

# Sustainable Finance Framework

2025

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## We're Bromford Flagship. We own and manage over 80,000 homes across east, central and southwest England.

The need for safe, affordable housing has never been greater. Rising costs, growing inequality and increasing homelessness are making it harder than ever for people to own a home or rent affordably. We want everyone to have access to a safe affordable home where they can thrive.

**Place matters.** Our Place Standard will transform streets into vibrant neighbourhoods where people want to live. Our investment in technology will continue to strengthen our customer service and our development academy will provide new opportunities for customers and colleagues building confidence for the future.

We believe that everyone should have a home that is safe, secure, warm and affordable. We serve a diverse range of people across our geography including those on low pay, reduced educational and health outcomes and those with greater experience of the care and criminal justice systems. We also have cost of living disparity across our geography as well as varied transport infrastructure impacting opportunity.

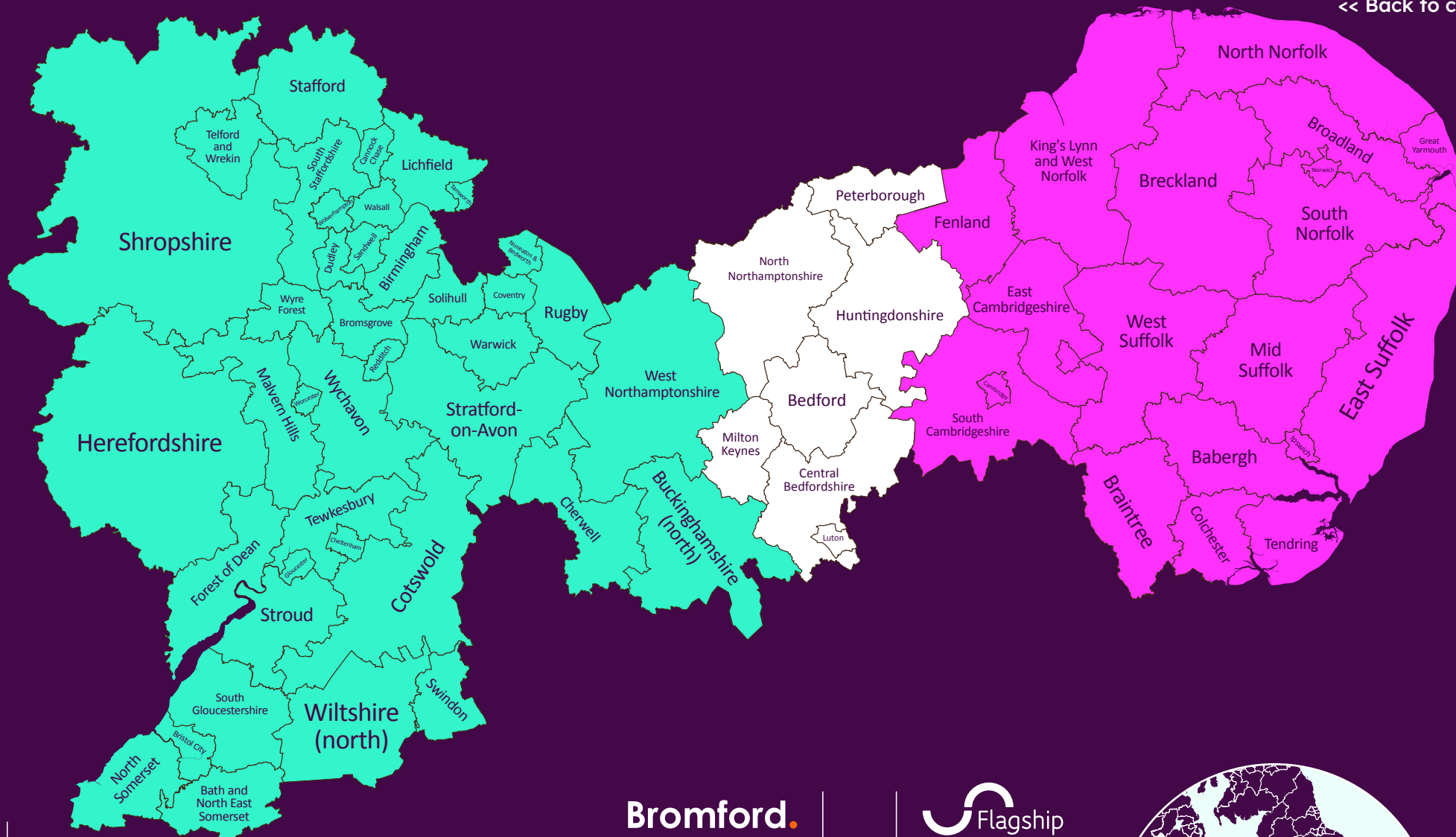
Our ambition is to enable everyone who interacts with us to thrive regardless of geography and socio-economic status. To do so demonstrates equality of service and closes the opportunity gap from a housing and community perspective.

We believe in the importance of maintaining a relationship with every customer recognising that their needs, aspirations and ambitions are all different and so our service to them should also be unique.

Over 190,000 people live in our homes and we want each of them to be able to achieve their goals. Put simply, we enable people to thrive.

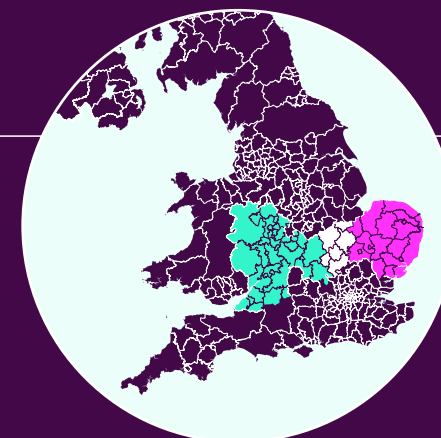
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1. Our Place Standard looks beyond the physical structure of individual homes and sees the wider community, focusing on how we create Places where people genuinely want to live and can thrive. It's an holistic approach that considers the social, economic and environmental aspects of an area/community enabling targeted new and innovative investment strategies to enhance the quality of places where Bromford Flagship customers live. It focuses on local customers' priorities to create services that meet local needs and aspirations.



Bromford Flagship was formed in February 2025 as a result of a merger between Bromford Housing Group and Flagship Housing Group. We believe that Bromford Flagship has the potential to be the preminent housing association of its era. Our scale, operating metrics, financial strength, stock composition and investment capacity enable us to really make a difference across our geography.

Bromford Flagship owns and manages over 80,000 homes serving c.190,000 customers across east, central and southwest England. Bromford Flagship is now one of the largest housing associations in the United Kingdom and we are a leading developer of new social and affordable rent homes.

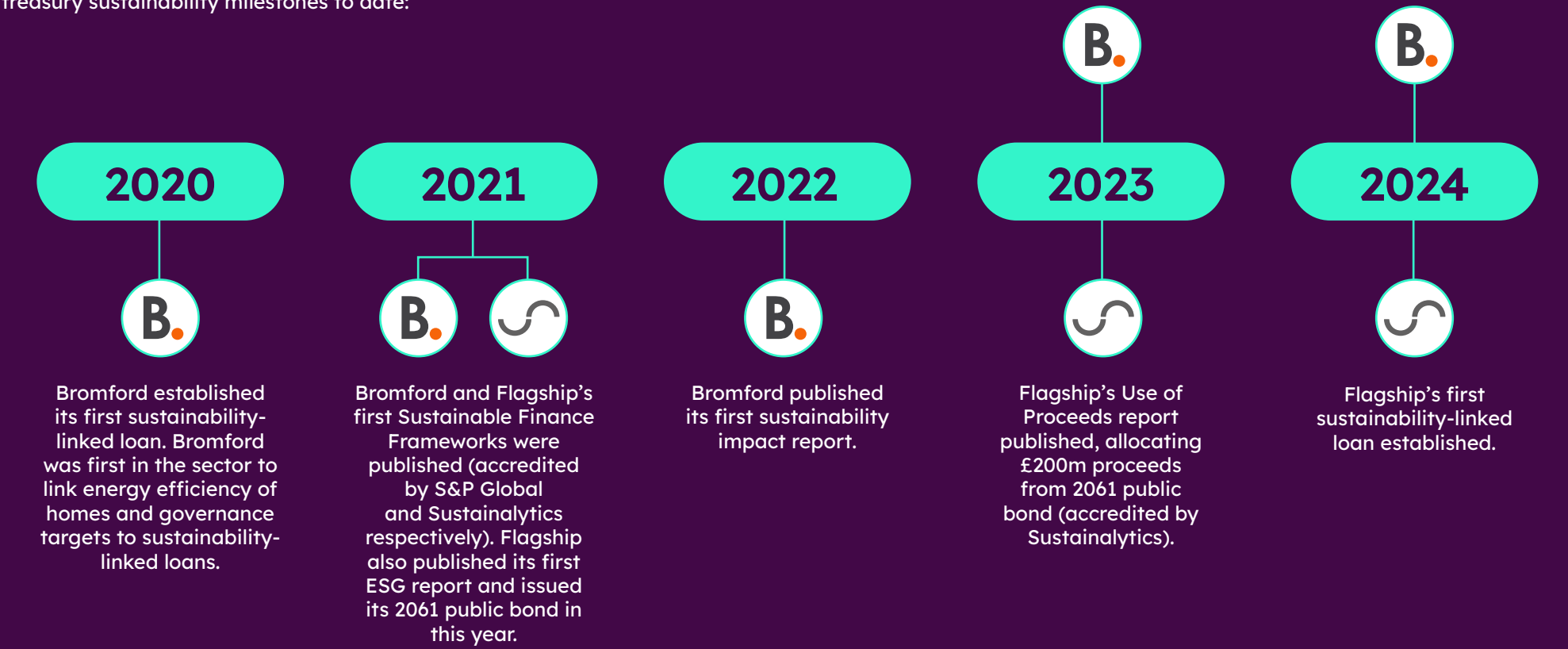




# Sustainability journey

Bromford Flagship’s sustainability future will be built on the sector leading foundations created by Bromford and Flagship individually. We’ve committed to all future funding being linked to our sustainability objectives.

The timeline below demonstrates some of our key treasury sustainability milestones to date:



# Merger journey

Bromford and Flagship were a strong cultural fit across a broad east-west geography. Bromford owned and managed c.47,000 homes with a core focus on investing in homes and relationships so people can thrive. Flagship owned and managed c.33,000 homes with a strategic focus on providing homes for affordable rent and creating sustainable communities.

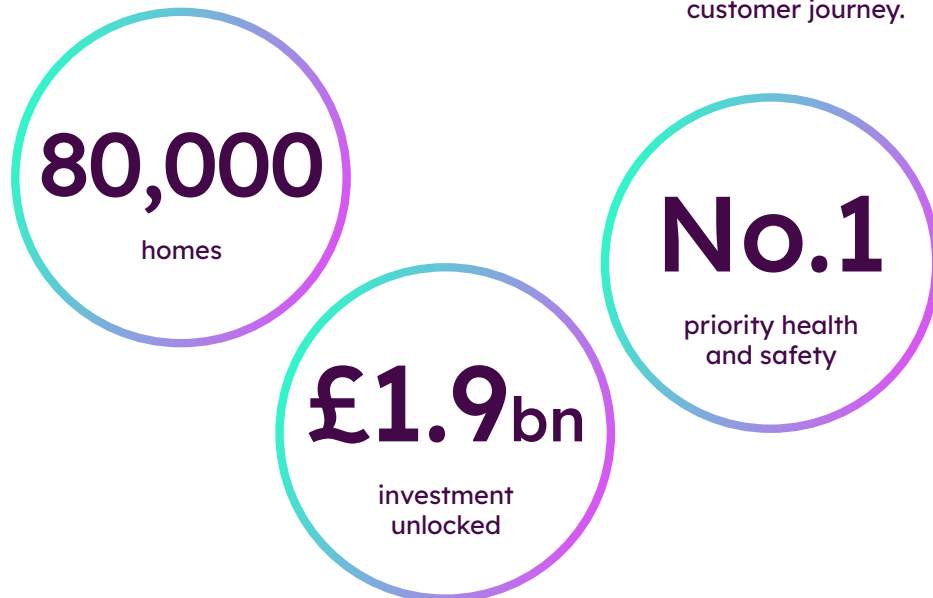
**Our vision** has created one of the largest housing associations in the UK owning and managing over 80,000 homes. Together Bromford Flagship unlocks c.£1.9bn additional investment capacity over and above the sum of the parts. As a stronger organisation, Bromford Flagship is able to better serve customers and increase investment in communities enabling people to thrive.

**Our strategy** is underpinned by a focus on community and developing new homes at scale whilst investing in the growth and development of both colleagues and customers. Our scale will enable us to explore opportunities as a regional leader with local and national government. We want to reimagine our social housing model by utilising research, development and innovative thinking to explore proactive solutions within our place based strategic approach with a central focus on customer service delivery and customer voice.

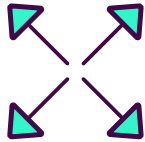
**Our top priority** will always remain customer and colleague safety. New housing supply remains an important government priority and we know we have an important part to play in that. Our operational focus areas include housing maintenance, complaints reduction and technology projects to improve our customer journey.

**We want to get this right** and we've implemented a robust transition plan to ensure that happens. The plan includes:

- ✓ established a new Bromford Flagship Board and executive committee to deliver coherent direction
- ✓ developing a fully informed Bromford Flagship strategy to be launched in 2026. Our initial focus remains on delivering existing strategies and building links across the organisation to support integration
- ✓ well planned integration at the right time to protect services. Integration of east and west functions with no immediate structural changes for most teams
- ✓ continued investment in training, development and growth for colleagues and customers

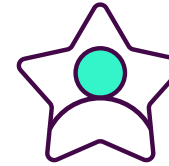


Our strategy in 2026 will have a strong focus on four principles and these four principles underpin our sustainability within our business:



## Growth

To utilise additional capacity created through merger combination with a focus on building new homes with an ambition for c.50% of those to be for social rent.



## Opportunity

Developing talent and creating opportunities for customers and colleagues including the development of a Bromford Flagship Academy as a centre for skills excellence across our geography.



## Place

Developing a new Place Standard focused on local community enhancement. Whether that is through new homes or infrastructure, improvement of existing homes, community accessible green space, employment opportunities or regeneration of wider areas, it's important that these are tailored to local community need and we believe this standard is foundational to the future of our social housing model.



## Innovation

Looking outside of the sector for inspiration and ideas we will innovate through research and development creating proactive solutions for our customers, colleagues and the wider sector.

# The role of sustainable finance

**For our customers to feel the real impact of sustainability, it demands a deep, unified commitment that permeates everything we do, right down to the financial foundations that support us.**

This Framework is therefore an essential component of our corporate strategy. It commits us to raising all future funding under the sustainability banner, aligning our future financing to strategic commitments, underpinned throughout by ten United Nations Sustainable Development Goals (UN SDGs’).

It is also a springboard for partnering with lenders and investors who share this vision to deliver meaningful change.

Like many of our peers, we have adopted a use of proceeds Framework, which means the net proceeds from the issuance of green, social or sustainable funding will be exclusively used to finance or refinance green and social projects.

We have also gone further by sharing in this document our existing Sustainable Linked Loan KPIs that have been agreed bilaterally with funders. We have voluntarily aligned these, on a best endeavours basis, to the LMA Sustainability Linked Loan Principles (2025) but this has not been verified by a third party.

As a pioneer of sustainability-linked borrowing in the sector – including the first loan linked to the energy efficiency of homes – we’ve committed to all future funding being tied to our sustainable objectives. To put this into context, we currently have c.£3.5bn of finance, with plans to raise c.£5bn of new financing by 2040.

**£3.5bn**

current funding

**£5bn**

to raise by 2040





# The future of our sustainability approach

**This updated Framework reflects a new chapter and the start of our journey as Bromford Flagship.**

In recent years we have demonstrated our commitment to sustainability through a suite of reporting tools. Our statutory accounts, trading updates and investor presentations now showcase our sustainability performance alongside financial outcomes.

We are proud to have pioneered sustainability-linked borrowing in our sector. We introduced the first loan linked to the energy efficiency of our homes and the first ever bank deal linked to governance targets.

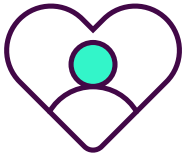
We publish our sustainability impact report annually. It is the central channel through which we can tell our story and demonstrate our progress against the sustainability commitments we have set out, enabling our customers, colleagues, investors and other strategic partners to hold us to account. We are committed to further developing our assessment of how we contribute to our customers' ability to thrive and achieve broader social value, which is the foundational principle that our sustainability activity is built on.

The first Bromford Flagship report will be published later in 2025 bringing together the last twelve months of Bromford and Flagship sustainability reporting and presenting the foundation that future strategy will build upon.

Whilst we continue to work to deliver individual Bromford and Flagship sustainability strategies, which have significant areas of overlap in priorities, we are actively working on our new Bromford Flagship sustainability strategy which will be launched as part of the Bromford Flagship corporate strategy in 2026.

Chaired by our Chief Operating Officer, our cross-directorate Sustainability Group is the custodian of this Sustainable Finance Framework and importantly connects our decision-making on sustainability projects to the required investment envelope in our business plan. It brings together specialists from all corners of the business to improve the way we collect data and report our performance and progress.





## Thriving customers and colleagues

Our sustainability strategy prioritises enhancing the lived experience of our customers and colleagues, with a core focus on ensuring safe, high-quality housing. The importance of this has been supported by evolving standards including the Social Housing (Regulation) Act 2023 and the introduction of Tenant Satisfaction Measures (TSMs). We are dedicated to not only meeting but exceeding these standards and we believe our performance metrics reflect this ambition.

At the heart of our approach is a commitment to active customer engagement. We foster ongoing dialogue with customers and colleagues through collaborative workshops, which directly shape our sustainability plans and ensure our initiatives are responsive to their needs and aspirations for thriving communities.



## Sustainability Reporting Standard

The Sustainability Reporting Standard (SRS), a collaborative initiative launched in November 2020 and refined in 2023 through sector-wide consultation, is integral to our ESG reporting framework.

The SRS's design, encompassing 12 themes and 46 criteria, facilitates transparent, consistent and comparable reporting across the UK social housing landscape, aligning with international benchmarks including the SDGs, the Global Reporting Initiative, the Sustainability Accounting Standards Board and ICMA/LMA. We acknowledge the SRS's pivotal role in elevating the sector's sustainability focus and streamlining reporting processes.

As part of our comprehensive annual impact reporting, we pledge to report against the SRS annually. While valuing its consistent metrics, we will also articulate our distinct sustainability journey, tailored to the specific needs of our customers and communities.



## Corporate governance and reporting

Our governance framework adheres to the Regulatory Framework for Social Housing in England (April 2015) issued by the Regulator of Social Housing. Furthermore, we have adopted the UK Corporate Governance Code and apply its principles to all aspects of our financial and treasury management governance.

Our commitment to financial strength is evidenced by our dual investment-grade credit ratings from Moody's and S&P.

Recognising the increasing importance of comprehensive sustainability data for our stakeholders, we are proactively expanding our reporting beyond standard corporate updates. We are committed to transparently disclosing our Sustainability Golden Metrics alongside financial and operational performance in key corporate publications, including our semi-annual trading updates. This integrated reporting strategy aims to provide funders, investors and agencies with clear insights into our sustainability performance and progress, fostering stronger partnerships and enabling sustainability-driven business and investment decisions that benefit our customers.

We introduced and reported on our initial Sustainability Golden Metrics in our full-year trading update (May 2023) and have since refined and reported against them in subsequent semi-annual updates. These metrics represent the key drivers of sustainable outcomes within our organisation and will continue to be developed and refined over time.





## Robust audit

Our proactive engagement with the assurance requirements of our sustainability-linked loan portfolio has yielded tangible benefits in strengthening our internal data infrastructure. We recognise the critical importance of reliable sustainability information for informed financial decision-making and are committed to optimising data management to support cost-efficient external assurance. This emphasises the need to strategically align verification requirements with key performance indicators and the expected outcomes of sustainability-linked facilities, ensuring clear and verifiable baselines, progress and continued improvement.



## Benefits beyond margin savings

We believe sustainability-linked loans are more than just financial tools for margin savings. Their true value lies in their ability to cultivate awareness and dialogue within our organisation and with our partners, driving impactful outcomes for our key sustainability pillars. The long-term benefits of these engagements surpass the annual savings of individual lending products.

We've introduced sustainability-linked KPIs around gender pay gap, customers coached into employment, customer advocacy, repairs, new homes built and carbon emissions in recent years which have all catalysed lasting organisational change and supported continued improvement for how we help customers and colleagues thrive.



# Sustainability in our business

## Strategic principles key:



Growth



Opportunity



Place

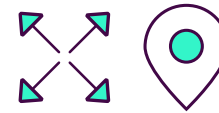


Innovation





## Delivering affordable homes and regeneration



The simple truth is, too many people still lack a safe, affordable place to call home. Homelessness is rising and the need for truly affordable housing is more urgent than ever. As a leading national housing association and a top developer of affordable homes we are at the forefront of addressing this critical need.

We're stepping up with clear ambition to build over 25,000 new homes<sup>2</sup> by 2040, directly tackling the new home supply crisis in our core operating areas and maintaining our position as one of the largest Housing Association developers in the UK. Our strategic emphasis on social rent – the most affordable tenure – provides a stable, high-demand asset base. Our goal is for 50% of new homes to be for social rent from the 2030's onwards, enhancing customer financial stability and contributing to more sustainable tenancies.

Our proven track record is evidenced by Inside Housing's Biggest Builders survey ranking us first nationally for social rent completions in 2023/24. This highlights our sector-leading delivery over the past four years, underscores our operational efficiency and demonstrates our market leadership in this crucial segment.

But we believe we can do even more by investing in Place<sup>3</sup>, focusing on creating thriving communities. Through community we feel connected. Research shows that strong community contributes to more positive mental and physical health, a platform for economic opportunity and development and a more vibrant and resilient society.

Our existing homes are a central part of our existing communities. As custodians of our customers' homes, we're investing in the quality and sustainability of them, not only to improve living standards for our customers but also to enhance the long-term value and efficiency of our assets, reducing maintenance costs and improving environmental performance.

And of course, we also have some homes that are approaching or have outlasted their forecasted life which present real challenges for delivering the standard of homes our customers expect and deserve. These homes present us with an opportunity to regenerate, giving us the chance to play a significant role in reshaping local areas for years to come, creating new communities and places our customers are proud to call their home.

**50%**

of new homes will be for social rent

Over  
**25,000**

new homes built by 2040



2. New affordable tenure homes are either (i) built on land acquired by Bromford Flagship for development or (ii) acquired as section 106 off-the-shelf homes from residential developers.

3. Our focus on Place looks beyond the physical structure of individual homes and sees the wider community, focusing on how we create Places where people genuinely want to live and can thrive. It's an holistic approach that considers the social, economic and environmental aspects of an area/community enabling targeted new and innovative investment strategies to enhance the quality of places where Bromford Flagship customers live. It focuses on local customers' priorities to create services that meet local needs and aspirations.



## Carbon reduction: energy efficient new and existing homes

We aim to build quality, cost effective new homes. Our environmental impact is central to the success of all our new build projects, so we seek to build all new homes on our own land to EPC B or better. We utilise emerging and established technologies to build new homes that are energy efficient, but we are also focused on creating communities with the tools needed to be sustainable.

We are also integrating energy efficiency technology into our existing homes to achieve minimum EPC C rating for all of our homes by 2030. These technologies will lower CO2 emissions per property and help reduce our customers' fuel costs, thereby lessening their risk of fuel poverty.

Our carbon intensity metric is an important measure for us because it decouples greenhouse gas emissions over time from organisational growth. We believe that measuring the carbon efficiency of our organisation is more important than the total emissions generated. Carbon intensity aids comparability (regardless of property type for example) and we can benchmark ourselves against others in our sector as well as other real estate organisations internationally, enabling us to observe and learn from others with lower carbon utilisation per unit of output than ourselves.

We will achieve these objectives through a multifaceted strategy:

### 1. Enhancing energy efficiency

We are retrofitting existing homes to improve health outcomes for customers and boost the thermal performance of our homes by investing in both external and internal wall insulation, upgrading windows and doors and replacing outdated heating systems with modern, high-efficiency alternatives, including installing low-carbon heating technologies, such as air source and ground source heat pumps, where appropriate. Dedicated to innovation, research and development, we embrace a proactive 'no regrets' approach by trialing cutting-edge technologies as they become available as well as collaborating with external stakeholders to explore emerging local heat networks.

### 2. Introducing the Bromford Flagship Place Standard

We are developing our new Place Standard underpinned by a holistic picture of social housing. Our service is more than just the homes we maintain and the tenancies we manage. We are part of our communities. We know that education creates opportunity and cohesion is linked to improved individual and public health outcomes. This standard demonstrates our dedication to not only building houses but also cultivating the foundations for long-term well-being and opportunity for customers, reflecting a deep understanding of the interconnectedness between housing and a fulfilling life.

### 3. Empowering our customers

We support our customers by providing practical advice on how to use their homes more efficiently, maximising comfort while reducing energy bills.

### 4. Leveraging our scale

By capitalising on our purchasing power and industry expertise, we ensure the best value for money and best practices throughout our investment plans.

Our environmental performance is measured by calculating Scope 1, 2 and 3 CO2 emissions on a per square meter basis. We recognise that industry reporting for Scope 3 emissions varies—particularly regarding the inclusion of supply chain and embodied carbon—and we acknowledge that our current reporting does not cover these elements. We are committed to evolving our methodologies by working with the SRS, industry peers and other stakeholders as reporting standards continue to develop.

## Modern Methods of Construction (MMC)

Modern Methods of Construction (MMC) remains integral to our new homes' strategy. In recent years we've successfully integrated steel and timber frame construction methods into our house types. Panelised systems have combined the benefits of accelerated build times, superior quality and significant carbon reduction. This progress has been pivotal in supporting our strategic partnerships with Homes England.

Recognising the substantial benefits of MMC, we are committed to harnessing its potential to reduce carbon emissions, increase construction efficiency and diminish reliance on resource-intensive traditional methods.

We are also mindful of the challenges within the MMC market, particularly regarding financial uncertainties that some manufacturers face. As such, we remain proactive in monitoring market dynamics and will continue to exercise rigorous due diligence when selecting our supply partners, ensuring that our projects align with both our sustainability and financial performance objectives.

By aligning our MMC strategy with sustainable finance best practices, we are not only enhancing the resilience and efficiency of our housing delivery but also positioning our communities for a more sustainable future.

## Carbon reduction: commercial and company car fleet

We remain committed to reducing the carbon footprint of our commercial and company car fleets. As of February 2025, our combined fleet totals over 1,600 vehicles.

Our commercial fleet, which consists of over 1,130 vehicles, already includes c.80 electric or hybrid models. Where operationally feasible<sup>4</sup>, we will replace internal combustion engine vehicles with lower-emission alternatives as part of our cyclical replacement programmes.

Our company car fleet now comprises over 500 vehicles, c.450 of which are electric or hybrid. Our goal is for the company fleet to reach 100% electric or hybrid by 2028.

We are committed to reducing the carbon intensity of our fleet of vehicles. We're investing in charging points and other infrastructure at our office locations to support our colleagues to transition away from petrol and diesel vehicles. We also encourage our colleagues to travel to work more sustainably (offering the cycle to work scheme for example) and provide secure bicycle storage across a number of locations.

1,600

vehicles in  
our fleet

100%

electric or hybrid  
company fleet  
by 2028



4. Due to the specialist nature of certain vehicles some vehicles will remain petrol/diesel powered until battery or other renewable technology facilitates a transfer to a lower emission alternative.



## Carbon reduction: green offices



Implementing initiatives to reduce the carbon footprint of our primary office spaces remains a key part of our plans to improve the sustainability of our business.

Utilisation of technology to monitor and influence energy usage will form part of the solution to ensure that our office estate energy use is dictated by our colleague's office use, even more important with hybrid working. We've improved the controls and automation of heating systems to enhance monitoring and control and seen a fall in energy use as a result.

All lighting across our main workspaces is now LED, replacing outdated energy intensive fluorescent lighting systems. LED lighting is over 80% more energy efficient reducing both the cost of energy consumption and the related emissions created during energy generation.

We've successfully installed solar photovoltaic systems to some of our office spaces which has increased the proportion of energy generated from renewable sources and reduces our overall grid dependency. As an organisation we are investigating further expansion of photovoltaic systems with battery storage technology to further reduce our carbon footprint.

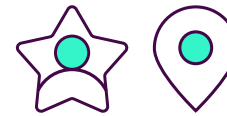


# 80%

more energy  
efficient lighting







## Homelessness reduction

Homelessness comes in many different forms. Street homelessness is often the most visible, but more people are invisibly homeless living in temporary accommodation, hostels or sofa surfing in friends' homes. Homelessness is a complex issue often caused by underlying socioeconomic drivers such as financial hardship, mental health struggles, addiction and domestic violence. The impacts of homelessness are profound and long-lasting, affecting every aspect of a person's life.

All forms of homelessness have been rising in the UK since 2010 and breaking the cycle of homelessness is a huge challenge.

Our plan is inherently linked to our strategy around Place and our priorities:

- to build more affordable homes – over 25,000 by 2040;
- to invest in our local communities – through the introduction of the Bromford Flagship Place Standard and through imagining the social housing solution differently; and
- to support our customers and colleagues to thrive through skills-based training and mentoring

The challenges that drive homelessness are formidable, but we have seen that a multi-faceted, multi-agency approach can yield the best outcomes for those striving to break free from the cycle of homelessness.

We have a charity in the Bromford Flagship group called Hopestead which works solely in the homelessness space. Hopestead brings organisations together to provide a pathway towards stability, dignity and a brighter future for individuals and families leaving a place of homelessness.

There is often a void between starting a tenancy and accessing additional support services where the risk of returning to homelessness is elevated. Hopestead helps bridge this void through two initiatives, Hope Now and Hope at Home. Hope Now provides immediate support such as a kettle and a toaster, an air bed and bedding, a blanket and somewhere to sit. Crucial items which start to turn a building into a place to live and somewhere people can call home.

Hope at Home follows Hope Now and provides essentials, such as white goods, a bed and cooking equipment. Many people starting their first tenancy start with nothing and consequently fall back into a place of homelessness. Hope at Home is changing that with over 93% of beneficiaries feeling more positive about their future and more settled in their new home with support from these programmes.

Research shows that a safe and secure home is crucial for overall well-being, encompassing physical safety, emotional comfort and a sense of security. A safe and secure home promotes wellbeing for individuals and families moving from a place of homelessness and provides a stable foundation to obtain the support they need to thrive. We truly believe that everyone deserves a place to call home and this where Bromford Flagship excels.



## Neighbourhood coaching



Bromford Flagship has an established neighbourhood coaching model<sup>5</sup> as a cornerstone of its approach to housing management and community development.

It is a key element of our Place Standard and represents a significant shift from traditional, reactive housing management towards a more proactive, relationship-focused and empowering way of working with customers.

We believe that when we reshape social housing norms we pioneer real change for our customers enabling them to thrive and enabling Bromford Flagship to do more. The core principles of our neighbourhood coaching model are:

### Relationship-focused

Prioritises building strong, trusting relationships between neighbourhood coaches and customers which allows for a deeper understanding of individual needs, aspirations and challenges.

### Community connection

Neighbourhood coaches are community connectors, linking customers with local services, groups, clubs and other residents to build stronger, more supportive neighbourhoods.

### Strengths-based approach

Working with customers to identify and build upon existing strengths, assets and capabilities within the wider community.

### Holistic support

A whole picture view of customers' well-being, addressing housing-related issues alongside wider factors such as income, health and social connections.

### Empowerment

Through active listening, careful questioning and information sharing coaching customers to find their own solutions and achieve their aspirations underpinned by independence and resilience.

### Proactive engagement

Proactively engage with customers on their patch, aiming for at least one annual review to understand circumstances and future goals. This proactive approach helps to identify potential challenges early and find lasting solutions together.

Customers tell us that by knowing their neighbourhood coach they are significantly more likely to get what they need from their community and do more themselves to contribute to the community, including offering support to others. Positive outcomes include:

- improved customers satisfaction and trust
- reduced evictions and lower rent arrears levels
- lower levels of anti-social behaviour in communities
- increased customer engagement and empowerment
- better understanding of customers needs and aspirations enabling data led solutions

Our neighbourhood coaching model is crucial to delivering the following ambitions:

- closing the gap in customer satisfaction between existing and new homes
- 100% landlord compliance across all homes
- increasing customer thrive and customer advocacy indices
- lower complaint volumes
- further service digitalisation with self-service optionality
- and the majority of repairs dealt with within 30 days

5. Neighbourhood coaching model originated with Bromford Housing Group. Neighbourhood coaching has delivered strong service delivery improvements for customers and is intrinsically linked to our focus on community wellbeing, local tailored services and customer empowerment. Bromford Flagship will adopt the tenets of the neighbourhood coaching model with continued evolution supported by our new Bromford Flagship strategy.

## Equality, diversity and inclusion and customer voice



Our purpose is to enable people to thrive and we do this by providing our customers and our colleagues with opportunities and tools to make a difference in the communities where they live and work.

We are determined to do this in a way that is inclusive and celebrates equality and diversity as we know that this makes us stronger and more effective in achieving our purpose. Research shows that an organisational culture that embraces equality, diversity and inclusion delivers better customer service, is more innovative and solution focused, attracts and retains the best talent and is more productive.

We are committed to continuing to improve our colleague engagement scores, continuing to reduce our gender pay gap metrics and further develop our culture where all colleagues and customers can fully express themselves.

Our customers are at the heart of our service. We really value the relationships we have created with our involved customers who give their time, energy and views through our influencer networks. Our influencer networks provide a wide range of ways for customers to get involved in influencing our services, holding us to account and co-creating services for the future. Putting our customers' voice at the heart of everything we do will ensure that our evolution as Bromford Flagship really meets our customers' needs and expectations.

Customer engagement is fundamental to our success at Bromford Flagship. Our customers' expectations about the convenience, visibility, personalisation, quality and responsiveness of our services will continue to rise. We're constantly assessing the accessibility of our customer interactions. Our annual conversation with all customers, linked to our neighbourhood coaching model, collection of tenant satisfaction measures and our feedback collection approach includes face-to-face, text message, telephone call and web form enabling us to reach all customers in a way and at a time that suits them.

We will continue to invest in our digital platforms to further customer self-service optionality and customer ability to communicate with us around the clock at their convenience. Our goal is for over 50% of customer transactions to be through a digital solution in the next five years.



# 50%

of customer transactions to be digital



## Employment of apprentices and graduates



We believe that our people are at the heart of our organisation. Ensuring we have the right talent in the most suitable positions is crucial for Bromford Flagship to realise its strategic goals.

We also acknowledge that we need to invest in our colleagues to resource them with the toolkit needed to succeed. Providing opportunities for our colleagues to learn, develop and grow is essential to enabling our people to thrive and enabling them to support our customers to thrive.

Apprenticeships and graduate schemes which offer formal qualification training are an important aspect of this. Over 5% of Bromford Flagship's workforce comprises of graduates, apprentices, or sponsored students who have been employed by the organisation for five years or less. This qualifies Bromford Flagship for the 5% club<sup>6</sup>. Bromford was awarded the 'Silver' 5% club award in 2022 demonstrating its commitment at that point in time to working towards 5% of its workforce being comprised of graduates, apprentices, or sponsored students within five years of joining. Investing in our talent remains a key priority for Bromford Flagship post-merger.

We want to go further and launch a development academy where customers as well as colleagues can access leading training opportunities, building confidence for the future and creating opportunity within our communities.



>5%

of colleagues are  
graduates or  
apprentices



6. The 5% Club is a collective of employers who aspire to achieve 5% of their workforce in earn and learn positions within five years of joining.



# Sustainable Finance Framework





Our framework demonstrates our ESG credentials and outlines our sustainability investment priorities for the benefit of investors.

We have aligned the framework with internationally recognised principles and guidance issued by the International Capital Market Association (ICMA) and the Loan Markets Association (LMA).

These industry bodies provide a set of voluntary guidelines and our Framework aligns with the following principles:

- 1. Green Bond Principles 2021 (GBP) (with June 2022 Appendix I);
- 2. Social Bond Principles 2023 (SBP);
- 3. Sustainable Bond Guidelines 2021 (SBG);
- 4. Green Loan Principles 2025 (GLP); and
- 5. Social Loan Principles 2025 (SLP).

The framework has four components and will be externally reviewed to promote its integrity and transparency:

- 1. Use of proceeds.
- 2. Process for project evaluation and selection.
- 3. Management of proceeds.
- 4. Reporting.

By aligning with both ICMA and LMA, we deepen our commitment and contribution to SDGs. Combined with our ESG reporting and wider strategic approach, Bromford Flagship’s activities work to directly support ten SDGs. These are:



UN sustainable development goals (SDG)	ICMA/LMA	SRS
1: No Poverty	✓	✓
4: Quality Education	✓	
7: Affordable and Clean Energy	✓	
8: Decent Work and Economic Growth	✓	✓
10: Reduced Inequalities	✓	✓
11: Sustainable Cities and Communities	✓	✓
12: Responsible Consumption and Production	✓	
13: Climate Action	✓	✓
15: Life on Land		✓
16: Peace, Justice and Strong Institutions		✓



## Use of proceeds

Our primary purpose as a registered provider is to enable people to thrive. By providing affordable, safe, well-maintained homes we have a positive impact on our customers lives.

Our services go beyond that, we also support our customers into employment and sign-post relevant support services as well as investing in our local communities creating places where people really want to live. We're also proactively making our homes more energy efficient reducing their environmental impact and making them even more affordable for our customers.

Together, these things permeate through our communities, create opportunities and improve outcomes for our customers, contributing to overall social well-being.

This Framework and any proceeds raised under it, meet the requirements of Social, Green and Sustainability listed bonds, private placements and term drawn loans. Where a term-loan is multi-tranche, Bromford Flagship will identify and distinguish which tranches will be financing eligible projects.

In accordance with ICMA and LMA principles, amounts equivalent to the net proceeds raised under this Framework will be used to finance or refinance, in whole or in part, green and/or social projects according to the eligibility criteria in the table on the following pages.

Loan refinancing will be assessed on a case-by-case basis and shall be determined as eligible only if the sustainability outcomes of the refinanced loan are clear. Where there is clear alignment with the Framework and where Bromford Flagship is able to demonstrate the sustainability credentials of the refinanced loan, no maximum lookback period will apply.

Investment in eligible projects may be measured through asset value, capital expenditure (capex) or operating expenditure (opex).



## Eligible categories – social

Eligible project	Use of proceeds eligibility criteria	Financial reference	Applicable SDG	SRS alignment <sup>7</sup>	Potential impact metrics
<b>Affordable Housing<sup>8</sup></b>  <b>Target Population:</b> Low income or homeless households who are unable to own or rent locally on the open market, elderly persons, people with disabilities, unemployed individuals.	Development or construction of new affordable homes	Capex <sup>9</sup>	<b>ICMA</b> <b>1:</b> No Poverty. <b>7:</b> Affordable and Clean Energy. <b>11:</b> Sustainable Cities and Communities. <b>13:</b> Climate Action.  <b>SRS</b> <b>10:</b> Reduce Inequality. <b>11:</b> Sustainable Cities and Communities.	<b>T4:</b> Affordability and Security  <b>T7:</b> Residential Support  <b>T8:</b> Placemaking	Number of new affordable homes acquired and delivered.
	Acquisition of affordable homes				Number of existing affordable homes benefiting from renovation.
	Modernisation or renovation of affordable homes				Number of customers positively impacted by the delivery of new homes or regeneration.
	Refinancing of existing affordable homes	Asset value			Rent charged versus private sector rents and/or the local housing allowance.
<b>Employment generation alleviating unemployment<sup>10</sup></b>  <b>Target Population:</b> Underemployed, underserved, undereducated, marginalised population and vulnerable youth.	Financing to support customer focused initiatives and the delivery of programmes designed to prevent and alleviate unemployment.	Capex and/or Opex	<b>ICMA</b> <b>1:</b> No Poverty. <b>4:</b> Quality Education. <b>8:</b> Decent Work and Economic Growth.  <b>SRS</b> <b>11:</b> Sustainable Cities and Communities.	<b>T8:</b> Placemaking	Number of customers supported into employment.  Number of apprenticeships offered.  Colleague retention measures.
<b>Socioeconomic advancements and empowerment</b>  <b>Target population:</b> Underemployment, underserved, undereducated, marginalised population and vulnerable youth.	To eliminate inequalities, further our awareness of delivering for customer/colleagues and enable digitalisation in our communities.	Opex	<b>ICMA</b> <b>8:</b> Decent Work and Economic Growth. <b>10:</b> Reduced Inequalities.  <b>SRS</b> <b>1:</b> No Poverty. <b>8:</b> Decent Work and Economic Growth	<b>T7:</b> Resident Support  <b>T8:</b> Placemaking  <b>T11:</b> Staff Wellbeing	Colleagues engagement measures and gender pay gap measures.  Volume of customer digital transactions.  Customer advocacy/satisfaction score (including Tenant Satisfaction Measure outcomes).  Volume of complaints and repairs outstanding.

7. <https://sustainabilityforhousing.org.uk/latest-srs-criteria/>

8. Based on the definitions of low cost rental accommodation and low cost home ownership accommodation in the Housing and Regeneration Act 2008.

9. Capex includes all relevant capital expenditure including the cost of construction or refurbishment.

10. People and education facilities for inclusive and effective learning environments.

## Eligible categories – green

Eligible project	Use of proceeds eligibility criteria	Financial reference	Applicable UN SDG	SRS alignment <sup>11</sup>	Potential impact metrics
<b>Green buildings</b>  Buildings with or expected to achieve an EPC rating A or B.	Financing the development, acquisition or construction of new green homes.	Capex and/or Opex and/or Asset Value.	<b>ICMA</b> 1: No Poverty. 7: Affordable and Clean Energy. 12: Responsible Consumption and Production. 13: Climate Action.  <b>SRS</b> 7: Affordable and Clean Energy. 13: Climate Action. 15: Life on Land. 16: Peace, Justice and Strong Institutions	<b>T1:</b> Climate Change  <b>T2:</b> Ecology  <b>T3:</b> Resource Management	Number of new buildings financed achieving EPC A or B.  Avoided CO2 emissions (kgCO2/m2).
<b>Clean transport</b>  All newly acquired or leased vehicles with an emissions factor of 50gCO2/km or less.  Installation of infrastructure for charging electric vehicles at key business hubs.	Financing the development of clean transformation for customers and colleagues.	Capex and/or Opex and/or Asset Value.	<b>ICMA</b> 7: Affordable and Clean Energy.  <b>SRS</b> 13: Climate Action.	<b>T1:</b> Climate Change	Number of eligible vehicles (ie. those with an emissions factor of 50gCO2/km or less) as a percentage of total fleet.  Number of EV charging points installed.  Installation of cycle paths and supporting infrastructure such as cycles racks/sheds.
<b>Energy efficiency</b>  Retrofitting existing homes by at least one EPC band to a minimum EPC C.	The renovation, retrofit, modernisation or improvement of existing buildings.	Capex and/or Opex and/or Asset Value.	<b>ICMA</b> 7: Affordable and Clean Energy. 12: Responsible Consumption and Production.  <b>SRS</b> 7: Affordable and Clean Energy.	<b>T1:</b> Climate Change	Number of new buildings financed achieving EPC A or B.  Number or percentage of existing homes improved by at least one EPC band to a minimum EPC C.  Annual energy savings (kWh or kWh/m2).  Total CO2 emissions avoided (kgCO2/m2).

11. <https://sustainabilityforhousing.org.uk/latest-srs-criteria/>

## Process for project evaluation and selection

Bromford Flagship has a Sustainability Group, which meets monthly and has overall accountability for eligible projects. The group has representation from across the senior executive team and is supported by an operational task force from across the business. Members of the Sustainability Group include:

- Chief Operating Officer
- Chief Finance Officer
- Strategic Asset Director
- Head of Sustainability

Depending on project expenditure size relative to delegated authority levels, the approval for financing will come from either the Regional Development Boards, Capital Committee, Executive Committee, or Board, in ascending order of expenditure. Regardless of the approving body, both the Treasury Committee and the Board will be informed about the selected projects.

To select the most appropriate projects, Sustainability Group members will be responsible for:

- ensuring the implementation of the Framework in respect of eligible projects
- selecting, reselecting and approving projects deemed eligible under the Framework
- monitoring the compliance of eligible projects with the Framework's requirements
- managing any social and environmental risks related to eligible projects
- developing mitigation strategies in case significant adverse risks associated with the selected projects materialise

Selection, re-selection, tracking and monitoring of eligible projects will occur at least annually. Where proceeds from a funding transaction have yet to be allocated, tracking will take place on a quarterly basis.

Bromford Flagship's treasury team has overall responsibility for the maintenance of the Framework, including reviewing and updating its content to align with updates in ICMA and LMA principles, guidelines and other regulatory frameworks and taxonomies, with accountability to the Chief Finance Officer. Any material changes to the Framework and, more broadly, any changes to annual impact reporting are signed off by the Sustainability Group, then Treasury Committee under delegated authority from Board.

The Sustainability Group is responsible for the oversight of any social or environmental risks associated with eligible projects. Where relevant, mitigants will be developed to address any materially adverse social and/or environmental risks associated with the selected projects.

The Chief Investment Officer is responsible for and accountable to the Sustainability Group for identifying and delivering new affordable housing schemes that meet the Framework's eligibility criteria and can therefore be funded using the proceeds. The definition of affordable housing is per the Housing and Regeneration Act 2008. They are also responsible for identifying whether the construction of new homes meets the eligibility criteria of Green Buildings.

The Chief Operating Officer is responsible for and accountable to the Sustainability Group for establishing whether the acquisition and/or retrofitting of affordable housing meets the Framework's eligibility criteria.

## Management of proceeds

Bromford Flagship intends to allocate amounts equivalent to the proceeds from any sustainable debt instruments to an eligible project, selected in accordance with the Framework's use of proceeds criteria.

Bromford Flagship has appropriate accounting and financial management systems to track and report on eligible projects and to verify whether net proceeds have been fully allocated. Financial controls and our internal monitoring system will be annually assessed by our external auditors. The management of cash and liquidity, along with tracking the allocation of sustainable issuances to eligible projects is the responsibility of the treasury team.

Where the funding instrument is a bond, private placement or loan, we intend to fully allocate the proceeds to eligible projects within 36 months following settlement. Additionally, where we elect to re-allocate and assign proceeds to existing eligible projects, we intend to look back no more than 24 months from the appropriate receipt of proceeds.

Pending allocation to eligible projects, the balance will be invested in cash or short-term liquidity instruments in accordance with our Treasury Management Policy. On a temporary basis and adhering to the parameters laid out in this Framework, we may also look to use unallocated funds to repay debt whilst maintaining sufficient liquidity at all times in order to finance potential eligible green and social projects, as and when they become available.

We will ensure that eligible projects financed, at all times exceed the net proceeds raised under our Framework, until maturity of the funding instruments. In the unlikely circumstance we need to replace an eligible project, we will strive to achieve this as soon as reasonably practicable.

## Reporting

We intend to produce a report on the allocation of proceeds to eligible projects and, where feasible, an impact report, providing an annual update on the anticipated social and environmental impact of eligible projects which have been financed in accordance with the green, social or sustainable financing instrument.

Allocation reports will be produced within twelve months of the end of the financial year in which the proceeds from a sustainable financing instrument are received and will be produced annually until full allocation of the net proceeds. Any modification of the allocation portfolio will be reported in a timely manner. For loan facilities with tranches, each eligible tranche will be clearly designated and proceeds tracked accordingly.

We are committed to enhancing the information presented to our stakeholders. We intend to continue engaging our funding community to better understand their needs and in doing so, continue to enhance our reporting to meet their needs. We continuously monitor the development of external taxonomies and frameworks to ensure our reporting remains current and relevant to our business.

## Our allocation report will include:

- total amount of proceeds from issuance
- total amount allocated to eligible projects – detailing the underlying category and financial reference
- split between social and green allocation
- on a project-by-project basis, a breakdown of proceeds used for financing and/or refinancing
- the yearly investment and/or disbursement.
- the amount and/or % split of allocation to new versus existing projects
- the balance of unallocated proceeds

## Verification

We intend to obtain a third-party assurance opinion on the allocation of green, social or sustainable financing instrument proceeds, until the full allocation has occurred. Reports will be published on Bromford Flagship's website.

## Impact reporting

Our impact report will provide a snapshot of our sustainability journey. It will follow the SRS themes and provide additional colour around eligible projects and their associated impact metrics, calculation methodologies, assumptions and example case studies. The latest version will be made available on Bromford Flagship's website at all times.

## External review

We are committed to transparency and will make any external review publicly available.

## Second party opinion

DNV Business Assurance Services UK Limited (DNV) has been selected by Bromford Flagship to provide an external review via a second party opinion of the Framework. This will confirm alignment with ICMA's GBP, SBP and SBG as well as the LMA's GLP and SLP principles. DNV was not commissioned to review the Sustainability-Linked framework against the Sustainability Linked Bond/Loan Principles.

The second party opinion, as well as the Framework, will be made publicly available on Bromford Flagship's website.

## Framework amendment

We will review the Framework on a periodic basis to ensure continued alignment to relevant ICMA and LMA principles as and when they are updated. Any update will receive the appropriate external review and disclosures including a refreshed Second Party Opinion.





# Sustainability Linked Loan Principles

**Our aim is to give stakeholders a sense of our unwavering commitment to do more for our customers when it comes to sustainability and to illustrate how our SLL KPIs are also aligned to our Social, Green and Sustainability criterion.**

Whilst the alignment of our Sustainability Linked Loan (SLL) KPIs to the LMA Sustainability Linked Loan Principles (2025) has not been externally verified, verification remains an important future step for us as it demonstrates how our sustainability linked borrowing is integrally linked to our sustainability strategy and our focus on our customers.

The creation of Bromford Flagship on 28 February 2025 has triggered an SLL KPI review with all bank counterparties which is expected to conclude by 31 December 2025. Therefore, the presentation of the below KPIs are those operated by Bromford and Flagship groups prior to merger.

## Existing KPIs

The KPIs presented below demonstrate our commitment to embedding sustainability across our organisation and reflect the impact credibility of our strategy.

Within our existing funding agreements each KPI has a Performance Target. Targets are reflective of our strategic ambition as an organisation and are a measurable indicator for delivery of our sustainability strategy.

Working with our banking partners we intend to reduce the volume of KPIs being tracked. We intend to set these core KPIs focused on our Environmental, Social and Governance (ESG) priorities, carefully selected to maximise strategic impact. Maximising reporting and assurance efficiency is an important focus for us to facilitate investment of margin reduction into customer experience delivery.

Enabling people to thrive is our purpose. Our KPIs need to be intrinsically aligned to activities within our operating model that are pushing the envelope of sustainability to improve the opportunities and outcomes for our customers and colleagues.

The Sustainability Group and Treasury Committee have oversight of performance against KPIs which are monitored monthly when attached to a funding transaction.





## Loan characteristics

The net proceeds of sustainability-linked instruments will be for general corporate purposes.

The financial or structural characteristics of any sustainability-linked instruments will be detailed in the corresponding instrument documentation and might include:

- coupon or margin step up(s) or step down(s)
- a premium payment or penalty during the life of or at redemption of a sustainability-linked instrument
- a change in the intended recipient of coupon/margin step up/step downs, or other innovative adjustments

Any structural incentive will be applied for the interest period commencing on or after the interest payment date immediately following the notification date.

The notification date will be referenced in the instrument's documentation. We may use an external verifier to provide assurance on performance against targets on an annual basis.

There may be circumstances where the baseline or sustainability performance targets (SPT) require recalculation (such as on the event of merger). Where possible, the relevant baseline and/or any relevant prior year reporting will be recalculated and will be disclosed to the relevant creditors in the annual SPT reporting.

Any savings that are achieved from meeting KPI targets on bilateral sustainability linked loans will be reported to Sustainability Group who will consider their allocation in accordance with Bromford Flagship's strategic priorities.

## Reporting

We intend to provide the holders of a sustainability-linked instruments with adequate information about developments made to the KPI(s) and the achievement or not of the SPT(s).

Where possible, this will be on a semi-annual basis through our trading updates, in our annual impact report whilst they remain relevant and/or directly to the holders of a sustainability-linked instrument as necessary.

## Verification

Our Framework has aligned, where possible, to the industry standards put forward by ICMA and the LMA. We will look to formalise the verification of this sustainability-linked instrument framework in 2026 following the issuance of Bromford Flagship strategy and subsequent updates to the wider aspects of this document.





# Sustainability- linked instruments

– **key performance  
indicators**





SPT	UN SDG alignment	Definition/ambition	Relevance	Methodology	Key considerations
<b>Gender pay gap<sup>12</sup></b>					
Continuously improve gender pay gap from its existing median group level year-on-year OR be ranked within the top half of the peer group's performance.	<b>8:</b> Decent Work and Economic Growth  <b>10:</b> Reduced Inequalities	<b>Definition:</b> Differences in pay between women and men by age, region, full-time and part-time and occupation.  <b>Ambition:</b> Eliminating all pay gaps within Bromford.	The gender pay gap reduces women's lifetime earnings and also affects their pensions – this is one of the significant causes of poverty in later life for women	The difference between the median hourly rate of pay of male colleagues and that of female colleagues. Calculations for the pay gap metrics are based on a single pay period around the snapshot date of 5 April in each year	<b>Factors that support achievement</b> <ol style="list-style-type: none"> <li>1. Regular monitoring of diversity levels across all colleague grades and teams in the organisation.</li> <li>2. Female accelerator programme.</li> <li>3. Events such as International Women's Day.</li> <li>4. Mentoring.</li> <li>5. Recruitment with wording to encourage diverse applicants.</li> </ol> <b>Risks to achievement</b> <ol style="list-style-type: none"> <li>1. Difficult labour market.</li> <li>2. Societal trends: Women strongly represented in direct customer facing roles (neighbourhood coaching/care and support etc).</li> </ol>

12. Bilateral loans that include this KPI are former Bromford group bilateral loans and references here are specifically to former Bromford group operations.

SPT	UN SDG alignment	Definition/ambition	Relevance	Methodology	Key considerations
<b>Colleague sick days<sup>13</sup></b>					
Reduce colleague sick days	8: Decent Work and Economic Growth	<p><b>Definition</b></p> <p>Sickness absence refers to the time a colleague is away from work due to physical or mental health issues.</p> <p><b>Ambition</b></p> <ul style="list-style-type: none"> <li>• improved wellbeing and retention</li> <li>• improvement seen through Colleague Engagement survey</li> <li>• increased workforce productivity</li> </ul>	Whilst sickness absence is unavoidable, we seek to reduce its impact on service delivery for customers and its impact on fellow colleagues. Reducing the number of sick days leads to strengthened organisational culture, colleague retention and increased productivity	The mean number of days of sickness leave taken per colleague in each financial year.	<p><b>Factors that support achievement</b></p> <ol style="list-style-type: none"> <li>1. Dedicated inclusion and engagement lead who also leads on wellbeing.</li> <li>2. A wellbeing framework that drives positive actions across the organisation.</li> <li>3. Mental health and wellbeing training for leaders as well as Mental Health First Aider programme.</li> <li>4. A comprehensive Colleague Assistance Programme.</li> <li>5. Monthly review and reporting of all absence, return to work wellbeing conversations and review of trends and patterns.</li> </ol> <p><b>Risks to achievement</b></p> <ol style="list-style-type: none"> <li>1. The annual CIPD Health and wellbeing at work report (October 2023) shows the highest sickness absence rates for over a decade.</li> <li>2. Causes of absence similar to previous years. Minor illness is most commonly responsible for short-term absence while mental ill health, musculoskeletal injuries, acute medical conditions and stress are the most common causes of longer-term absence.</li> <li>3. Engagement with initiatives relating to wellbeing and lifestyle.</li> </ol>

13. Bilateral loans that include this KPI are former Bromford group bilateral loans and references here are specifically to former Bromford group operations.

SPT	UN SDG alignment	Definition/ambition	Relevance	Methodology	Key considerations
<b>Customers coached into employment or training<sup>14</sup></b>					
Coach customers into employment or training	<b>4:</b> Quality Education  <b>8:</b> Decent Work and Economic Growth	<b>Definition:</b> Customers supported into employment or training through a positive intervention.  <b>Ambition:</b> Develop new partnerships with training providers and local employers to help our customers get back into work	Our customers face financial pressures caused by the rising cost of living and compounded by rising unemployment in our core geographies	The number of unemployed customers who received coaching from Bromford and as a result entered employed work or substantive, career-enhancing training, measured on a cumulative basis from 1 April 2023.	<b>Factors that support achievement</b> <ol style="list-style-type: none"> <li>1. Working/strategic oversight groups to deliver project.</li> <li>2. Maintain and further relationships with skills/support providers.</li> <li>3. Future Careers Lead to manage relationships with partners.</li> <li>4. Track outcomes through case management.</li> <li>5. Monitoring progress through quarterly reporting.</li> <li>6. Marketing and communication plan.</li> <li>7. Sharing progress openly with funders and partners.</li> </ol> <b>Risks to achievement</b> <ol style="list-style-type: none"> <li>1. Employment or training is not appropriate for all.</li> <li>2. Insufficient capacity to deliver the coaching.</li> <li>3. Duplicating existing services instead of adding value through a tailored approach.</li> <li>4. Challenges obtaining and storing enough evidence to validate a customer coached into employment or training due to data protection regulations and resource constraints.</li> </ol>

14. Bilateral loans that include this KPI are former Bromford group bilateral loans and references here are specifically to former Bromford group operations.



SPT	UN SDG alignment	Definition/ambition	Relevance	Methodology	Key considerations
<b>Customer advocacy<sup>15</sup></b>					
Improve our customer advocacy score	<b>11:</b> Sustainable Cities and Communities	<p><b>Definition:</b> A measurement of how satisfied customers are with the services they receive from Bromford.</p> <p><b>Ambition:</b></p> <ul style="list-style-type: none"> <li>invest in homes and relationships so that communities and customers can thrive economically and socially</li> <li>provide seamless customer service through in-person and digital channels</li> <li>maximise efficiency and value for our customers</li> </ul>	Customer satisfaction demonstrates the impact of our actions on the experiences of customers living in our homes.	The percentage of customers who respond positively (a response of 7, 8, 9 or 10 out of 10) to the survey question 'would you recommend Bromford to a friend?', aggregated across all nine transactional service areas.	<p><b>Factors that support achievement</b></p> <ol style="list-style-type: none"> <li>Continuous innovation and service improvement.</li> <li>Dynamic coaching model to support Place-based working.</li> <li>Continuous monitoring and reporting of performance to board.</li> <li>Responding to customer feedback.</li> </ol> <p><b>Risks to achievement</b></p> <ol style="list-style-type: none"> <li>Competing investment priorities leading to challenges in our coaching approach.</li> <li>Poor quality data prevents us from identifying and responding to issues.</li> </ol>

15. Bilateral loans that include this KPI are former Bromford group bilateral loans and references here are specifically to former Bromford group operations.

SPT	UN SDG alignment	Definition/ambition	Relevance	Methodology	Key considerations
<b>Average live repairs<sup>16</sup></b>					
Reduce the average number of outstanding repair jobs	<b>11:</b> Sustainable Cities and Communities	<p><b>Definition:</b></p> <p>The number of outstanding live repair jobs at a point in time, covering all categories of repair including cases of condensation, damp and mould.</p> <p><b>Ambition:</b></p> <ul style="list-style-type: none"> <li>continuously reduce any gap in customer experience between existing and new homes</li> <li>percentage of live repair jobs less than 30 days old maintained between 80-90%</li> <li>ratio of reactive to planned spend is 35:65</li> <li>50% of customer transactions are digital</li> <li>reduction in failure demand</li> </ul>	Everyone deserves to live in a home that is decent, safe and secure and does not harm their health or their life chances	<p>The total average number of outstanding repair jobs calculated as the average of month end positions to 31 March in each financial year</p>	<p><b>Factors that support achievement</b></p> <ol style="list-style-type: none"> <li>1. Data-driven proactive repairs and maintenance.</li> <li>2. Continued investment in homes that can meet required standards or plans to dispose of or regenerate those that can't.</li> <li>3. Digital contact and self-serve expansion.</li> </ol> <p><b>Risks to achievement</b></p> <ol style="list-style-type: none"> <li>1. A lack of, or poor quality, data on stock condition.</li> <li>2. Labour market challenges in the service delivery space.</li> <li>3. Customer engagement with digital services.</li> </ol>

16. Bilateral loans that include this KPI are former Bromford group bilateral loans and references here are specifically to former Bromford group operations.

SPT	UN SDG alignment	Definition/ambition	Relevance	Methodology	Key considerations
<b>Number of new homes built for social rent<sup>17</sup>/affordable rent<sup>18</sup></b>					
Build more homes for social rent/affordable rent	<b>1:</b> No Poverty  <b>11:</b> Sustainable Cities and Communities	<b>Definition:</b> The number of new homes we build for social rent/affordable rent.  <b>Ambition:</b> Be a major developer of new homes, focusing on social and affordable rent tenures.	There is a chronic shortage of affordable housing in the UK.	The number of homes built for social rent/affordable rent that achieved practical completion during the financial year.	<b>Factors that support achievement</b> <ol style="list-style-type: none"> <li>1. Business plan headroom facilitating development whilst maintaining credit and financial strength.</li> <li>2. Availability of land at competitive prices.</li> <li>3. Grant funding from Homes England.</li> </ol> <b>Risks to achievement</b> <ol style="list-style-type: none"> <li>1. Macroeconomic factors creating pressure in the business plan.</li> <li>2. Demand for investment in existing homes including decarbonisation.</li> </ol>

17. Bilateral loans which originates from the Bromford group includes a KPI linked to the number of new social homes built.

18. One bilateral loan which originates from Flagship group includes a KPI linked to the number of new affordable homes built.



SPT	UN SDG alignment	Definition/ambition	Relevance	Methodology	Key considerations
<b>Scope 1, 2 and 3 carbon emissions – intensity measure<sup>19</sup></b>					
Reduce the carbon intensity of our operating model.	<b>7:</b> Affordable and Clean Energy.  <b>12:</b> Responsible Consumption and Production.	<b>Definition:</b> Total direct and indirect carbon emissions created as a consequence of our business activities.  <b>Ambition:</b> Reduce the carbon intensity of our operating model through delivery of initiatives across all three scopes.	c.20% <sup>20</sup> of the UK's emissions originate from energy use in residential buildings.	Total carbon emissions (scope 1, 2 and 3) in kilograms, measured across the 12-month period to the reporting date, divided by the total floorspace of our homes in metres squared, measured at the reporting date.	<b>Factors that support achievement</b> <ol style="list-style-type: none"> <li>1. Fleet conversion to electric/hybrid vehicles.</li> <li>2. Replacement of inefficient communal heating systems.</li> <li>3. Delivery of new energy efficient homes.</li> <li>4. Regeneration or strategic disposal of worst-performing homes.</li> <li>5. Retrofitting most inefficient homes via a fabric-first approach and incorporating low carbon forms of heating and energy generation.</li> <li>6. Carbon savings delivered by planned investment programmes e.g. replacement of windows, doors and insulation works.</li> <li>7. Major refurbishment projects.</li> <li>8. Energy efficiency technology (such as solar panels and EV charging infrastructure) on our office estate.</li> </ol> <b>Risks to achievement</b> <ol style="list-style-type: none"> <li>1. Investment levels not economical for individual homes.</li> <li>2. Changing SAP methodology.</li> <li>3. Having up to date and accurate certificates.</li> <li>4. Poor data quality prevents effective monitoring of performance.</li> </ol>

19. Bilateral loans that include this KPI are former Bromford group bilateral loans and references here are specifically to former Bromford group operations.

20. From a 2022 report by the United Kingdom Government Department for Energy Security and Net Zero.

SPT	UN SDG alignment	Definition/ambition	Relevance	Methodology	Key considerations
Percentage of properties at EPC C <sup>21</sup>					
Increase in the percentage of properties with an Energy Performance Certificate rating C or above.	<p><b>7:</b> Affordable and Clean Energy.</p> <p><b>12:</b> Responsible Consumption and Production.</p>	<p><b>Definition:</b> Total direct and indirect carbon emissions created as a consequence of our business activities.</p> <p><b>Ambition:</b> Reduce our CO2 emissions through delivery of initiatives which improve the EPC ratings of homes.</p>	c.20% <sup>22</sup> of the UK's emissions originate from energy use in residential buildings.	Total proportion of properties with an EPC C certificate or better as a percentage of total affordable rented population.	<p><b>Factors that support achievement</b></p> <ol style="list-style-type: none"> <li>1. Replacement of inefficient communal heating systems.</li> <li>2. Delivery of new energy efficient homes.</li> <li>3. Regeneration or strategic disposal of worst-performing homes.</li> <li>4. Retrofitting most inefficient homes via a fabric-first approach and incorporating low carbon forms of heating and energy generation.</li> <li>5. Carbon savings delivered by planned investment programmes e.g. replacement of windows, doors and insulation works.</li> <li>6. Major refurbishment projects.</li> </ol> <p><b>Risks to achievement</b></p> <ol style="list-style-type: none"> <li>1. Investment levels not economical for individual homes.</li> <li>2. Changing SAP methodology.</li> <li>3. Having up to date and accurate certificates.</li> <li>4. Poor data quality prevents effective monitoring of performance.</li> </ol>

21. One bilateral loan which originates from Flagship group includes this KPI.

22. From a 2022 report by the United Kingdom Government Department for Energy Security and Net Zero.

SPT	UN SDG alignment	Definition/ambition	Relevance	Methodology	Key considerations
<b>SHIFT score<sup>23</sup></b>					
Maintain or improve its annual Sustainable Homes Index for Tomorrow (SHIFT) score and increasing the numerical score each year.	<b>7:</b> Affordable and Clean Energy.  <b>12:</b> Responsible Consumption and Production.	<b>Definition:</b> SHIFT is a holistic sustainability measure and assesses the landlord response to environmental impact.  <b>Ambition:</b> Year-on-year SHIFT score improvement toward the highest score available (platinum).	c.20% <sup>24</sup> of the UK's emissions originate from energy use in residential buildings.	SHIFT assesses environmental impact across 21 criteria including CO2 emissions, water use, waste management and biodiversity. And more importantly assesses the landlord response to impact.	<b>Factors that support achievement</b> <ol style="list-style-type: none"> <li>1. Fleet conversion to electric/hybrid vehicles.</li> <li>2. Delivery of new energy efficient homes that generate less CO2 emissions.</li> <li>3. Regeneration or strategic disposal of worst-performing homes.</li> <li>4. Retrofitting most inefficient homes via a fabric-first approach and incorporating low carbon forms of heating and energy generation.</li> <li>5. Carbon savings delivered by planned investment programmes e.g. replacement of windows, doors and insulation works.</li> <li>6. Understanding and influencing supply chain carbon intensity.</li> <li>7. Reduce water use, landfill consumption and energy use in offices.</li> <li>8. Energy efficiency technology (such as solar panels and EV charging infrastructure) on our office estate.</li> </ol> <b>Risks to achievement</b> <ol style="list-style-type: none"> <li>1. Poor data quality prevents effective monitoring of performance.</li> <li>2. Too little investment in non-customer facing emission generation.</li> </ol>

23. One bilateral loan which originates from Flagship group includes this KPI.

24. From a 2022 report by the United Kingdom Government Department for Energy Security and Net Zero.



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Date	Description	Amount	Category	Status	Notes
2023-01-01	Initial Investment	\$1,000,000	Equity	Completed	Seed round funding
2023-02-15	Office Rent	\$5,000	Operating Expenses	Paid	Monthly rent for HQ
2023-03-01	Salary	\$12,000	Operating Expenses	Paid	Salaries for 3 employees
2023-03-15	Product Development	\$20,000	Capital Expenses	In Progress	New software licenses
2023-04-01	Marketing Campaign	\$8,000	Operating Expenses	Planned	Q2 digital ad campaign
2023-04-15	Customer Acquisition	\$15,000	Operating Expenses	Planned	Partnership program launch
2023-05-01	R&D Expenses	\$18,000	Capital Expenses	In Progress	New R&D equipment
2023-05-15	Legal Fees	\$3,000	Operating Expenses	Paid	Contract review
2023-06-01	Office Supplies	\$1,000	Operating Expenses	Paid	Stationery and printing
2023-06-15	Travel Expenses	\$4,000	Operating Expenses	Paid	Client meetings
2023-07-01	Insurance Premium	\$2,500	Operating Expenses	Paid	General liability
2023-07-15	Utilities	\$1,200	Operating Expenses	Paid	Electricity and water
2023-08-01	Product Launch	\$25,000	Capital Expenses	Completed	New product line
2023-08-15	Marketing Campaign	\$10,000	Operating Expenses	Planned	Q3 digital ad campaign
2023-09-01	Customer Acquisition	\$18,000	Operating Expenses	Planned	Partnership program launch
2023-09-15	R&D Expenses	\$22,000	Capital Expenses	In Progress	New R&D equipment
2023-10-01	Legal Fees	\$3,500	Operating Expenses	Paid	Contract review
2023-10-15	Office Supplies	\$1,200	Operating Expenses	Paid	Stationery and printing
2023-11-01	Travel Expenses	\$4,500	Operating Expenses	Paid	Client meetings
2023-11-15	Insurance Premium	\$2,800	Operating Expenses	Paid	General liability
2023-12-01	Utilities	\$1,300	Operating Expenses	Paid	Electricity and water
2023-12-15	Product Launch	\$28,000	Capital Expenses	Completed	New product line
2023-12-31	Year-End Summary	\$0	Operating Expenses	Planned	Annual financial review