not sure what my future holds but I am really excited that Huws Gray will be part of it.”

## Alex Perry

*Team Leader Level 3, Lloyd Worrall, Milton Keynes*

Having completed his apprenticeship, Alex is now Assistant Branch Manager at Milton Keynes. He says:

“The course has really helped with my new role, using time management techniques to prioritise my work more effectively. I have also helped with appraisals and probation reviews. Another key takeaway has been understanding my team’s different learning styles and how to manage and support this with emotional intelligence and active learning.”

“I think the course is really good for anyone looking to take their next step.”

## Amber Bierlein

*Trade Counter Apprentice, Huws Gray, Scunthorpe*

Amber was uncertain about what she wanted to do next when she left school. She felt an apprenticeship would be good for her career.

“I am glad I took the opportunity as my role has allowed me to grow as a person and become more confident,” she says. “The industry is typically male dominated, but everyone in my branch has done nothing but support me and make me feel welcome. In a way it makes me feel more empowered that I can fit into this industry and show people that I can stand up for myself. I believe my journey is only just starting.”

# Opening opportunities, shaping careers

**From graduates entering the employment market to school students only just discovering the careers open to them, we've been busy ensuring more young people know about the opportunities in construction and the building materials industries.**

*Llewelyn Roberts*

## Skills Academy Head Office Career Programme

**Llewelyn Roberts had graduated from the University of Liverpool but wasn't sure about what came next. He discovered his local university and science park ran collaborations with local businesses, including Huws Gray.**

Our Skills Academy Head Office Career Programme gives successful applicants the opportunity for five months of intense, challenging, but incredibly rewarding structured development.

Between August 2024 and January 2025, Llewelyn worked in numerous departments at our Anglesey head office, from HR and Finance to Property, Marketing and Payroll. He's now working in our Accounts Payable team in the Anglesey Head Office.

### He said:

"I thoroughly enjoyed getting the insights I gained through the programme. Spending time in various departments gave me a good understanding of the business and what each function does. I was delighted to be given an opportunity to work for a large company and I'm excited for the future."

*Part of our L&D team: Adrian Rowley and Hollie Muir*

## National Apprentice Week (NAW)

**As part of NAW 2025, our L&D team visited Derby Moor Spencer Academy in Derby to speak to 300 Year 9 students about apprenticeships. By the end of the visit, the students had a new understanding of how completing an apprenticeship could benefit them after finishing school.**

But we didn't stop there. Attending a business breakfast at the academy helped us strengthen relationships further. And we've invited year 9 students to visit a local branch as part of a project to boost maths skills.

As the relationship has continued to grow, we've been able to promote apprenticeships within the merchant industry to students who are starting to plan their careers.

## Careers Wales Week

It's impossible to imagine a career if you don't know it exists. So in November 2024, as part of Careers Wales Week, Huws Gray managers attended a careers day for 75 year 10/11 students from five North Wales schools at the Ty Gwyrddfai Decarbonisation Hub. They were there to showcase career opportunities within our sector and business, especially the design technician role at our Timber Engineering plant in Welshpool.

There was a real buzz on the day and we received positive feedback from students after the event.

# Training & Development

## Multiplying our numeracy skills

**Around seven million adults – that's almost half the working population of adults in England – have the numeracy skills of a 9-11 year old. Numeracy matters. It helps people in their work and daily lives. It opens career opportunities. It boosts self-esteem.**

That's why our partnership with Grwp Llandrillo Menai's Multiply department is so important to us. Throughout 2024, we've been offering our people Multiply's courses in GCSE maths, coding and a Microsoft Excel masterclass at our Llangefni, Anglesey head office.

Multiply tutor Kerry said: "As Huws Gray is in the building industry, we've been looking at [numeracy] in connection with construction as this is something they're doing in their everyday life.

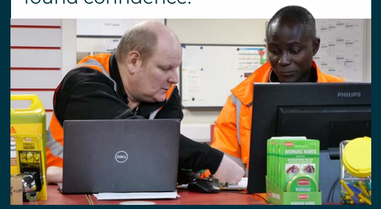
"Having known one student here for just four weeks, she's gone from having no GCSE to having me consider her to sit the higher GCSE paper, which is fantastic.

"They've come in, they want to do this, and it's not like being in a classroom. It's much more tailored, and we can take it slow or we can take it faster, whichever works."

Dafydd Hughes, Head of Central Operations at Huws Gray, believes the project helps people develop their skills and progress their careers.

### He said:

"As a company, we're keen to provide all our colleagues with an opportunity to develop their career and fulfil their potential. Our colleagues have thoroughly enjoyed the sessions with the incredibly helpful tutors and have developed new skills and new-found confidence."



### Training in brief

**Qualifications:** We've supported the professional development of colleagues, leading to recognised qualifications including CIPD level 5 in HR, NEBOSH in Health and Safety, and CIMA in Finance.

**eLearning:** In 2024 we developed a range of eLearning courses to upskill our colleagues, including 16 modules on our new HR information system and 18 product training modules. We also developed 4 mandatory training courses during the year.

**Customer Service Training:** In January and February 2024, we launched a customer service training programme that included manager briefing calls and sessions on essential customer service techniques.

We trained 404 colleagues over 53 face-to-face sessions. Delegates reported that their confidence in customer service increased by 21% and Huws Gray saw a 14% increase in 5* online reviews. Of the 26 areas that took part in the training, 25 improved sales or average order value the following month, proving the powerful link between service and profit.



# Key Target Health & Safety

**As a business with family values at its heart, getting people home safely is one of our key priorities. Whilst the nature of our operation means that there is risk to customers, colleagues and third parties we strive to ensure continuous improvement of our safe ways of working.**

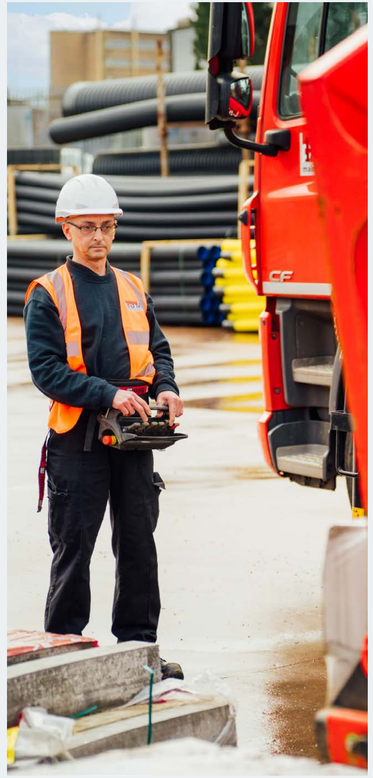
Huws Gray Group has continued to build on its Health and Safety culture in 2024. H&S is a regular part of SLT and executive-level discussion as the the first agenda item. By blending local delivery with central oversight through our Portal Safety Management System (SMS), we have increased the rigour with which our systems and procedures are implemented.

Accident investigation has been a priority development area in 2024, focusing on identifying root cause and implementing targeted risk improvement programmes delivered through the operational line.

We have standardised the method of data capture and recording to allow effective comparison across different brands and businesses. We also provide data to the Builders Merchant Federation to help understand the 'bigger picture' in terms of injury causation in our sector.

In addition to improved data accuracy, we are directly supporting our branch manager population through the delivery of 'coaching H&S audits'. These not only assess our standards but provide on-the-job training for branch managers in how to find information and key risk areas.

| Metric | Year end 2023 | Year end 2024 |
|---|---|---|
| Total injuries | 508 | 537 |
| Lost-time injuries | Not fully counted | 57 |
| RIDDOR reportable injuries | 34 | 45 |
| RIDDOR per million hours (LTM) | 3.51 | 4.35 |
| Incidents pr million hours (LTM) | 81.44 | 83.39 |



# Community Stories

**Across the UK, wherever there's a Huws Gray Group branch, our colleagues have been busy supporting people and causes in their communities. Here's just a sample of what they've been up to.**

## DIY SOS-ing

**Gary Ryan and Neil Shaddock of Civils & Lintels' Key Accounts team volunteered to re-paint outdoor areas at Shooting Star Children's Hospices in Guildford alongside volunteers from Balfour Beatty plc.**

Meanwhile, Huws Gray Supply Chain Solutions (HGSCS) in Manchester spent a day improving a community garden in Moss Side, and HGSCS in Basildon supported Trust Links – Community Mental Health to fill planters on the town's high street.

"Thank you for volunteering with us today. The time you have given to support us is greatly appreciated – we really couldn't provide our services without support from incredible companies like you!"

**Katie Hodgetts**, Shooting Star

...and Huws Gray Oxford supported local community charity Oxford Hub by donating water butts, sleepers, and soil for the next phase of its garden refurb in the heart of Blackbird Leys.

The crew at our Sutton-in-Ashfield branch have regenerated outside spaces and fitted a new Education Room roof for Nottinghamshire Fire and Rescue...

## Builder Bear-ing

Every year, the high street of Great Ellingham in Norfolk is invaded by bears. Huws Gray Rocklands branch got into the spirit with a bear of its own, and donated **£250** as a silver sponsor.

## Back-to-schooling

Our local eco reps visited Dalintober Primary School in Argyll and Bute to help students on the allotment, moving compost and chitting (i.e. sprouting) potatoes.

Huws Gray made a donation to the Community Book Pledge at Meols Cop High School in Southport. We donated compost to Cwmrhydyceirw Primary School in Swansea for their planting beds. We supported the defibrillator campaign at Anglesey School and donated **£500** towards another defibrillator at Pear Tree Nursery in Audley, Staffordshire.

The children of Tywyn Primary School in Port Talbot visited their local Huws Gray Building Materials Centre to learn about the world of construction.

"Developing inquisitive minds through play is how our pupils begin to think more creatively and scientifically, as well as develop vital problem-solving skills. I don't doubt that we have some future engineers amongst the pupils who will benefit from today's donation."

**Evonne Cameron,** Headteacher.

## Best-foot-forwarding

Huws Gray colleagues in Scotland joined STV's Kiltwalk in support of its Children's Appeal. The Hirebase Team walked Exmoor's Jurassic Coast and raised **£6,120** for Cancer Research.

"The focus is on the communities where we live and operate, and we're delighted to do anything we can to help local children and families be warm, be fed and be happy."

## Sports sponsoring

The Timber Group at Bury St Edmunds sponsored Downham Town FC girls U15s.

Huws Gray Supply Chain Solutions sponsored U12 Oxford Hoops basketball team...

## Quiz questing

Dani Brockie, manager of Huws Gray at Stratford-upon-Avon, hosted a quiz night in memory of her sister, Samantha. The night raised **£620** for MPS Society UK, which helps people with rare diseases.

**Dani said:**

'We're lucky to have a very supportive network around us who are always willing to help. This will not be the last time!'

## Aardvark assisting

It's not every day we make a delivery to an armoury of aardvarks. But that's what our Lowestoft team did, donating eight bags of sharp sand to resurface the aardvark enclosure at Africa Alive Zoo Reserve in Suffolk.

## Litter picking

Huws Gray Supply Chain Solutions in Nottingham collected **30 bags of rubbish** on a city council-led litter pick.

## Sky diving!

Mark Berry, Assistant Branch Manager at Huws Gray Bolton, jumped from 15,000 feet to raise **£300** for PAPYRUS, an organisation which works to reduce the number of young people who take their own lives.

# Charity

## This year, we announced two charity partners for 2025/6:

**CRASH** is the construction industry's charity that helps homelessness and hospice organisations with their construction projects – creating places that care for people when they're at their most vulnerable. CRASH does this by harnessing the construction industry's professional expertise and products to offer practical support.

**Mates in Mind** aims to raise awareness and address the stigma of mental health issues in the workplace, with a particular focus on the construction industry. The charity provides resources and training to help employers create a supportive environment where workers feel comfortable discussing their mental health concerns.

### Putting the fun in fundraising

When we selected our charity partners, we also wanted to make it easier for all our colleagues to get involved. That's why we created our Charity Launch Pack, which helps our branches cut straight to the fundraising part of charitable support without having to worry about getting started or finding fresh ideas.

Inside the pack, there's a profile of both our chosen charities, a calendar, top fundraising tips, and ideas for fundraising solo, as a group, and at work.

### Making a difference

**Across the country and throughout the year, Huws Gray Group colleagues, walked, jogged, ran and more to raise money for our charities.**

Civils & Lintels, for example, handed over a cheque for **£26,413.50** to Mates in Mind, the result of a number of fundraising activities. In addition, Civils & Lintels added Mates in Mind signage to the back of its 95 LGV lorries which drive across the UK, spreading the message that you are not alone and encouraging people to text **BEAMATE** to **85258** for support.

As are charity partners have been announced for two years, we'll announce the total amount donated in the next issue of this report.

# Planet

**Huws Gray Group is dedicated to a sustainable future that supports net zero.**

We aim to reduce greenhouse gas emissions, increase renewable energy usage, and reduce waste.

**Material Topics:**

- Waste
- Energy type and consumption

## Targets

1. By **2032**, we aim to reduce Scope 1 and 2 emissions by **50%**.
2. By **2033**, we aim to reduce Scope 3 emissions by **35%**.
3. By **2033**, we aim to reduce waste by **45%**.

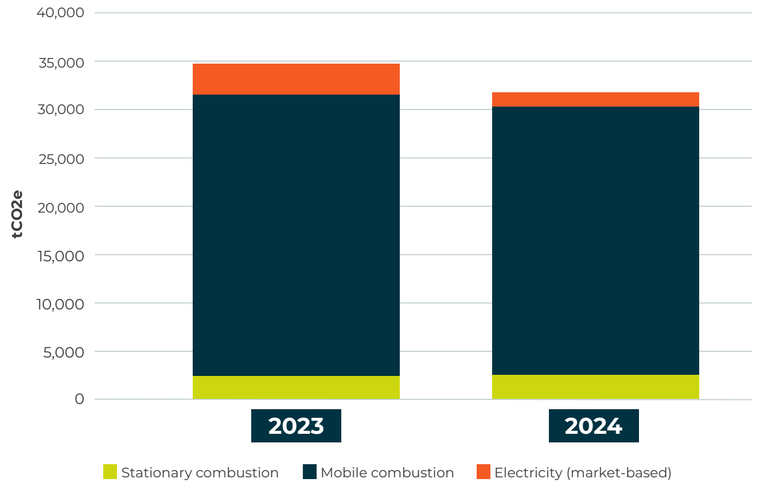
Key Target

# Our emissions

## Scope 1 and 2

**Between 2023 and 2024, our scope 1 and 2 emissions were reduced by 9% on a market-based assessment*. A key driver of this change has been an increase in renewable electricity, which covered 65% of our energy use in 2024, compared to 16% in 2023.**

*a market-based assessment considers where we have purchased renewable electricity through our energy suppliers




### (Scope 1 and 2) Highlights

**9%** — **9% reduction in overall Scope 1 and 2 (tCO2e)**

**5%** — **5% reduction in both mobile combustion and purchased electricity (tCO2e)**

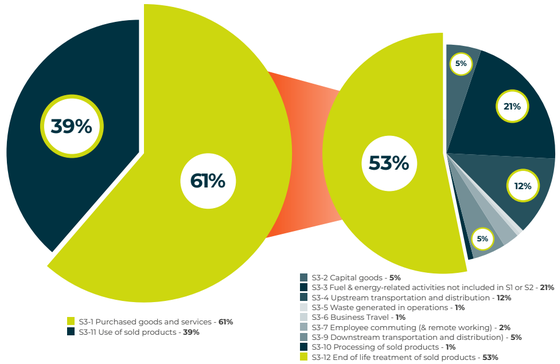
**54%** — **Purchased electricity on a market-based assessment reduced by 54% (tCO2e)**

Key Target

# Our emissions

## Scope 3

**Most of Huws Gray Group's carbon footprint comes from indirect greenhouse gas emissions contained within our value chain. These are scope 3 emissions, which break down as follows:**



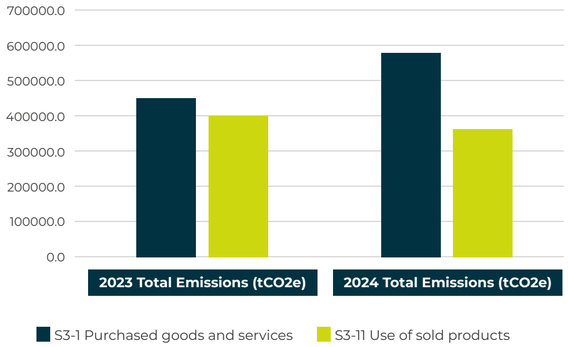

This year, new and updated product carbon data have enabled us to increase the accuracy of our carbon accounting. To ensure we can directly compare this year's data with last year's, we have restated emissions from our 2023 report associated with category 1 – purchased goods and services. This creates a new, more accurate baseline figure and ensures all data is aligned with the 2024 methodology.

## Scope 3 breakdown & comparison

Having reported our baseline emissions in 2023 to include scope 3, we are now able to share comparative data from our 2024 reporting period. Although overall emissions have increased between 2023 and 2024, we've seen reductions across 7 out of 10 scope 3 categories within our scope.

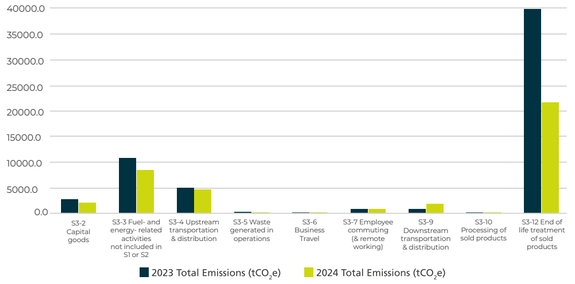
The most significant change was driven by a reduction in the number of oil and gas boilers we sold in 2024, which resulted in a decrease of **36,000 tCO2e (9%)** in the "use of sold products" category.

### Highest emitting categories ($tCO_2e$)




Further comparisons show a significant reduction in emissions for categories including fuel and energy-related activity (22%), waste generated in operations (41%), and the end-of-life treatment of sold products (45%).

### Other scope 3 categories ($tCO_2e$)




### (Scope 3) Highlights

**↓36,000 $tCO_2e$** — **Use of sold products**

**↓41%** — **Emissions from waste generated in operations**

## Improving the accuracy of supplier emissions

**In 2024 we embedded Environmental Product Declaration (EPD) data into our carbon calculations for the first time.**

EPDs are standardised documents that report the impact of a product or material throughout its lifecycle. We have made it a priority to embed carbon data from EPDs relating to purchased goods and services from our suppliers into our calculations for several reasons:

- It improves the accuracy of our data. By taking carbon data from EPDs, our calculations can be far more granular and product specific than is possible using more generalised spend-based data.
- It improves the transparency of our reporting.
- It supports improvement efforts, because the more accurate and targeted the data, the easier it is for us to work with suppliers to identify and implement improvements.

To date, EPD-based product carbon data accounts for approximately **£46 million** of supplier spend. We will continue the good work started here and integrate more product-specific carbon data throughout the year, as we engage further with our suppliers.

This integration also directly impacts one of our 'product' targets, which is to reach 80% coverage of EPD data by 2028.

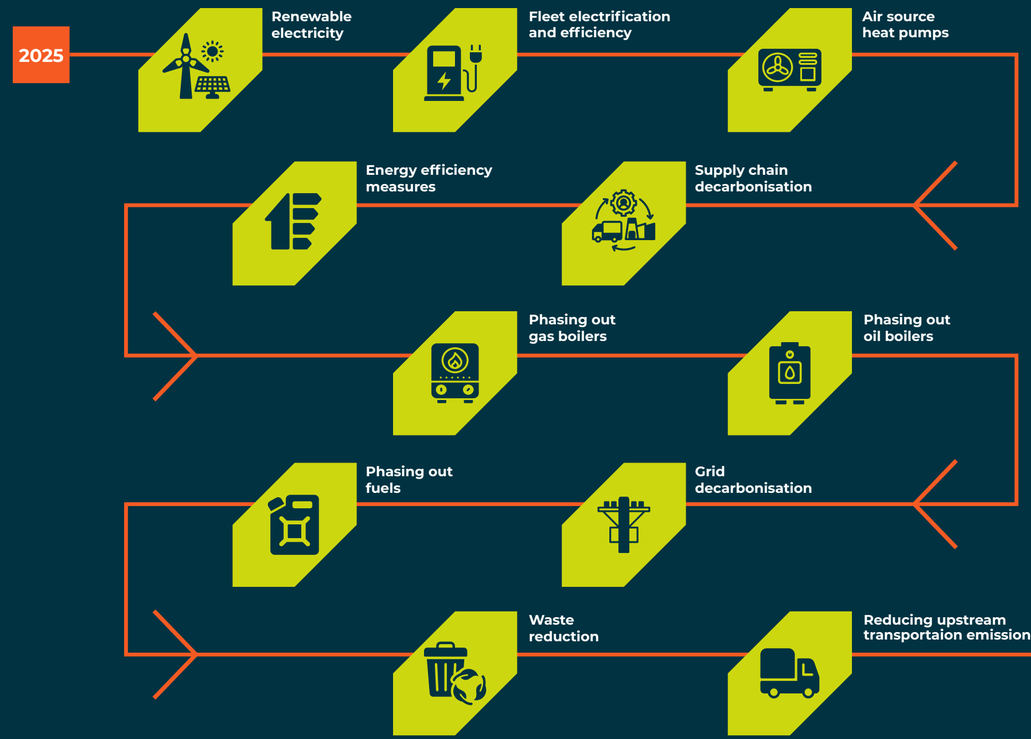
# Our net zero roadmap

**Our net-zero roadmap sets out a 25-year path to net zero. The roadmap is realised through our net-zero transition plan, which includes a set of initiatives which contribute to our overall progress towards the goal. As the graph indicates, there's no single initiative that will take us all the way to net zero. That requires a combination of actions, from phasing out gas boilers to electrifying our fleet and supporting the decarbonisation of our supply chain partners.**

Even with every initiative in the plan actioned, there will still be residual emissions inherent in our operations and supply chain. We plan to compensate for this final 9% of emissions by investing in nature through a mechanism known as beyond value chain mitigation. This might, for example, involve supporting conservation or reforestation projects.

We know that, in any 25-year plan, things are likely to change over time. When changes occur, we'll update this plan and share any impact on our journey to net zero.

## Key initiatives and associated carbon savings (tCO2e)




## Factors we can't control

**The success of our net-zero transition plan is dependent on several factors outside our control.**

**These include:**

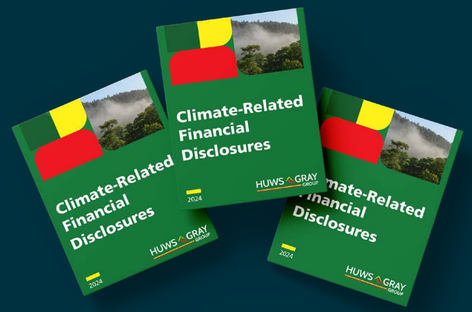
- **Grid decarbonisation:** The Government aims to decarbonise the grid by 2030, but there is no guarantee that they will meet this target. In the 'use of sold products' emissions category, decarbonisation of the use of electrical products depends on this, which may become more important with the introduction of alternatives to traditional heating systems.
- **Fleet electrification:** As with the rest of the industry, our rollout of electric vehicles depends on improved charging infrastructure and advances in technology that meet our needs as a business. In addition, the pace we can roll out electric vehicles is dependent on cost and availability, as well as any government subsidies and grants which may improve affordability.
- **Phasing out boilers:** The phasing out of oil and gas boilers is dependent on the Government providing sufficient incentives to encourage the shift in demand towards lower-impact alternatives. Whilst we can encourage our customers to shift towards lower-impact options such as heat pumps, the market needs regulation to encourage change in consumer habits.

# Our climate-related financial disclosures

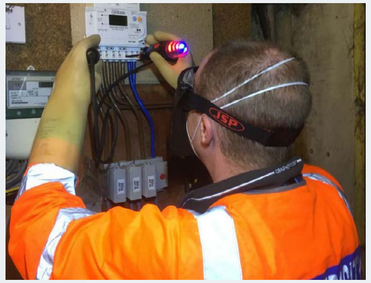
**Our business is subject to the same risks and opportunities that affect every business. Many of these are climate related, and it's important to understand how the business is likely to be affected by, for example, extreme weather events impacting markets, supply chains, and productivity; or the cost and challenge of operating more sustainably.**

That's why, in 2024, we made our first climate-related financial disclosures under the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 and the Limited Liability Partnerships (Climate-related Financial Disclosure) Regulations 2022.

Examining physical (acute and chronic tangible risks and opportunities resulting from the impact of climate change) and transitional (market-based, policy and legal, reputational and technological risks and opportunities brought on by the transition to a lower carbon economy), the disclosures establish likelihood and impact, and help us plan for the future.



# Cutting energy consumption across our estate

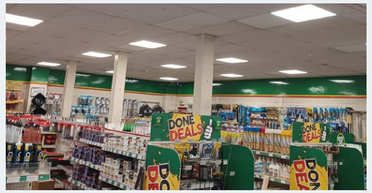


## Smarter energy insights

If you want to reduce your energy consumption, first you need to understand it. That's why, in 2024, we asked energy metering specialist IMServ to install smart meters at all sites across the Huws Gray Group estate. The improved granularity of IMServ's metering data will give us a clearer view of how electricity is used within the business and help us identify opportunities to reduce it.

## Better lights, lower bills

Huws Gray in South Kirkby PSL has replaced every light at its trade counter, both warehouses and the yard, with LEDs. John Bennett, branch manager, said: "What a massive difference it's made, and hopefully a reduction in our bills."



## Renewable energy

In 2024, **64%** of the electricity we purchased was renewable, compared to 13% in 2023.

## Driving electric

One of the key elements of our net-zero transition plan is fleet electrification. The car fleet is already well on the way to transitioning from petrol and diesel, as the latest data demonstrates:

| Diesel | EV | Hybrid |
|---|---|---|
| 4% | 24% | 72% |

That still leaves us with the challenge of electrifying our HGVs, light commercial vehicles (our vans) and forklift trucks.

We have intentionally weighted this further electrification towards the back end of our carbon reduction roadmap. This will enable us to take advantage of evolving technologies and benefit from the advantages of a mature market. It should also enable us to take advantage of the increasing affordability of EVs.

# Bolton Bathroom Distribution Group Thinks Green

**In 2024, our Bolton branch of Smiths Briten Bathroom Distribution Group (BDG) decided to target energy consumption within the business. They were so successful that they became Huws Gray Group's Think Green Winners and ESG champions.**

**Key to their success was an awareness campaign, supported by a number of initiatives, which included:**

1. Turning off all non-essential appliances before leaving each evening.
2. Unplugging all appliances not used regularly.
3. Stopping charging forklift trucks at weekends.
4. Reducing external lighting (whilst ensuring sufficient light for safety and security).
5. Adjusting sensors on corridor lighting, so they switch off when corridors are not in use.
6. Turning heating down slightly, which also helps reduce gas consumption.

As part of its next phase of energy efficiency actions, the BDG will be costing up energy saving appliances (e.g. kettles, fridges), adding door closers and draught excluders to warehouse and external doors, and replacing old and draughty windows.

## Summary

- Reduction of **31%** in usage across a period of 3 months
- Total savings in cost across a 3-month period **£1,867**
- Total reduction in Kwh for a single site – **8,015kwh**

"We just wanted to help improve some of our own behaviours and to be more mindful when using electricity."

**Karen Sperrin,** Smiths Briten, Bolton

## Simple steps, big impacts

Across the Group, more branches are looking at the small ways they can make a big difference to their carbon emissions. The team at Warrington Huws Gray Brick Centre, for example, have been monitoring and managing their heating and lighting to make improvements.

**The measures they've introduced include:**

- Turning lights off when they don't need them
- Closing doors to retain heat
- Implementing a proper shut-down policy on nights and at weekends



# Key Target Driving Down Waste

**In our last sustainability report, we shared how we were striving to reduce the waste we produce and send to landfill. This year, we're able to report that we have made huge strides in this area.**

**Waste produced 12,439.15 t**

**↓10% vs 2023**

**Waste diverted from landfill**

**↑ to 98%**

In 2023, we produced **13,845.91** tonnes of waste. In 2024, that reduced to **12,439.15t**, a 10% drop equivalent to the weight of approx. **700 cars**.

The total waste diverted from landfill increased from 97% in 2023 to **98%** in 2024.

## Targeting the next 45%

10% is an impressive start, but it's only a start. That's why we've developed a waste reduction plan that will see us remove a further **45% (4,860 t)** of waste from our operations by 2032.

Achieved through a range of measures, from sharing best practice and supply chain management to improved data sharing, we'll report on progress in future sustainability reports.

## The science of skips

**In 2023 the Huws Gray Group spent over 2.6million on skip hire and a further 400,000 on other packaging disposal services. So waste isn't purely an environmental issue for us, it's one that has a direct impact on our financial performance.**

**That's why, in 2024, we worked with partner Reconomy to launch a study into our skips, which explored the following:**

- What branches are putting into skips
- How our waste data compares to the industry
- Causes of increases and decreases in skip waste
- Financial impacts

**The report generated several recommendations based on the findings of the study. These included:**

- Encouraging branches to increase recycling rates, so they can order smaller skips for non-recyclable waste.
- Achieving consistency in the way branches compact and compress skip content (so that we use fewer skips, which reduces costs and the carbon impact of transportation)
- Reducing excess packaging at source by talking to suppliers
- Improving clarity and promotion of policies and procedures for reducing waste

We've already seen the impact of reducing skip use. In cutting the level of waste by 10% across the business, we have also reduced the need for skips by around 10%. That has saved more than £300,000 in skip costs, with a significant knock-on effect (in terms of costs and carbon) on transport.

## Sponsoring a tidier Wales

We're committed to reducing waste and to supporting the communities of which we're a part. In 2024, we combined the two, sponsoring the Community Transformation category of the Tidy Wales Awards.

The award, which went to Brighter Futures, recognises projects that have transformed disused or rundown outdoor areas into thriving community spaces. It's a category that's particularly close to our hearts, reflecting the vital role clean, green, safe spaces play in people's health and happiness.

## Next steps in waste reduction

We're working with Reconomy, the international circular economy specialist, to further reduce our levels of waste and divert more from landfill. In 2024, Reconomy helped us:

- Recycle **72t** of legacy confidential waste.
- Deliver a **waste/skip-size reduction** pilot project in two areas (see above), and plan our next pilot for 2025.
- **Externally audit our waste**, with ongoing support and improvement recommendations.
- **Support waste clearance** for branches closing or relocating.

# Products

**Huws Gray Group is committed to promoting responsible production and consumption practices.**

We aim to protect natural resources, minimise impact on nature, and help our customers to protect the environment.

**Material Topics:**

- Supplier relationship management

## Targets

1. By **2026**, we aim to launch a range of sustainable solutions, with staff training in place.
2. By **2028**, we aim to conduct an assessment to identify our dependencies impacts, risks and opportunities related to nature, in line with the recommendations of the Taskforce for Nature-related Financial Disclosures (TNFD).
3. By **2028**, we aim to ensure that **80%** of products sourced will have an EPD (Environmental Product Declaration) in place.

# Investigating our supply chain

## Understanding the ESG risks in our supply chain

**90% of a company's sustainability impact originates in its supply chain. So if you want to make a positive ESG impact, you need to ensure there's nothing lurking within your supply chain that could derail it.**

An ESG risk assessment identifies hazards, risks, injustices and hotspots within the supply chain. It ensures sustainability plans are protected against the unexpected. Yet the benefits are much wider, helping organisations mitigate financial, operational and reputational risk too.

In 2024, we worked with our sustainability partners TBL on a supply chain risk assessment that examined environmental and social risks that could negatively impact people, species and the planet, and business risks that could negatively impact Huws Gray Group.

The resulting report identified our highest-risk material topics (see boxout) and purchasing areas of highest geographical risk. It also gave a detailed breakdown of risk by each of the 18 ESG topics identified by the European Sustainability Reporting Standards (ESRS), such as energy usage, poor biodiversity, corruption and bribery etc.

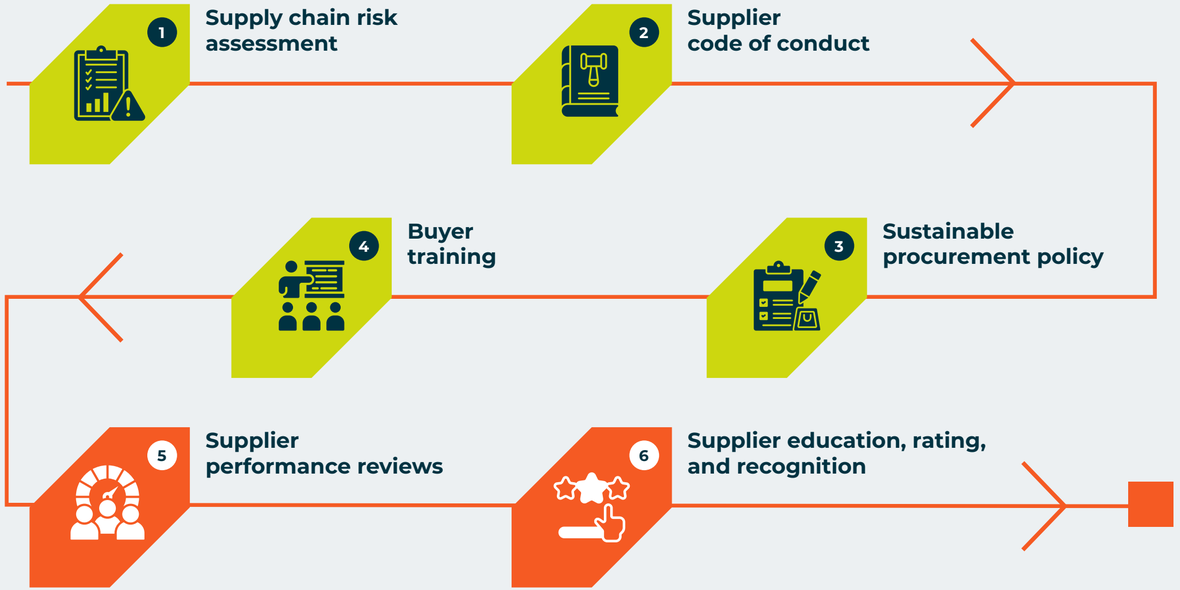
We're now able to use the report to determine business priorities, develop mitigation strategies, then implement action plans with suppliers to address areas of greatest risk.

## Our highest risk topics

- Biodiversity
- Energy usage
- Child labour
- Forced labour

# Developing a Sustainable Procurement Process

**So far, we have completed steps 1-4 and will be looking at 5-6 over the next year.**



# Traceability in Timber

**We want to know where our timber comes from. We want to know that the suppliers we work with and the forests they source from are well managed.**

We and all our supply partners are dedicated to ensuring we have a detailed and complete chain of custody, a record of traceability that means every customer can be confident not only in the timber they buy from us, but the ethics that underpin every forest we work with.

"We and all our supply partners are doing our utmost to ensure we purchase timber in an ethically and morally correct way."

**Pete Wittish** *Category Director*

# FSC & PEFC certified

**As a company we hold FSC® Chain of Custody certification (licence code FSC-C005343) and PEFC Chain of Custody certification (licence code PEFC/16-37-1795). Certification confirms our forests are managed to strict environmental, social, and economic standards.**

Maintaining certification is challenging, and one way we are ensuring that every Huws Gray Group business can feel confident in the timber it supplies is by consolidating supply. Around 75% of all timber supplied across the Group comes through just one of our businesses: The Timber Group (TTG).

TTG assumes responsibility for importing timber materials for the Group and ensuring standards compliance. It then sells on those products to the Group. The remaining 25% of timber is supplied to Huws Gray Group by no less-well-regulated external suppliers.

Each year, we are Independently audited to ensure we maintain the highest possible standards required by the relevant certifying bodies.

## EPDs (almost) everywhere

An Environmental Product Declaration (EPD) provides standard, transparent and comparable information about the environmental impact of a product throughout its lifecycle.

- 60% of our external (i.e. non-TTG) timber suppliers now have EPDs.
- Of our top 20 external suppliers by spend (representing a total spend of around £300m), 80% have EPDs.

Now, we're working to embed EPDs within our carbon calculations. This will enable us to identify hotspots which can drive emissions reduction initiatives within our supply chain.

We are also researching and developing the EPD-certified products we want to offer our customers, and are trialling a small number of sustainable showrooms to support this work.

# Supplier Focus: UPM Timber

**Around 85% of any business' carbon emissions are locked in its supply chain, so it's important that we choose suppliers who are as committed to having a positive impact on the environment as we are.**

Finland-based UPM is one of our major timber suppliers. The company is going to impressive lengths to ensure it cuts emissions, protects and improves biodiversity, and reduces waste. And running certified, responsibly managed forests is just the beginning:

- UPM plants **100 trees** per minute, four new ones for every tree it fells.
- Planting single tree species would be damaging to biodiversity, so UPM pays attention to natural species in its forests and plants accordingly. It helps its forest-owner partners take better care of their forests too.
- UPM is increasing biodiversity within its forests, measured by indicators including the increasing amount of deadwood, and the number of broadleaves trees and protected areas.
- Timber byproducts are used as materials for bio-based innovations. Waste is converted to electricity to power cities near the company's sawmills. UPM's Lappeenranta Biorefinery is the world's first commercial-scale facility producing advanced biofuels from wood-based residues.
- All UPM sawmills run on renewable energy.

## From Sapling to Stock

The Huws Gray people who source our timber know they have an immense responsibility not just to our businesses, our people and our customers, but to future generations. A pine planted by our timber partners today won't be felled for a century. That means the decisions we make now echo for decades.

We've not previously placed too much focus on this, but now that's changing with a new video entitled From Sapling to Stock. Currently in production, the video is a joint project between Huws Gray Group, TTG and UPM. Once complete, and with the aid of time lapse imagery, we'll be able to showcase the journey from Nordic forest to finished truss, board, fence or sleeper, reinforcing the trust everyone can place in our timber.

# Growing the next generation of timber experts

**Understanding timber sustainability, chain of custody, products and end uses takes years of learning and experience. It's not just about learning facts and processes. The partnerships, trust and loyalty built with our supplier partner sawmills play a vital role in ensuring we can trust the timber we supply.**

If we are to ensure that the values and standards we've always applied to our timber continue to be applied, we need to support the next generation.

That's why we're currently planning a timber champions programme, which will enable subject experts to take their understanding to our branches and customers.

Many of the e-learning elements that will form part of the programme are already in place. We aim to augment this with physical training and live experience, so more of the colleagues within our branches are able to tell our timber story with confidence.

# Principles

**Huws Gray Group is committed to being a principled and ethical business.**

We aim to ensure high standards of business conduct always acting with integrity and transparency.

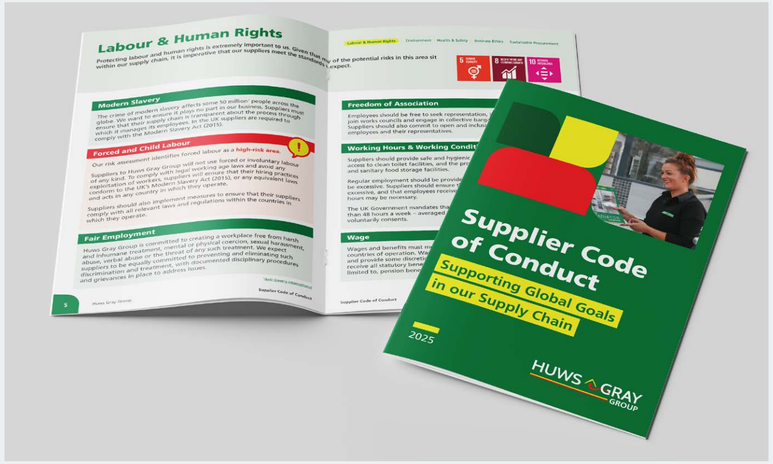
**Material Topics:**

- Regulatory compliance
- Cyber security
- Workplace corruption
- Corporate culture
- Data privacy
- Protection of whistleblowers

## Targets

1. By end of **2025**, we aim to launch and implement a comprehensive business code of conduct.
2. By end of **2025**, we aim to launch and implement a comprehensive responsible sourcing framework.
3. By **2026**, we aim to produce an annual sustainability report with annual external verification of key data.

# Supplier Code of Conduct




**When a supplier works with Huws Gray Group, they commit not only to operating in a way that meets legal and regulatory requirements, but to doing things in the right way.**

The strength of our supply chain and the partnerships we build are vital parts of our collective success. Only by working together can we lower emissions, eliminate waste, operate ethically and responsibly, and keep our people and customers safe.

That's why we require our suppliers to commit to our Code of Conduct (CoC). Launched in 2024, the CoC details expectations across five key categories (see boxout), each aligned with one or more SDGs.

## Our Supplier Code of Conduct covers:

- Labour and human rights
- Environment
- Health and safety
- Business ethics; and
- Procurement

Having launched the CoC, this year we have asked our sustainability partners TBL to lead sustainable procurement training sessions for Huws Gray Group buyers, as a way of embedding the principles of the CoC.

This training will take place during our next reporting year.

## Key Target Developing our Business Code of Conduct

**We have enjoyed a remarkable journey. Collectively, our people have helped us build a very special culture. As our business grows, we want to give everyone within the Group clarity over that culture and the principles that guide us.**

In 2025, we began to develop our Business Code of Conduct. We identified key topics and consulted stakeholders about the content they would expect to find in such a document.

The resulting code lays out expectations and standards across a wide range of business activities.

From health and safety to money laundering, tax evasion to modern slavery, the code sets out what's acceptable, what isn't, and how to raise concerns.

Now at draft stage, the code is due for release in summer 2025.

### Working with key suppliers

In a recent survey of key stakeholders, 50% told us they believe supplier relationship management has the most significant impact on our financial performance.

**50%**



## Whistleblowing

**We want Huws Gray Group to be a great place to work, with colleagues proud to work here, able to feel good about their jobs, and able to raise comments and suggestions safe in the knowledge they'll be listened to.**

Yet we know that, in every organisation, there will be times when people don't feel that way. When that happens to a Huws Gray Group colleague, we want them to feel able to raise concerns.

SpeakUp is Huws Gray Group's whistleblowing platform. It's a phone and web-based reporting system managed by risk and compliance solutions provider, Navex . It allows colleagues to communicate concerns confidentially and anonymously. It's designed to support the individual. But it also ensures colleagues have a safe, trusted route to help promote safety, security, and ethical behaviour across the business.

- **SpeakUp is for...**
  Everyone, regardless of location, position, or length of service. The system is available in English and Welsh, online and by phone.
- **SpeakUp is designed to...**
  Encourage colleagues to express concerns, ask questions and offer ideas. It's not only about what we need to work on; it's also an opportunity for colleagues to flag what we're doing right. If they prefer, colleagues can remain anonymous.
- **SpeakUp ensures...**
  There's always a way to report misconduct or suggest improvements. And we promise all reports of misconduct or complaint will be reviewed and responded to appropriately.

# IT Security

**Incidents of sophisticated cyber-crime represent a significant and increasing threat to all businesses. To combat this, the Group has increased its investment in appropriate technology and enhanced controls processes. We run regular colleague awareness training to manage risk. And we have maintained important compliance certifications which recognise our commitment to security standards.**

## Cyber Essentials certified

Cyber Essentials is the Government-backed certification scheme that helps keep organisations' (and their customers') data safe from cyber-attacks. Once again, we have achieved certification by demonstrating that we have controls in place regarding:

- Secure information
- Firewalls
- Access control
- Malware protection; and
- Patch management

## We're PCI Compliant

The Payment Card Industry Data Security Standard (PCI DSS) sets the minimum standard for data security. PCI DSS compliance confirms that Huws Gray Group...

- Securely collects and transmits sensitive card data
- Securely stores data
- Has its security controls validated annually by PCI



# ESG Data

## Environment data GHG emissions

| Category | FY22 emissions (tCO2e) | FY23 emissions (tCO2e) | FY24 emissions (tCO2e) |
|---|---|---|---|
| Gross scope 1 GHG emissions | 34,769 | 31,553 | 30,274 |
| Gross location-based scope 2 GHG emissions | 3,607 | 3971.8 | 3,792 |
| Gross market-based scope 2 GHG emissions | 2,473 | 3,159.7 | 1,456 |
| Gross scope 3 GHG emissions | | 913,587.5 | 984,178.5 |
| Purchased goods and services | | 451,672.1 | 578,820.8 |
| Capital goods | | 2447.9 | 2120.2 |
| Fuel and energy-related activities | | 10,770.5 | 8451.9 |
| Upstream transportation and distribution | | 5088.6 | 4829.2 |
| Business travel | | 202 | 209.6 |
| Employee commuting | | 997.8 | 985.5 |
| Waste generated in operations | | 410.5 | 241.9 |
| Upstream leased assets | | N/A | N/A |
| Downstream transportation and distribution | | 1095.8 | 2009 |
| Processing of sold products | | 342.1 | 330 |
| Use of sold products | | 400,704 | 364,357.6 |
| End of life treatment of sold goods | | 39,856.1 | 21,822.7 |
| Downstream leased assets | | N/A | N/A |
| Franchises | | N/A | N/A |
| Investments | | N/A | N/A |
| **Total (Scope 1 & 2 - location-based)** | | 35,524.8 | **34,066.0** |
| **Total (Scope 1 & 2 - market-based)** | | 34,712.7 | **31,730.0** |
| **Total (Scopes 1, 2, & 3 - location-based)** | | 949,112.2 | **1,018,244.5** |
| **Total (Scopes 1, 2, & 3 - market-based)** | | 948,300.2 | **1,015,908.5** |

| Emissions intensity category* | FY22 emissions (tCO2e/£m) | FY23 emissions (tCO2e/£m) | FY24 emissions (tCO2e/£m) |
|---|---|---|---|
| Scope 1 & 2 - location-based | 23.6 | 26.3 | 23.9 |
| Scope 1 & 2 - market-based | 22.9 | 25.7 | 22.3 |
| Scope 3 | | 675.6 | 690.9 |
| Scope 1, 2 & 3 - location-based | | 701.9 | 714.8 |

**This year, new and updated product carbon data have enabled us to increase the accuracy of our carbon accounting. To ensure we can directly compare this year's data with last year's, we have restated emissions from our 2023 report associated with category 1 – purchased goods and services. This creates a new, more accurate baseline figure and ensures all data is aligned with the 2024 methodology.*

## Environment data Energy

| Energy consumption within the organisation | FY22 (MWh) | FY23 (MWh) | FY24 (MWh) |
|---|---|---|---|
| Total energy consumption | 167,815 | 154,105 | 149,269 |

## Environment data Waste and circular economy data

| | | |
|---|---|---|
| Total weight of waste generated | Tonnes | 8,537.34 |
| Total weight of hazardous waste generated | Tonnes | 19.83 |
| Total weight of non-hazardous waste generated | Tonnes | 8,517.51 |
| Total weight of waste recycled | Tonnes | 4,517.17 |
| Total weight of waste sent to landfill | Tonnes | 157.18 |

## Social data Business Ethics data

| | |
|---|---|
| Percentage of employees trained on anti-bribery and corruption | 98% |
| Percentage of employees trained on cyber security | 87% |
| Percentage of employees trained on GDPR | 96% |

## Social data Diversity and Inclusion data

| | FY23 | FY24 |
|---|---|---|
| Ratio of women to men on the board | 12.50% women : 87.5% men | 33.3% women : 66.7% men |
| Ratio of women to men in executive committee | 11.35% women : 88.65% men | 14.4% women : 85.7% men |
| Ratio of women to men for all employees | 14.17% women : 85.83% men | 86.5% Male : 13.5% Female |
| Percentage of board from ethnic minority | 0% | 0% |
| Percentage of executive committee from ethnic minority | 3.35% | 14.3% |
| Mean gender pay gap for hourly pay | 5.1% | 2.2% |
| Mean gender pay gap for bonus pay | 23% | 9% |

## Social data Employee management information

| | |
|---|---|
| Employee engagement as a percentage | 80% |

## Social data Health & Safety data

| | |
|---|---|
| Percentage of sites with a health & safety management system in place | 100% |
| Percentage of sites where a health and safety risk assessment has been conducted | 100% |
| Percentage of employees trained on health & safety | 100% |
| Total number of work-related injuries | 537 |
| Lost-time injuries | 57 |
| Total lost time injury rate | 1461 days |



## GRI index

**Huws Gray Group has reported the information cited in this GRI content index for the period 1st January 2024 – 31st December 2024 with reference to the GRI Standards.**

| GRI Standard | Disclosure | Page Number(s) |
|---|---|---|
| GRI 2: General Disclosures 2021 | 2-1 Organizational details | 3 |
| | 2-2 Entities included in the organization's sustainability reporting | 6 |
| | 2-4 Restatements of information | 58 |
| | 2-6 Activities, value chain and other business relationships | 3-6 |
| | 2-9 Governance structure and composition | 10-11 |
| | 2-10 Nomination and selection of the highest governance body | 10-11 |
| | 2-11 Chair of the highest governance body | 10-11 |
| | 2-12 Role of the highest governance body in overseeing the management of impacts | 10-11 |
| | 2-13 Delegation of responsibility for managing impacts | 10-11 |
| | 2-16 Communication of critical concerns | 10-11 |
| | 2-22 Statement on sustainable development strategy | 4 |
| | 2-25 Processes to remediate negative impacts | 43-46, 49, 51-52, 57 |
| | 2-26 Mechanisms for seeking advice and raising concerns | 57 |
| GRI 205: Anti-corruption 2016 | 205-2 Communication and training about anti-corruption policies and procedures | 61 |
| GRI 302: Energy 2016 | 302-1 Energy consumption within the organization | 61 |
| GRI 305: Emissions 2016 | 305-1 Direct (Scope 1) GHG emissions | 60 |
| | 305-2 Energy indirect (Scope 2) GHG emissions | 60 |
| | 305-3 Other indirect (Scope 3) GHG emissions | 60 |
| | 305-4 GHG emissions intensity | 60 |
| GRI 306: Waste 2020 | 306-1 Waste generation and significant waste-related impacts | 45-47 |
| | 306-2 Management of significant waste-related impacts | 45-47 |
| | 306-3 Waste generated | 61 |
| | 306-4 Waste diverted from disposal | 45 |
| | 306-5 Waste diverted to disposal | 61 |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 Diversity of governance bodies and employees | 61 |
| | 405-2 Ratio of basic salary and remuneration | 23 |
| GRI 403: Occupational Health and Safety 2018 | 403-1 occupational health and safety management system | 29 |
| | 403-2 Hazard identification, risk assessment, and incident investigation | 29 |
| | 403-3 Occupational health services | 29 |
| | 403-4 Worker participation, consultation, and communication | 29 |
| | 403-7 Prevention and mitigation of occupational health and safety | 29 |
| | 403-8 Workers covered by an occupational health and safety | 61 |
| | 403-9 Work-related injuries | 61 |

HuwsGrayGroup
Making Building Better

# Contact us

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