



Environmental, Social and Governance (ESG) Report 2023



Churchill
Retirement PLC 

BUILT ON INTEGRITY AND TRUST

“ Our business is the construction, maintenance and ongoing management and support of specialist retirement housing.

Our primary commitment is to deliver a product that is energy efficient, future-proofed and safe, enabling our customers to enjoy their later years without undue worries and concerns. ”

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Foreword from
Spencer J McCarthy
Chairman & Chief Executive



In 2022 we formed a dedicated Environmental, Social and Governance (ESG) Committee, made up of senior Colleagues from across the Churchill Group of companies, to measure and track how environmentally and socially sustainable we are as a business.

The Committee has made excellent progress in setting a clear agenda for our ESG activity across the Group, evaluating and identifying our obligations, and ensuring we embrace them in order to strengthen the positive impact we have on the world around us.

When people think about ESG, it is often the Environmental aspect that stands out most strongly in their minds. By its very nature our form of specialist retirement housing is highly environmentally sustainable, helping to regenerate previously used urban sites, improve biodiversity, embrace renewable energy generation, reduce car use and much more.

The Social aspect can all too often be underplayed when we talk about ESG, but it is equally important for us to focus on this, especially as it's another key area where we have led the way for many years. Everything we do as a business is about bringing people together, reducing loneliness and enabling our Customers to live a more fulfilling and sociable lifestyle in their retirement.

I am extremely proud of the positive impact we can make on individuals, and society as a whole, through our developments and our ongoing activity in the local communities where we operate. As a business we are committed to improving even further on this, as we keep working towards a better future for all our stakeholders.

Introduction from
Gary Day
Chair of the ESG Committee



Our ESG Committee was brought together in the spring of 2022 and since then we have made commendable strides in progressing the key strands of ESG work that we identified as being important to our business operations, and in accord with our adopted ESG Strategy.

In the year we have monitored our performance against our KPIs; have set out a Net Zero Roadmap in line with the Government's objectives; and identified eight most relevant UN Sustainable Development Goals which we can contribute towards in the implementation of our ESG Strategy. We also appointed ESG Champions at every level throughout the company, and launched a "Lean & Green Efficiency Bonus" scheme which has encouraged Colleagues to come forward with suggestions to improve sustainability and generate better ESG outcomes.

Sustainability initiatives give Churchill Retirement Living the opportunity to ensure that its specialist retirement housing product is futureproofed, safe and secure for its Owners. By progressing and developing our environmental, social and governance responsibilities, we can help drive the success of our Company; inspire our Colleagues; improve the lives of our Owners and Customers; and give back to the communities in which we live and work.

In this report we have set out our Environmental, Social and Governance (ESG) priorities, how they align with our corporate strategy, and how we have progressed during the last year.

I would like to thank my ESG Committee Colleagues as they have contributed to significant progress in a short period of time, and in particular to the production of this report.

Environmental

2,123

tonnes of construction waste recycled per site

Zero

pollution events during the year

100%

of timber used in our construction activity is FSC certified

115

bat boxes, bird boxes and hedgehog highways installed at our developments during the year

56%

of our company car fleet are fully electric or hybrid vehicles

100%

of new sites built on urban brownfield land

100%

of new developments included renewable energy generation systems

100%

of new sites built within 500 metres of public transport

131

units per hectare average density of sites

29%

reduction in gas consumption

2,500m²

of solar panels installed on our developments

265

average walking distance (metres) to town centres from our developments

7,659kg

of office waste recycled

93%

more energy efficient cloud-based IT infrastructure compared to previous traditional data centre

B

Average EPC rating of communal areas in our developments



Social



Trustpilot

20,000+

social events organised at our developments throughout the year

4.6

Trustpilot star rating reflecting our excellent reputation

£2 million+

raised by the Churchill Foundation to date

£291,000

raised and **85** charities supported in the last year

97%

of Customers would recommend us



Each new development generates on average:

£200k+

of health and social care savings each year

£347k

of extra local high street spend each year

90

additional moves across the housing ladder

91

new jobs both during and after construction

30

first time buyer homes freed up further down the chain



Investing in our people



18%

of Colleagues have been with the Company for 10+ years

61%

of all Colleagues and **29%** of senior management are female

46

trained Mental Health First Aiders throughout the Company

3,964

days of training and **4,186** E-learning courses delivered during the year

35

internal promotions during the year

300

years of combined experience in the housebuilding industry at a Board level



glassdoor

4.0 stars

Glassdoor overall rating

THE SUNDAY TIMES
Best Places to Work 2023

Top 10 Large Organisation

Best Place to Work for Employees

Aged 55+

94%

of Colleagues have faith in the Company's leadership

100%

of Colleagues believe they can make a valuable contribution to the Company

94%

of Colleagues are proud to work for the Company

97%

of Colleagues feel that their team cares about them

ESG framework and strategy

Our dedicated ESG Committee was formed in Spring 2022. It is chaired by our Group Land, Design & Planning Director Gary Day, who is also a member of the PLC Board, and made up of 12 senior managers from across the business who together represent all the Group’s key operational functions.

The Committee’s main objectives are:

- To co-ordinate and effectively communicate our ESG activities to all internal and external stakeholders
- To promote an ESG culture across the business
- To identify and assess areas where ESG performance can be improved
- To make financially viable recommendations based on socially responsible and achievable decisions
- To ensure the business meets all its ESG regulatory obligations
- To continually assess our ESG priorities against an ever-changing landscape
- To report on progress to the PLC Board and to support its decision-making process on ESG matters

The Committee meets quarterly to monitor activities, to evaluate our KPIs, to assess our ESG priorities as they evolve, and to discuss our ongoing priorities.

The Committee reports back to the PLC Board on a quarterly basis, and to the Company’s Executive and Operations Committees on a monthly basis, helping to ensure that the Company complies with all relevant regulatory requirements as they evolve, and that we continue to adopt ethical and sustainable business practices wherever possible throughout the organisation.

The PLC Board retains ultimate oversight and responsibility for all ESG matters.

Our overarching ESG Policy can be found on our website: www.churchillretirement.co.uk/environment-social-governance

ESG Champions

A new initiative adopted in 2023 is the appointment of ESG Champions at every level throughout the Churchill Group, whose role is to help drive positive changes across the business. They support the work of the ESG Committee by gathering ideas and feedback from Colleagues, and sharing good news with Colleagues about the positive things we’re doing from an ESG perspective. We look forward to seeing our ESG Champions playing an increasingly prominent and valuable role in this area.



New ESG Colleague incentive: The Lean & Green Efficiency Bonus

Another initiative launched in 2023 is a new incentive scheme to reward Churchill Colleagues for innovative and practical suggestions on how we can improve sustainability and generate better ESG outcomes, which in turn could generate cost savings for the business.

Suggestions are reviewed periodically by the ESG Committee and any relevant Directors, with the best suggestions then put forward to the PLC Board for approval. If a suggestion is then adopted as Company policy the Colleague who suggested it is eligible for a John Lewis voucher for up to £200.

This new Colleague incentive builds on our existing “Ask the Chairman” initiative, where good suggestions taken up in recent years include putting solar panels on our office roofs.

Three ESG Pillars

We have separated our ESG responsibilities into three distinct pillars and identified our main priorities under each, as outlined in the table below. Separate working groups have been established within the ESG Committee to drive progress against each of these pillars.

We track and monitor KPIs across each of these key pillars and benchmark against relevant industry benchmarks to ensure we are continuing to progress, meeting our obligations and fulfilling our responsibilities as a business.

ESG Pillar	Environment	Social	Governance
Key Value	<i>Protecting our planet</i>	<i>Looking after our people</i>	<i>Being responsible</i>
Key Priorities	<ul style="list-style-type: none"> Climate change compliance Best use of urban land Sustainability of materials Futureproofing our products Energy efficiency Carbon emissions Waste management Biodiversity 	<ul style="list-style-type: none"> Health and safety Customer satisfaction Wellbeing of Colleagues and Customers Good working conditions Diversity, equality and human rights Stakeholder engagement Community engagement 	<ul style="list-style-type: none"> Legal compliance and responsibility Ethical business practices Prudent risk management Accountability Conflicts of interest Transparency Board diversity

To build on the priorities outlined under the three pillars, in July 2023 the Board approved a strategic roadmap for the business to achieve net zero by 2050, in line with the Government’s objectives (see pages 9-10). Alongside this, the business has formally adopted eight key UN Sustainable Development Goals, which complement and expand on the scope of the three pillars (see pages 13-28).

Looking after our people...

“

As a Marketing Assistant Apprentice, I never have to worry about asking too many questions. My team around me are hugely supportive and actively go out of their way on a daily basis to ensure that I am on track and have a full understanding of what I'm working on."

Archie Campbell-Smith,
Marketing Assistant Apprentice

“

I joined Churchill as an Office Junior in 2002. I gained a vast amount of knowledge working in different departments and then joined the marketing team where I really found my passion. Now as the Head of Group Marketing, sharing my knowledge and experience with the next generation of apprentices is truly fulfilling. Being able to pass on valuable insights and guide their growth brings me great joy. Seeing them flourish and succeed is a testament to the power of mentorship and continuous learning within Churchill."

Becky Savill,
Head of Group Marketing



...providing freedom, independence and a new lease of life for our Customers...

Eileen Durkin and her husband moved to our Dovehouse Lodge development in Hitchin from a four-bedroom house, which they felt was too large for their needs. Keen to stay in their local area to be near to their daughter, the couple moved in soon after the development was completed.

In their mid-sixties, Eileen and her husband are known as the 'babies' of their Churchill community, but Eileen feels that they made the move at just the right time.

She says: "Moving to our beautiful Churchill apartment has given us a new lease of life. Freedom to do what we want, when we want, and not having to worry about looking after a big house and its maintenance.

"We are safe and secure in the knowledge that security in our apartment is second to none. We've joined an amazing community of other Owners and can join in activities when we want to, but also have privacy should we need it.

"Having a Lodge Manager on site is also very helpful so that we can chat to them if we ever have a problem.

"When we decided to retire we discussed the possibility of downsizing to a bungalow, however it soon became clear that firstly we didn't want to spend time refurbishing our new home, and secondly we wanted that sense of community. We came across Dovehouse Lodge and we have never looked back. The Churchill team were amazing and no question from us was left unanswered. We soon realised this is what we want for our retirement.

"We wanted to sort out our future as soon as we retired

and went ahead, and we have proved it was the best thing to do. Hopefully we will have many happy years to enjoy a long retirement and not have to worry about having to move again any time in the future.

"Dovehouse Lodge is in a perfect location. It's so close to the lovely market town of Hitchin with so many coffee shops and restaurants, a market square where you can sit and enjoy many activities, a market several times per week where you can browse, and amazing walks in and around the vicinity.

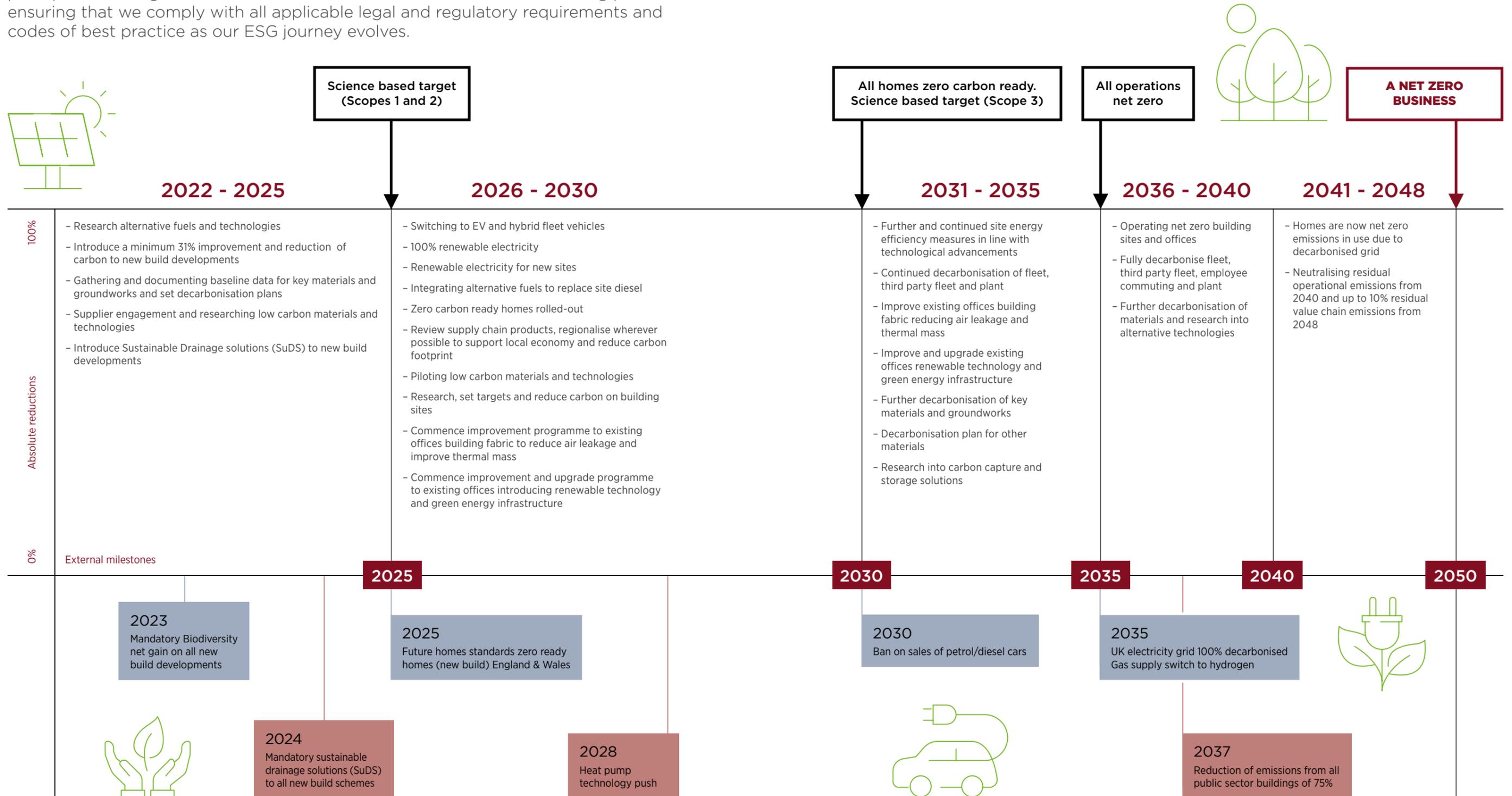
"You don't need a car as the town is only ten minutes' walk away. Or if you want to stay closer to home Dovehouse Lodge has beautiful gardens where you can sit and enjoy the sunshine.

"I've taken up such a range of hobbies since moving here. I was never a big walker, but now I go out to enjoy the surrounding area with my husband all the time. My friends here go to lots of classes, like dancing, and I do too.

"When we told people we were moving to a retirement apartment, they often assumed we were moving to a care home. But Churchill offers totally independent living. True, there's always someone to talk to if things aren't going well and no one is ever forgotten about. But if you want to be left to your own devices, that's fine too."

...Protecting our planet

The Board has set out the following roadmap to achieving net zero by 2050, in line with the Government’s objectives. This ensures that ESG and sustainable development principles are integrated across our business activities and decision-making process, ensuring that we comply with all applicable legal and regulatory requirements and codes of best practice as our ESG journey evolves.



UN Sustainable Development Goals

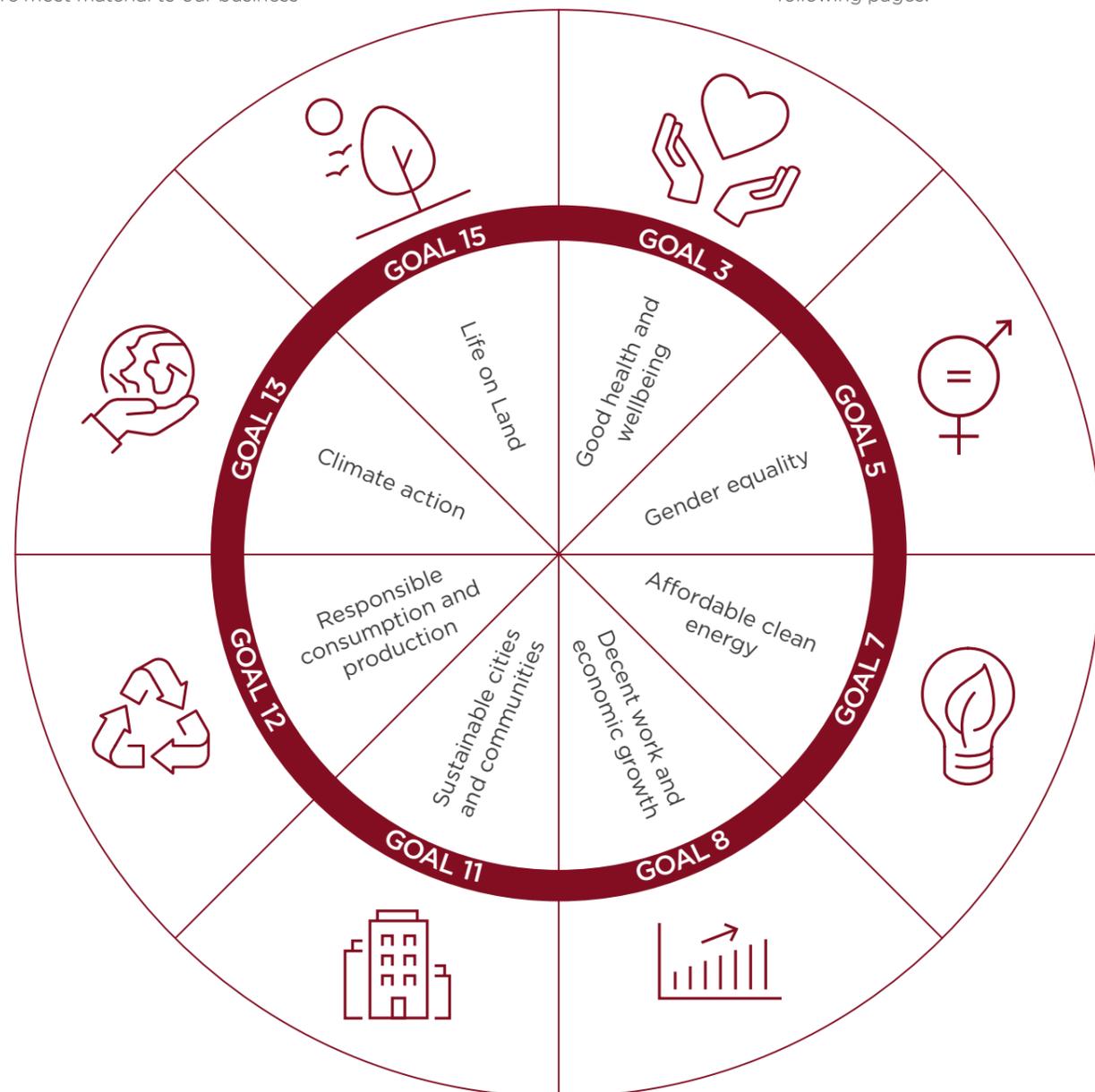
Overview

In September 2015, all 193 Member States of the United Nations adopted a plan for achieving a better future for all — laying out a path to end extreme poverty, fight inequality and injustice, and protect our planet. At the heart of this plan are the 17 Sustainable Development Goals (SDGs) which define the world we want — applying to all nations and leaving no one behind.

In order to focus our efforts on those that are most material to our business

and where we have the greatest ability to deliver meaningful positive impact, the business has formally adopted eight of these goals, which we have identified as being most relevant to us.

The following graphic shows these eight goals and their related targets, which we can contribute towards as part of our ESG strategy. Our approach to meeting these goals is explained in more detail over the following pages.



Good Health & Wellbeing



Relevance to our business:

HIGH



Mental health & wellbeing

Our primary purpose as an organisation is to improve the health and wellbeing of older people, helping them to enjoy an independent, active, safe and sociable lifestyle in their retirement.

Our product helps customers feel up to 10 years younger, contributing to significant reductions in health and social care costs in the places where we build.



“

After a period of illness, living here has helped me get back to normal and feel happy and healthy again. I can't imagine what it would have been like going back to my old bungalow, I'd probably have been quite lonely and depressed."

Judith Jones -
Edinburgh Lodge, Orpington

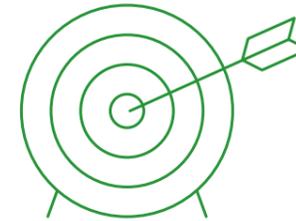
As well as improving the lives of our Customers, we are also committed to the health and wellbeing of our workforce.

We have trained 46 Mental Health First Aiders across the business, equipping these Colleagues to provide direct support to others within the business. Alongside this, our Employee Assistance Programme (EAP) continued to provide 24/7 assistance for Colleagues and their immediate family members.

CHURCHILL COMPANY VALUES



Our TORCH Values of Trust, Openness, Respect, Communication and Honesty reflect the ethos of the Company. These values are embedded throughout the Group, and reinforced through a quarterly peer-to-peer recognition and awards scheme we call 'Churchill Heroes'.



TARGETS:

- 3.4 - By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.
- 3.9 - By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.

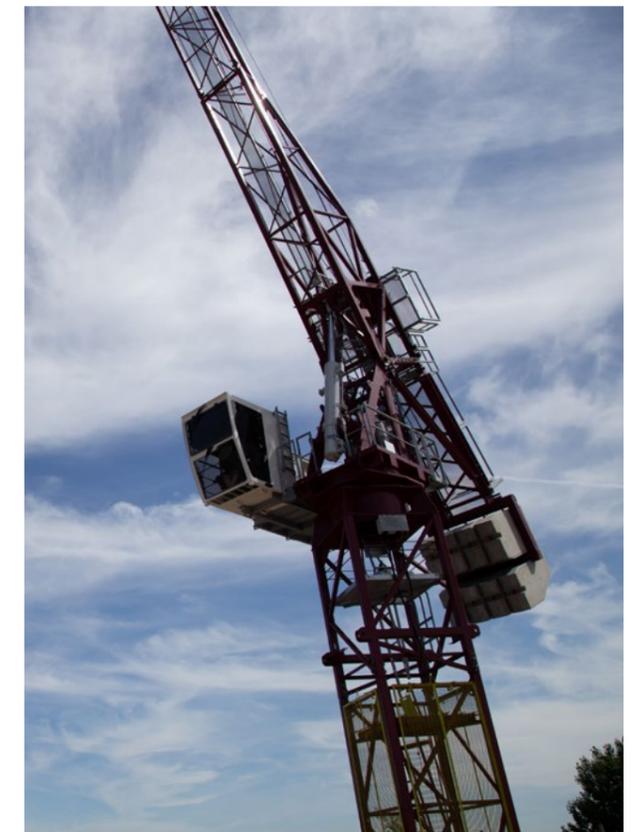
Our status as an excellent employer received external recognition in the Sunday Times Best Places to Work Awards 2023, where we achieved a Top 10 ranking in the best large organisation category, and also in the Inspiring Workplaces Awards 2023, where we were commended for all aspects of our workplace culture and employee experience. Award logos

We take immense pride in the longevity of our Colleagues, with nearly a third of our workforce having served more than five years with us, a remarkable accomplishment in an era where job hopping is common. This demonstrates the success of our commitment to job satisfaction, comprehensive employee benefits and Colleague wellbeing, which has nurtured a culture of loyalty and dedication.

Managing risk

We manage risks relating to contaminated land through our thorough extensive remediation processes on all new sites, as well as water and nitrate neutrality measures.

In the last year we have conducted remediation work on 24 sites, including a former petrol station, a car dealership, and a former care home.



“

I found the Mental Health First Aider training course very helpful. Poor mental health can affect anyone at any time, this training has helped me recognise the signs and given me the tools to assist, listen and support Colleagues who may need it."

Clinton McCarthy -
Managing Director

Gender Equality



Relevance to our business:

HIGH



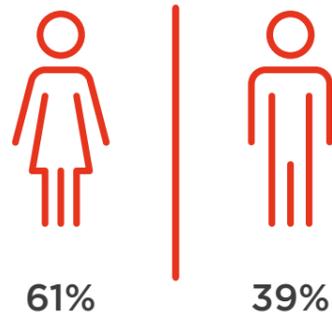
Unlike most other housebuilders, the majority of our workforce are women. Our gender pay gap figures are also improving year on year. At the Year End 61% of all Colleagues were female, and 29% of senior management roles were held by women.

We believe in equal job opportunities for everybody regardless of gender, but we can and do, challenge ourselves to be more inclusive. Going forward we will continue to focus on addressing the need for more gender balance at all levels in the Company.

We aim to achieve this through a focus on training, recruitment and engagement. For example, our in-house Managers' Essentials training course includes a recruitment module that addresses unconscious bias, including towards gender.

In addition, a new Equality, Diversity & Inclusion (ED&I) Policy is in development, setting out our commitment to diversity and equal opportunity across the Group.

Employee Population



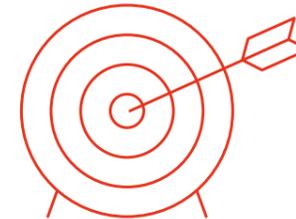
Our Mean (average) Gender Pay Gap is

27%



29% of senior managers are female

20% of Board Directors are female



TARGETS:

- 5.1 - End all forms of discrimination against all women and girls everywhere.
- 5.5 - Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life.

We are currently supporting female Assistant Site Manager **Bonnie Macnab** with her site qualifications. During the last year Bonnie has played a key role in delivering our new Liberty Lodge development in Bury St Edmunds, and is working towards her NVQ in Construction Site Management.

“

I enjoy the variety of my job, no two days are ever the same and there is always something happening that keeps you on your toes. I value the independence given to carry out my role, knowing the support is there when I need it from more experienced Colleagues. I'm looking forward to developing my skill set and confidence within the building industry!"



Affordable Clean Energy



Relevance to our business:

MEDIUM/HIGH



For many years our developments have led the way in energy-efficiency and renewable energy generation technology. We are also working to reduce energy use across our business, including at construction sites, in our office buildings and in the communal areas of our developments.



Energy Efficiency: All developments are designed to be energy-efficient, with excellent insulation, double-glazed windows, and energy-efficient appliances. This helps to reduce energy consumption and lower carbon emissions.



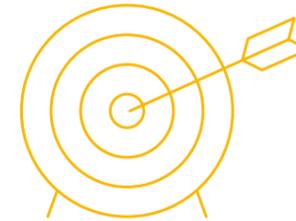
Brownfield Land: 100% of new sites are built on urban brownfield land bringing redundant land back to life.



Renewable Energy: Churchill has installed solar panels on 18 new developments in the last 12 months, generating renewable energy to help reduce reliance on non-renewable sources of energy. All of our new developments now include solar panels as standard.



Electric Vehicle Charging Points: We have installed EV charging points at our head offices and facilitated their installation at our new developments nationwide.



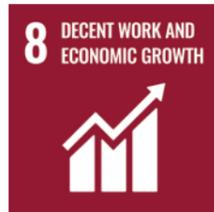
TARGETS:

7.2 - By 2030, increase substantially the share of renewable energy in the global energy mix.

7.3 - By 2030, double the global rate of improvement in energy efficiency.



Decent Work & Economic Growth



Relevance to our business:

MEDIUM



A typical new Churchill development generates on average £347k of extra local high street spend each year and supports around 91 jobs both during and after construction – a significant contribution to every local community where we build.

We are a growing business continually creating new roles and employment opportunities in the areas where we operate, including through our apprenticeship programme. We also partner with local schools to host work experience and prepare young people for the workforce, increasing their employability.

Our Equality, Diversity & Inclusion (ED&I) Policy is being developed to set out our commitment to diversity and equal opportunity across the Group.

Our people are our greatest asset, and we understand the importance of supporting all of our Colleagues and helping them to reach their full potential.

We are committed to acting ethically, transparently and with high integrity in all our business dealings and relationships, and we have rigorous systems in place to ensure modern slavery is not taking place anywhere within our supply chains.

A typical development generates:



£347K of extra local high street spend



91 jobs during and after construction including...



6 permanent jobs in the local community

Age-friendly employer

As an age-friendly employer, we recognise the importance and value of older workers, and actively look at ways to attract older people into our workforce to help them flourish as part of a multi-generational team. Over half of our workforce is aged 50 or over, which is perhaps not surprising given the average age of our customer base. This means that many roles across the business are well suited to enabling older Colleagues to thrive, and for our team of Lodge Managers and Sales Executives the ability to easily relate to our Customers can be a real strength.



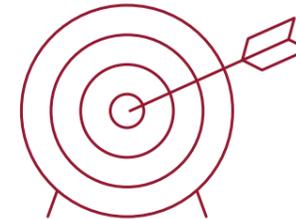
Sunday Times Best Places to Work 2023: "Highly Commended" Award as the Best Place to Work for Employees Aged 55+

54%

of our workforce aged 50+

TARGETS:

- 8.1** – Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries.
- 8.4** – Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead.
- 8.5** – By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.
- 8.8** – Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.



70-year-old Gordon re-joins the workforce as a Churchill Lodge Manager

When he retired from a career in sales at the age of 65, Gordon Slade thought he'd left the world of work behind. However, it wasn't long before he decided it would make sense to keep earning a little extra cash to stay afloat. He tried a couple of part-time jobs before finding his new calling in life – as a Lodge Manager for Churchill Estates Management.

As well as improving his bank balance to help combat the cost of living crisis, Gordon is pleased to be part of a company he believes in and doing a job he enjoys.



“

Churchill is a great company to work for and I love it here. I'd never worked in property management before, but I have plenty of relevant experience, and I feel like I still have a lot to give. I can relate to my apartment Owners and I get where they're coming from, perhaps because I'm a similar age to them. In fact a few of them are even younger than me! It's great to know that I'm being helpful, and the money is very useful too, so it's a win-win."

Sustainable Cities and Communities



Relevance to our business:

HIGH



We create thriving communities where older people can enjoy an independent, fulfilling and sustainable lifestyle.

We have decades of expertise at unlocking the full social, economic and environmental value of previously developed brownfield sites in urban areas.

Our approach includes:

- Encouraging reduction in car use and supporting greater use of sustainable public transport through our town centre locations.
- Provision of EV charging points for those Owners who choose to keep a car, and electric buggy storage for those who prefer that option.
- Comprehensive flood risk management on all sites.
- Beautiful landscaped gardens that improve biodiversity and provide sociable spaces for our Owners to enjoy.

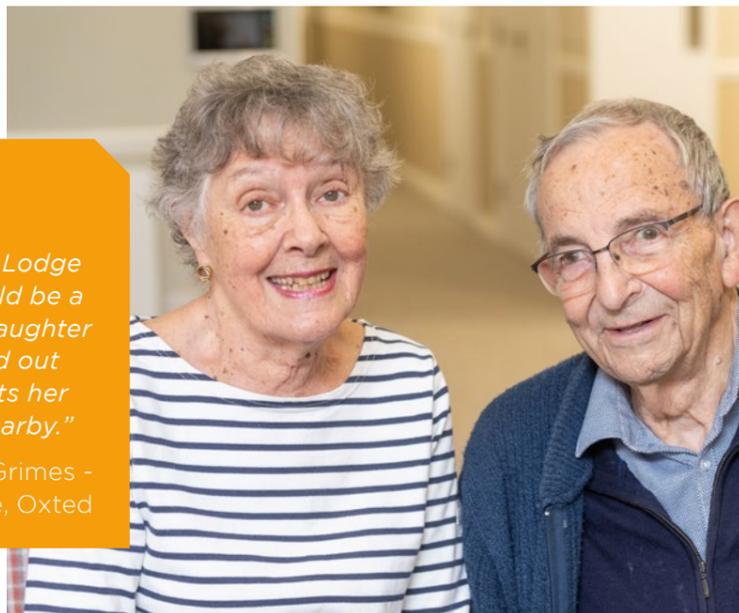


For **Michael and Penny Grimes**, moving to a new apartment at our Charrington Lodge development in Oxted meant their daughter and her family could move into their old home.

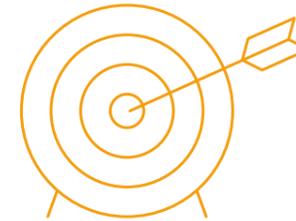
“

We lived just across the road from the Lodge so we saw it being built and felt it would be a good option for us to downsize. Our daughter bought our old house, so it's all worked out very well. She now has a place that suits her and her family, and they're nice and nearby.”

Michael and Penny Grimes - Charrington Lodge, Oxted



TARGETS:



- 11.3** - By 2030, enhance inclusive and sustainable urbanisation and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.
- 11.6** - By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.
- 11.7** - By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities.

Conservation & Environment Award for Chippenham development

In October 2022 our St Andrew's Lodge development in Chippenham received a Conservation & Environment Award from the Chippenham Civic Society, in recognition of the redesign of its façade to reflect the architecture of the Causeway.

Civic Society Chairman Mike Stone and the Mayor of Chippenham Cllr Liz Alstrom presented the award to Churchill's Senior Architect Karolina Rabiej, who played a key part in the design process.

The award highlights a perfect example of our in-house design and planning specialists working closely and successfully with local stakeholders to create a design that makes a positive contribution to the character and appearance of the town.



Responsible Consumption and Production



Relevance to our business: **HIGH**



The environmental footprint of our supply chain is many times greater than that of our direct operations, so we work closely with them to use resources efficiently and responsibly.

We are focused on reducing/minimising waste and water use across our construction sites, as well as increasing the use of sustainable materials.

We have invested heavily in fire safety across our entire estate to ensure our developments continue to adhere to the highest standards.

We have significantly expanded the range of hybrid and fully electric vehicles available to Colleagues through our company car scheme.

Through greater collaboration with our supply chain we see opportunities to keep improving, sharing knowledge, increasing transparency and driving further positive change to reduce our impact in this area.

New 'Drying Out Process' reduces emissions

The Drying Out systems used on our construction sites, which are essential in damp conditions during the colder months, previously required a generator and a permanent power supply. During the year we successfully introduced a new process to adapt the site TBS power supply and negate the need for diesel generators, resulting in a significant reduction in fuel costs and carbon emissions. This new system has now been incorporated across all current and future construction sites.



This initiative was adopted after being put forward by Colleague **Wayne Durno** through our new Lean & Green Efficiency Bonus Scheme



Adoption of fully cloud-based IT systems

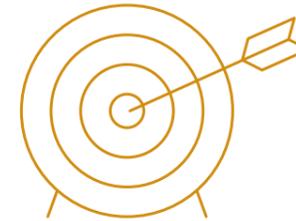
During the year we moved away from a traditional IT infrastructure model, with on-premises servers and use of a physical data centre, and successfully introduced new cloud-based services such as Microsoft 365 and Azure across the Group. These new systems offer us the productivity and collaboration tools that we need, and in addition help to lower our emissions by reducing the need for energy-intensive on-premises solutions. Our move to cloud-based infrastructure means our IT systems are now up to **93%** more energy efficient and up to **98%** more carbon efficient than our previous traditional enterprise data centres.



We raised **£4,800** for the Churchill Foundation through donating our old IT equipment to be re-used and recycled.

TARGETS:

- 12.2** – By 2030, achieve the sustainable management and efficient use of natural resources.
- 12.4** – By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.
- 12.5** – By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.
- 12.6** – Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.
- 12.8** – By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.



Brownfield Land: 100% of new sites are built on urban brownfield land bringing redundant land back to life.



Waste Reduction: We encourage Owners and Colleagues to recycle and have implemented waste reduction initiatives in all developments and offices, such as composting and waste reduction programs.



Sustainable Materials: Churchill uses sustainable materials in construction, such as FSC-certified wood, recycled steel, and low-emission insulation. Many of our suppliers are selected due to their pledge to be carbon neutral by 2030.



Signage: We reuse signage and hoarding materials on all our sites, by repurposing these to reduce the environmental impact.



Climate Action



Relevance to our business:

MEDIUM



Our specialist form of retirement housing is highly sustainable by its very nature, but we recognise that there is a lot we can do to keep improving what we do so that we can play a part in combating climate change.

Keith and Cindy Whyman are finding the benefits of being in the heart of town since their move to our Burlington Lodge development in Swanley.



Transportation: We encourage the use of sustainable transportation options, such as electric vehicles, public transport, cycling and walking. Many of our developments and offices are located within walking distance to town centre or near public transport links, making it easier for Owners and Colleagues to use sustainable transportation.



Company Car Fleet: Over 50% of company cars are now electric or hybrid vehicles. They contribute to a sustainable future, reduce emissions and offer cost savings.

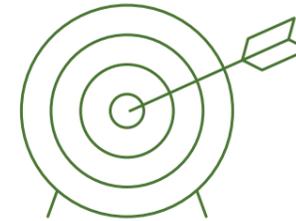
“

We used to live in a village not far from here. It was a beautiful place but being further out is not so good as you get older, and we didn't want to be reliant on driving the car to get anywhere. Now we're in the middle of town, close to shops and services, the hospital and everything we need, it's all right on our doorstep.”

Keith and Cindy Whyman - Burlington Lodge, Swanley



Central to achieving the Climate Action goal is our commitment to adopt the new Future Homes Standards by 2025. Much of the groundwork is already in place across our business operations for this major regulation change, which will form a key step forward on our roadmap to net zero as outlined on p.9 & 10.



TARGETS:

- 13.2** - Integrate climate change measures into national policies, strategies and planning.
- 13.3** - Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.

100%

of sites built within 500 metres of public transport

265 metres

average walking distance to town centre from our developments



Life on Land



Relevance to our business:

MEDIUM



Use of land for housing development can contribute to loss of biodiversity, but we provide a range of high-quality spaces for nature on our sites including bat boxes, swift boxes, hedgehog highways and much more.

Through our 100% focus on regenerating previously developed brownfield sites we help reduce the need for new housing to be built on greenfield or green belt land, thereby relieving the pressure on this important resource.

Sustainable sourcing of natural resources such as timber, often through agreements with our suppliers, forms another important part of our strategy to reduce our impact on the environment.

We are fully on track to deliver a biodiversity net gain of at least 10% on all new sites from January 2024, in line with our obligations under the Environment Act 2021.



115

bat boxes, bird boxes and hedgehog highways installed at new sites



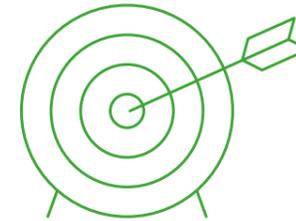
100%

Brownfield Sites



TARGETS:

- 15.1** – By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements.
- 15.2** – By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally.
- 15.5** – Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species.
- 15.9** – Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species.



Helen's pot plant paradise

Churchill Owners Helen Hayes has maintained her love of gardening since moving to her new apartment at Lewis Carroll Lodge in Cheltenham. She makes the most of her south-facing balcony by nurturing an array of pot plants that brighten up the place and provide a valuable habitat for bees and insects, as do the development's communal gardens.

“

I love cultivating my little balcony garden. I have summer planting and winter planting in my pots so they change with the seasons. In winter my skimmia, pansies, white & pink heather and a few bulbs are hardy enough to survive the colder months. In the summer my geraniums, petunias and lobelia will be on their way to bring in some cheerfulness and colour. It's a great way to keep up my love of plants without having the bother of maintaining a whole garden.”

Helen Hayes -
Lewis Carroll Lodge, Cheltenham



Calne “Pocket Park” initiative

In November 2022 we donated £1,500 towards the Calne “Pocket Park”, a community initiative close to our new Orchard Lodge development.

The pocket park is an important asset to the historic market town, contributing to biodiversity and hosting regular community events such as planting sessions and pop-up theatre performances. Our donation paid for a new park bench, fresh planting and a senior's musical event to be held at the park, as well as securing its continued upkeep for the future.



Churchill Foundation

Building a difference




Our own registered charity, the Churchill Foundation, enables us to support the local communities where we build as well as a wide range of national and regional charities, focusing on three core areas:

- The relief of sickness, disease and human suffering
- The promotion of health amongst the elderly
- The support and wellbeing of the young

The Churchill Foundation is proud to have raised over £2 million and supported over 300 different charities since it was set up in 2015.

This impressive total has been achieved thanks to the ongoing support of Churchill Colleagues, Owners and Business Partners, which has enabled the Foundation to emerge strongly from the pandemic. In the last year alone the Foundation has supported 79 charities around the country, including over £60,000 donated to Macmillan Cancer Support in 2022.

As well as large scale fundraising for charities like Macmillan, the Foundation also makes a difference to many more through its Small Grants Programme and Colleague match funding, providing one-off donations and match funding to good causes put forward by people with a connection to Churchill.



ENVIRONMENTAL

Business efficiency

- Improved energy efficiency and a targeted reduction in our energy consumption across our working practices
- Better waste management at our sites and offices through increased recycling and reuse of materials
- More sustainable use of resources across our business

Energy consumption	Waste management	Use of resources
Priority To improve energy efficiency	Priority To minimise waste	Priority To use more sustainable resources
Progress <ul style="list-style-type: none"> • Electric vehicle charging points are available at our Head Office • Average CO2 of the car fleet at year end was 90.7 • Our expenses system rewards car sharing • 56% of our company car fleet are hybrid or electric 	Progress <ul style="list-style-type: none"> • New waste management supplier framework agreements providing more detailed waste management data • Support framework for hoarding panels made from recycled plastic • 2,122 tonnes of waste recycled for every site under construction 	Progress <ul style="list-style-type: none"> • 100% of timber used in construction is FSC certified • Working with more companies that are already registered as carbon neutral or are working towards it • New drying out process for construction sites to remove need for diesel generators

ENVIRONMENTAL

Our product efficiency priorities and progress

- Making decisions that improve the sustainability of our developments and increase the biodiversity at our Lodges
- Selecting locations that minimise the impact on the climate and reduce reliance on cars, whilst also being suitable to our customers' needs and aspirations
- Offering a product that is energy-efficient and future-proofed reducing our Owners' impact on the climate

Sustainability of land and biodiversity	Climate considerations	Product efficiency
Priority To improve sustainability of land and biodiversity	Priority To continue to select central locations and to reduce reliance on cars	Priority To offer a product that is energy-efficient and futureproofed
Progress <ul style="list-style-type: none"> • All (100%) of our new sites acquired during the year are on brownfield sites • Land purchased during the year included a vacant multi-storey office building, a vacant shopping centre, a vacant car park, and redundant public swimming baths. • Density of sites under construction during the year is 128 dwellings per hectare • 115 bat boxes, bird boxes and hedgehog highways installed at new sites 	Progress <ul style="list-style-type: none"> • 100% of our new sites are within 500m of public transport • Average walking distance to town centres sites under construction is 413m • Average parking space ratio of 0.43 spaces per apartment • Included power, ducting and cabling at new builds to facilitate future installation of electric charging points 	Progress <ul style="list-style-type: none"> • Installed 180.26kWp of solar panels in our new developments • No gas installed at our Lodges, reducing impact of polluting gases • Installation of low energy lighting and utilise daylight and movement sensor controls, where applicable • Average EPC rating of our developments of B

SOCIAL

Our social priorities and progress

- Creating a dynamic working environment in which all Colleagues feel valued, proud and able to benefit from the Company's success
- Delivering a market-leading product and exceptional customer service that enables our Owners to enjoy an independent, safe and secure lifestyle
- Giving back to the communities in which we work, build and live

Our Colleagues	Our Owners	Our Communities
Priority To create a dynamic working environment for our Colleagues	Priority To enables our Owners to enjoy an independent, safe and secure lifestyle	Priority To give back to the communities
Progress <ul style="list-style-type: none"> • 35 internal promotions during the year • 61% of Colleagues and 29% of senior management are female • 46 mental health first aiders • 3,964 days of training • No fatalities on site during the year • No RIDDOR dangerous occurrences • Supporting Colleagues with personal development such as obtaining academic qualifications or becoming members of professional bodies such as CIOB, RTPI and RICS 	Progress <ul style="list-style-type: none"> • 5 Star HBF Customer Satisfaction rating for eighth year • 97% of customers said they would recommend Churchill Retirement • Over 20,000 social events organised throughout the year • Coronation Celebration parties • Summer garden parties 	Progress <ul style="list-style-type: none"> • £60k raised by Colleagues and Owners for Macmillan Cancer Support's World's Biggest Coffee Morning Campaign • Over £2 million raised by the Churchill Foundation since 2015 • 79 charities supported with small grants or match funding during the year

GOVERNANCE

Our governance priorities and progress

- To ensure our business has strong leadership, and is a fair, transparent and honest working environment
- To encourage all our Colleagues to live up to our TORCH Values

Ethical governance	Company values
Priority To promote strong ethical governance	Priority To live up to our TORCH values
Progress <ul style="list-style-type: none"> • 300 years of combined experience in the housebuilding industry at Board level • Strong senior management team • Clearly defined decision-making framework up to Board oversight for the business • Robust risk map and framework regularly reviewed by the Board and the Internal Audit team • Group-wide governance policies approved at Board level 	Progress <ul style="list-style-type: none"> • Company values clearly instilled across the business • 22 TORCH Ambassadors across the Group • Quarterly Churchill Heroes awards

Energy usage and carbon emissions

The Company is committed to year-on-year improvements in its operational energy-efficiency, which is closely tracked as shown by the data opposite. We look to achieve this by continually improving energy and carbon efficiency in our construction processes and our supply chains, and by ensuring our developments are built to be as energy-efficient as possible.

The table below includes a breakdown of the Company's Scope 1-3 emissions. Scope 1 emissions are the direct emissions that the Company produces, for example through running our own vehicles or construction machinery. Scope 2 and

3 emissions are indirect emissions produced as a consequence of the Company's activities, but occurring from sources not directly owned or controlled by Churchill, for example through our supply chain. These are calculated in line with the UK Government environmental reporting guidance 2019.

We achieved a strong reduction in Gas & LPG emissions during the year, as we consumed less of these carbon intensive energy sources, and moved towards the adoption of more electricity-based energy sources. Overall we have seen a small increase in carbon emissions and energy consumption during the year, which is

due to increased levels of operational activity across the Company.

The most important metric we focus on is our carbon intensity ratio, which is the amount of carbon dioxide equivalent (CO₂e) we produce per £m of turnover. Unfortunately this figure increased during the year due to the reduction in turnover combined with the increase in operational activity referred to above. However, we remain committed to reducing this figure in the years ahead as we continue to adopt more sustainable ways of working and improve our carbon efficiency as a business.



UK Greenhouse gas emissions and energy use data for the period 1 July 2022 to 30 June 2023	2023	2022
Energy consumption used to calculate emissions (kWh)	5,618,221	5,381,235
Energy consumption break down (kWh):		
• Gas & LPG	184,234	275,824
• Grid-Supplied Electricity	1,826,046	1,854,243
• Transport	3,607,941	3,251,168
Scope 1 emissions in metric tonnes CO ₂ e		
• Gas & LPG	37	53
• Transport	436	408*
Total Scope 1	474	461*
Scope 2 emissions in metric tonnes CO ₂ e	379	363*
Scope 3 emissions in metric tonnes CO ₂ e	382	343*
Total gross emissions in metric tonnes CO ₂ e	1,234	1,167
Intensity ratio in metric tonnes CO ₂ e per £m	7.08	5.83

Scope 1, 2 and 3 consumption and CO₂e emissions data has been calculated using the GHG Protocol – A Corporate Accounting and Reporting Standard (World Business Council for Sustainable Development and World Resources Institute, 2004); Greenhouse Gas Protocol – Scope 2 Guidance (World Resources Institute, 2015); ISO 14064-1 and ISO 14064-2 (ISO, 2018; ISO, 2019a); Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting Guidance (HM Government, 2019).

Government Emissions Factor Database 2023 version 1.1 has been used, utilising the published kWh gross calorific value (CV) and kgCO₂e emissions factors relevant for reporting period 01/07/2022 – 30/06/2023.

Flycorp Aviation LLP and Careline Support Ltd is a joint venture that does not meet the SECR thresholds i.e., exceeds two of the three criteria, therefore has been excluded from this report. There are also a number of dormant subsidiaries which have been excluded, as they do not meet the SECR threshold and do not consume energy.

Due to delays incurred in sourcing consumption data from suppliers, a significant proportion of property energy data has been required to be estimated for this reporting year. Churchill Retirement Living Limited plans to restate 2022/23 values in the 2023/24 annual report once verifiable data has been made available by suppliers for the portfolio.

Carbon & Consumption	YOY change	Overall
Gas 184,234 kWh 37.37 tCO ₂ e	-29.49% ↓	7.08 tCO₂e per £m +21.44% Carbon: YOY +5.77% Consumption: YOY +4.40%
Electricity 1,826,046 kWh 378.13 tCO ₂ e	+4.46% ↑	
Transport & Plant 3,607,941 kWh 818.86 tCO ₂ e	+8.39% ↑	

*Restated

YOY = tCO₂e year-on-year change

Metric = Turnover £m

Key performance indicators

for the year ended 30th June

Over the coming years we are focused on monitoring, reporting and driving improvement across all these metrics.

	2023	2022	2021
ENVIRONMENTAL			
Demolition waste (tonnes)	464	N/A	N/A
Construction waste to landfill (tonnes per site)	9.01	N/A	N/A
Construction waste diverted/recycled (tonnes per site)	2122.76	N/A	N/A
Office waste to landfill (kg)	10,907	N/A	N/A
Office waste diverted/recycled (kg)	7,659	N/A	N/A
Offices - electricity used (kWh)	380,564	372,836	N/A
Offices - gas used (kWh)	9,648	10,597	N/A
Offices - energy generated	26,410	N/A	N/A
Solar panel energy generated (kWh)	210,901	149,620	N/A
Brownfield sites (land exchanges in year)	100%	100%	100%
Density (dwellings per hectare)	128	131	N/A
Developments within 500m of public transport (5)	100%	100%	100%
GREENHOUSE GAS EMISSIONS			
Scope 1 (tCO ₂ e)	474	461	235
Scope 2 (tCO ₂ e) location based	379	363	497
Scope 3 (tCO ₂ e)	382	343	349
Intensity ratio in metric tonnes CO ₂ e per £m	7.08	5.83	6.75

	2023	2022	2021
SOCIAL			
Percent of Colleagues who are female	61%	59%	61%
Senior management who are female (%)	29%	34%	30%
Number of promotions	35	61	14
Hourly gender pay gap	27%	35%	29%
Days of training delivered to Colleagues	3,964	-	-
Social events organised at our Lodges (number) (average estimate)	20,210	20,000	-
Customers who would recommend us (%)	97%	93%	95%
Amounts raised for charity (£k)	£80.3	£128.8	£89.2
HEALTH AND SAFETY			
Fatalities (number)	0	0	0
Enforcement notices (number)	0	0	0
Prosecutions (number)	0	0	0
RIDDORS + 7 days (number)	1	2	2



Manufactured using 100% recycled fibre