

SOCIAL VALUES AND ESG COMMITTEE REPORT

Dear Shareholder,
I am pleased to report to you on the main activities of the Committee and how it has performed its duties during 2023.



As a result, the Committee has the following objectives to:

- Emphasise the importance of environmental measures, sustainability goals and performance, at all levels of the business
- Provide best practice on the structure, policies and regulations that impact the business
- Increase the understanding and awareness of corporate governance and social aspects that impact the business and industry
- Monitor and develop all aspects of employee welfare throughout the business
- Implement and promote common and workable standards of corporate governance for the business
- Provide advice on ESG matters to management and the Board
- Review and approve/recommend the Group's ESG initiatives, objectives, strategies and targets
- Advise on the reporting and disclosures on ESG matters in compliance with laws and regulations.

Social Values and ESG Committee members

The Committee includes Non-executive Directors, Executive Directors and members of the senior management team. During 2023, the Committee comprised:

Chair:

Alison Littlely

Committee members:

Non-executive Directors:

Kate Allum
 Iraj Amiri
 Will Truman (from 15 May 2023)

Executive Directors:

Darren Waters
 Michael Scott

Senior management team:

Colin Hales (Chief Operating Officer)
 Jon Lawrence (Head of Safety, Health and Environment)
 Bruce Stephen (HR Director, to 31 December 2023)

Subsequently, Cat Hambleton-Gray (People Director) joined the Committee on 2 January 2024 and Angela Rushforth (Non-executive Director) joined on 1 February 2024.

All members of the Committee served throughout the year, unless otherwise stated.

Only members of the Committee have the right to attend Committee meetings, but the other members of the Board and, when appropriate, other members of the senior management team, are also invited to attend Committee meetings.

Committee composition



Kate Allum



Iraj Amiri



Will Truman



Angela Rushforth¹



Darren Waters



Michael Scott



Colin Hales



Cat Hambleton-Gray²



Jon Lawrence

This is a new Committee, formed at the end of 2022. Its purpose is to provide formal and transparent oversight of the Group's Environmental, Social and Governance ('ESG') programme and value-led agenda. This includes, but is not limited to, sustainability, employee welfare and responsible business practices, as well as the Company's contribution to the societies in which it operates.

Role and responsibilities:

The principal duties of the Committee are to:

- Drive the social value and responsible business agenda on behalf of the Company
- Ensure that the Company conducts its business in a commercially responsible way to achieve maximum positive impact on the people, communities and the environment in which it works
- Monitor progress against key performance indicators and external ESG index results
- Benefit the customers, staff and shareholders of the Eurocell Group.

¹ Appointed 1 February 2024.

² Appointed 2 January 2024.

Summary of activities during the year

A significant amount of work has been done on ESG, which was brought together in a first formal meeting of the Committee in October, with attendance shown on page 82.

Initially, the Committee focused on collating, assessing and prioritising the various ESG-related workstreams and initiatives, which were already progressing within the business, in order to develop a baseline understanding of the status quo.

Thereafter, our first major goal was to establish a clear ambition for ESG in the Group, which we agreed is to:

- Be the leader in sustainability in the fenestration sector
- Create a great place to work
- Operate with the highest standards of governance.

The Committee recognises the challenges of developing and delivering an effective and transparent ESG strategy for a business of our size, consistent with our ambition and strategic intent. Consequently, an ESG Leadership pillar forms an integral part of the new strategy, recently approved by the Board.

As a result, the Committee recommended to management the benefits of third-party expertise to provide specialist advice and support in this area. Therefore, after benchmarking with four other providers, the Committee approved a two-year agreement with CEN-ESG, specialists in corporate sustainability and ESG-related areas, with the scope of services including:

- Determination of the material sustainability topics to the business, definition of ESG objectives and the development of a sustainability strategy, along with the embedding of ESG governance and internal controls
- Development of a full baseline carbon footprint for the business (Scope 1, 2 and 3), identifying key decarbonisation levers and setting net zero targets

- Management of external ESG reporting, including the Sustainability section of the Annual Report, focusing on data collection and updated TCFD disclosures
- Ad hoc ESG support, when required.

Full details of our work to date with CEN-ESG and the development of our ESG strategy and related matters are set out in the Sustainability Report on pages 32 to 49 and the Task Force on Climate-related Financial Disclosures Report on pages 50 to 61.

Finally, I would like to thank my fellow Committee members who served during the year for their valuable contribution and support.

Alison Littley Chair of the Social Values and ESG Committee

19 March 2024

Non-financial and Sustainability Information Statement

The Group has complied with the requirements of sections 414CA and 414CB of the Companies Act 2006 by including certain non-financial information within the Strategic Report.

The following table summarises where you can find further information on each of the key areas of disclosure required by section 414CA and 414CB of the Companies Act. The Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 amend these sections of the Companies Act 2006, placing requirements on the Group to incorporate climate disclosures in the annual report. We believe these have been addressed within this year's climate-related disclosures on pages 50 to 61 and as such we have referenced the location of these within our statement on TCFD on page 51.

	Relevant Group Policies and Guidance	Relevant Principal Risks	Relevant Information from our annual report
Environmental matters	<ul style="list-style-type: none"> • Safety, Health and Environment Policy • Sustainable Procurement Policy • Corporate Social Responsibility Policy. 	<ul style="list-style-type: none"> • Sustainability and climate change. 	<ul style="list-style-type: none"> • Environmental Leadership: pages 42 to 45 • Sustainable Products: pages 46 to 47.
Employees	<ul style="list-style-type: none"> • Employee Handbook • Managing Performance Policy • Equality, Diversity & Inclusion Policy. 	<ul style="list-style-type: none"> • Health and safety. 	<ul style="list-style-type: none"> • Health and Safety: pages 36 to 37 • People First: pages 38 to 41.
Social matters	<ul style="list-style-type: none"> • Corporate Social Responsibility Policy • Privacy policy • Anti-Bullying, Harassment & Victimisation Policy • Whistleblowing Policy • Safety, Health and Environment Policy • Recruitment Policy • Various Information Security Policies • Sustainable Procurement Policy. 	<ul style="list-style-type: none"> • Cyber security • Managing change. 	<ul style="list-style-type: none"> • Ethics and Compliance: pages 48 to 49.
Human rights	<ul style="list-style-type: none"> • Anti-Slavery and Human Trafficking Policy • Whistleblowing Policy • Modern Slavery Statement. 		<ul style="list-style-type: none"> • Ethics and Compliance: pages 48 to 49.
Anti-bribery and corruption	<ul style="list-style-type: none"> • Anti-bribery policy. 		<ul style="list-style-type: none"> • Ethics and Compliance: pages 48 to 49.