



Environmental, Social and Governance Report

2025 - 2026

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Foreword

The decisions we make today will shape the homes, communities and opportunities we create for generations to come. At Caledonia Housing Group, that means balancing the need for quality, affordable homes and responsive services with our responsibilities to our people, communities and environment.



Our first Environmental, Social and Governance (ESG) Report provided an important benchmark for understanding our impact and helped inform *Shaping the Future*, our new five-year Group Business Plan. Environmental, social and governance considerations are reflected throughout the plan, helping shape our priorities and future direction.

This year has also seen significant progress. We increased investment in our existing homes while continuing to deliver much-needed new affordable housing, strengthened how we listen to and involve tenants, invested in our people and communities, and continued to build our understanding of our environmental impact and pathway towards Net Zero.

We were delighted to see this collective effort recognised nationally, with Caledonia named Housing Association of the Year at the 2025 Scottish Home Awards and receiving the Community Contribution Award.

As we move into the delivery of *Shaping the Future*, ESG will continue to influence the decisions we make, the investments we prioritise and how we assess the value and impact of our work.

I would like to thank our colleagues, tenants, Governing Body members, partners and stakeholders whose commitment and collaboration make this progress possible.

Allan Jones
Chair of the Board

About Us

Caledonia Housing Group comprises Caledonia Housing Association and its subsidiary, Cordale Housing Association. Together, we are one of Scotland's leading social housing providers, delivering quality, affordable homes and services across eight local authority areas.



Celebrating the completion of Phase One of the Bellsmyre regeneration in January 2026 with colleagues, tenants, partners and the wider community.

We own more than 5,700 homes and provide factoring and management services to more than 2,000 homeowners and sharing owners. Addressing housing need through the delivery of new affordable homes remains central to our purpose, alongside sustained investment in our existing homes and the services our customers rely on.

We are more than a landlord. Our purpose is to create homes and communities that make lives better. Through the homes and services we provide, investment in our communities and partnership working, we support household affordability and wellbeing, help tackle child poverty and respond to the challenges of climate change.

Our locally delivered neighbourhood services and growing digital offer help us remain connected and responsive to the diverse needs of the communities we serve.

Cordale Housing Association operates exclusively in West Dunbartonshire, providing affordable homes and investing in the communities it serves.

Caledonia Housing Group ESG in Numbers



5,741
existing homes
for social rent
across eight local
authority areas



128
new affordable,
energy-efficient
homes delivered
during 2025/26



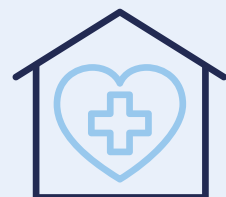
61
new homes under
construction at
31 March 2026



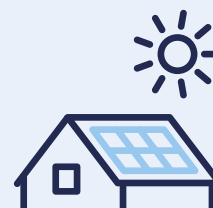
£47.2m
development value
of projects
completed or on
site during 2025/26



£11.85m
spent on capital
improvements and
maintenance during
2025/26



1,309+
homes benefiting
from improvement
works during
2025/26



218
solar PV
installations delivered
through the ECO4
programme



9,460
miles of business
travel avoided
through colleague
car-sharing



16,206
repairs completed,
with 99.24%
completed
Right First Time



£143k+
estimated annual
energy savings for
tenants through
Scarf support



293
major adaptations
completed
to support
independent living



87.3%
of Caledonia tenants
satisfied with the
overall service
provided



84.1%
of Caledonia
tenants rated
their rent as good
value for money



30+
local community
groups supported
through
community grants



2-Star
Best Companies
accreditation
for outstanding
workplace
engagement



86%
of colleagues
report a
positive work-life
balance

The Sustainability Reporting Standard (SRS) for Social Housing

The Sustainability Reporting Standard (SRS) for Social Housing provides a consistent framework for housing providers to report on their environmental, social and governance (ESG) performance.

Caledonia Housing Group adopted the SRS in 2024, strengthening our approach to understanding, measuring and reporting the wider impact of our work. The Standard covers 8 core themes and 44 reporting criteria, aligned with established global frameworks including the United Nations Sustainable Development Goals (UN SDGs).

During 2025/26, we have continued to develop our approach, using the SRS not only to report our performance but to help inform our priorities and strengthen how ESG is embedded across the Group.

This report brings together performance data, practical examples and case studies to demonstrate our progress across the SRS themes. A summary of our response to all 44 criteria is provided in the Appendix.

12 core themes of the SRS and their UN SDG alignment

	Theme name	Description	UN SDG
Environment	Climate	Prevents and mitigates the risk of climate change	13
	Nature	Promotes ecological sustainability	15
	Resource Management	Sustainable management of natural resources and responsible procurement	12
Social	Affordability	Provides affordable and secure housing	11
	Building Safety and Quality	Resident safety and building quality are well managed	10
	Residents and Community	Listens to and supports residents and local communities	11
Governance	Structure and Board	High-quality organisational leadership, accountability and oversight	16
	Employees	Supports Employees	8

Environment

Climate Change

Housing has a vital role to play in tackling climate change. At Caledonia Housing Group, we are reducing our environmental impact, building climate resilience and supporting a fair and inclusive transition to Net Zero.

Creating a More Sustainable Future

Our approach to climate action goes beyond reducing carbon emissions. We are committed to creating warmer, more energy-efficient homes, supporting affordable living, strengthening climate resilience and ensuring the transition to a low-carbon future is fair and inclusive for our tenants, colleagues and communities.

Through investment, innovation and collaboration, we are embedding and continually strengthening sustainability across everything we do - from the homes we build and manage to the way we operate as a business.

The progress made during 2025/26 reflects our commitment to reducing our environmental impact while creating lasting environmental, social and economic value for current and future generations.

Climate & Sustainability Strategy

Our Climate and Sustainability Strategy sets out our pathway to becoming a Net Zero organisation by 2045, supporting Scotland's national Net Zero target and embedding and strengthening sustainability across our organisation.

Progress is monitored through our ESG governance and assurance framework and reported annually using the Sustainability Reporting Standard (SRS) for Social Housing. This supports transparent reporting, consistent measurement of environmental performance and evidence-based investment decisions.

The strategy is being reviewed during 2026/27 to reflect evolving legislation, emerging best practice and organisational priorities while maintaining a clear pathway towards our long-term Net Zero ambition.

Our Five Strategic Themes

Our Climate and Sustainability Strategy is structured around five themes:

Caledonia as a Business

Reducing the environmental impact of our operations and supply chain.

Caledonia as an Employer

Supporting colleagues to work and travel more sustainably.

Caledonia as a Landlord

Improving the energy efficiency, resilience and sustainability of our homes.

Individuals & Behaviour Change

Supporting more sustainable choices.

A Just Transition:

Ensuring climate action is fair, affordable and inclusive.

Supporting the UN Sustainable Development Goals

Our Climate and Sustainability Strategy aligns our environmental ambitions with eight of the UN Sustainable Development Goals (SDGs), demonstrating how our activities contribute to wider sustainable development.

These principles extend across our organisation, influencing how we invest in homes, support tenants and communities, manage our operations and supply chain, and plan for the future.

The alignment below reflects our current Climate and Sustainability Strategy 2023–2026. As the strategy is reviewed during 2026/27, we will revisit this mapping to reflect our evolving priorities and wider contribution to sustainable development.

Sustainable Goal	Caledonia Group Activities	Sustainable Goal	Caledonia Group Activities
 1 NO POVERTY	• Improve the energy efficiency of homes to address fuel poverty. • Support tenants to sustain their homes. • Homes and services are affordable. • Communication and information to tenants on energy use.	 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	• Sustainable procurement and supply chain management. • Minimise impact of management and maintenance services. • Promote activities to reduce, recycle and reuse products.
 3 GOOD HEALTH AND WELL-BEING	• Attractive environments offer greenspace to relax, socialise and be active. • Mitigate the effects of climate change affecting individuals, homes and communities. • Property standards provide internal and external space.	 13 CLIMATE ACTION	• Communication strategy to support understanding of climate change. • Asset management strategy reflects mitigation and adaptation measures. • Carbon reduction targets set and measured.
 7 AFFORDABLE AND CLEAN ENERGY	• Decarbonise homes. • Office estate and vehicles powered by renewable energy. • Communal energy supplies provided from renewable sources.	 14 LIFE BELOW WATER	• Sustainable procurement and supply chain management.
 11 SUSTAINABLE CITIES AND COMMUNITIES	• Estates and environment support local living. • Reduce business travel.	 15 LIFE ON LAND	• Estate management supports green space and biodiversity. • Assess carbon capture capacity of estates. • Property design guides consider where and what is built to support local communities.

Our Journey to Net Zero

During 2025/26, we continued to strengthen the foundations for our transition to Net Zero by improving our understanding of carbon emissions and environmental data, and integrating sustainability into business planning and investment decisions.

Short-term priorities: establish robust carbon reporting, improve environmental data quality, respond to evolving national standards for housing energy efficiency and Net Zero, and embed climate considerations in investment planning and procurement.

Medium-term priorities: Improve the energy performance of existing homes, expand Modern Methods of Construction, increase the proportion of homes achieving higher EPC ratings and improve the measurement and reduction of Scope 3 emissions.

Long-term ambition: Achieve Net Zero across our homes, operations and supply chain by 2045, while ensuring a fair and affordable transition that delivers lasting benefits for tenants, colleagues and communities..

2025/26 achievements

Our ambition - Net Zero across our homes, operations and supply chain by 2045



128
energy-efficient
new homes
delivered



£6.7m
invested in planned
improvements to
existing homes



218
solar PV
installations delivered
through EC04



10%
reduction in
operational fleet
mileage



9,460
miles of business travel
avoided through staff
car-sharing



Communal heating
systems, controls
and LED lighting
upgraded



605
trees planted in our
Trees for Life
corporate grove



**Cycle Friendly
Employer**
accreditation
achieved



Carbon and
utility data quality
strengthened



Scope 3 reporting
expanded across
procurement and
development

Since launching our Climate and Sustainability Strategy in 2023, we have continued to strengthen the foundations for our transition to Net Zero, improving our data, investing in our homes and reducing the environmental impact of our operations.

Operating More Sustainably

We are reducing the environmental impact of our operations through more efficient use of energy and resources, investment in low-carbon technologies and more sustainable ways of working. During 2025/26, we continued to improve the energy efficiency of our offices and retirement housing developments while ensuring sustainability informs procurement, travel and day-to-day decision-making.

Investment made in recent years is now beginning to deliver measurable benefits, with improved energy management, more efficient communal heating systems and better-quality environmental data helping us better understand operational energy use and inform future investment decisions.

2025/26 Highlights



Reduced operational fleet mileage by 10% compared with the previous year, reflecting improved route planning and greater awareness of the carbon impact of business travel.



Continued investment in energy efficiency included **upgraded communal heating systems and controls and energy-efficient LED lighting.**



Utility and energy consumption data quality improved, strengthening our ability to monitor performance, understand consumption and target future improvements.



Environmental and social value continued to be embedded within procurement, alongside closer working with suppliers and contractors on sustainability.



Plans to transition our operational fleet were accelerated, with **electric and hybrid vehicle replacements planned for 2026/27.**

Making Sustainable Choices

"I had an electric vehicle around six years ago and was hesitant about going back to one, but the improvements to the charging network in such a short time are incredible. I'm really glad I made the switch back. It's been much easier than I expected and it feels good to be making a more environmentally friendly choice."

Andy Dorrat, Regional Manager

Supporting Sustainable Choices

Our colleagues play a vital role in achieving our Net Zero ambition. Through smarter ways of working, sustainable travel initiatives and ongoing awareness campaigns, we continue to encourage more sustainable choices across the organisation while balancing operational needs and customer service.

During 2025/26, we continued to build our understanding of how colleagues commute and travel for work, helping us identify opportunities to reduce transport-related emissions. This insight will inform the next phase of our Sustainable Travel Plan and help shape practical actions to support more sustainable travel choices.

2025/26 Highlights



Half of colleagues participated in our Low Carbon Staff Travel Survey, providing a strong evidence base for the review of our Sustainable Travel Plan.



Almost **15% of colleagues use electric or hybrid vehicles** for commuting and business travel, compared with 6% in 2023.



Staff car-sharing helped avoid an estimated **9,460 miles of business travel** during the reporting period.



Achieved **Cycle Friendly Employer accreditation** across our offices and appointed Cycle Champions to support active travel.



Continued promoting our **Cycle to Work scheme and cycling facilities**, while preparing for the launch of our electric vehicle leasing scheme in 2026/27.



Delivered tenant and colleague awareness and engagement activity including **Big Energy Saving Week, Climate Week and Plastic Free July**.



Our corporate grove with Trees for Life reached **605 trees**, celebrating colleagues and sustainability milestones.

Investing in Better Homes

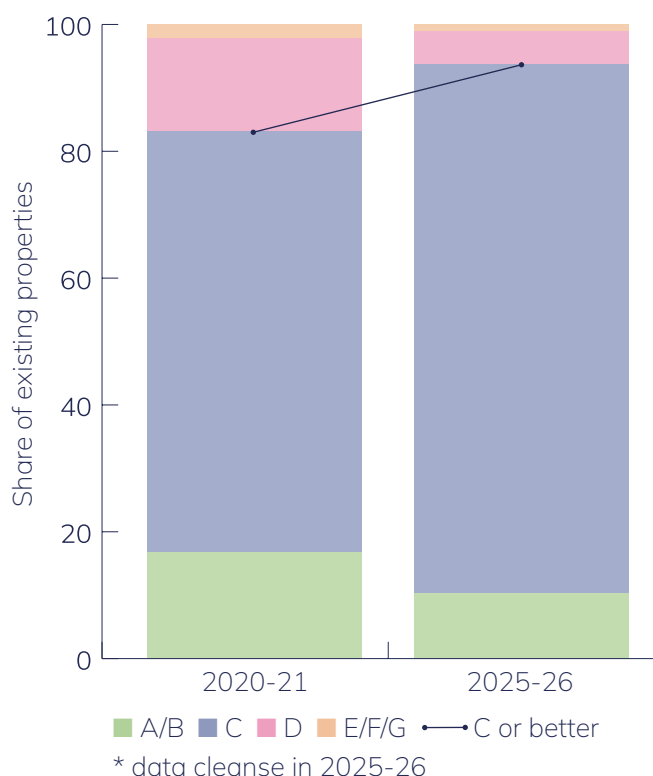
Our homes are central to our approach to sustainability. During 2025/26, we continued to invest in existing and new properties, alongside targeted retrofit activity, helping to improve quality, energy efficiency and resilience while supporting warmer, healthier and more affordable homes for tenants.

Energy Performance of Our Existing Homes

Improving the energy performance of our existing homes is a key part of our Net Zero ambition. Better-quality EPC and asset data is strengthening our understanding of stock performance and helping us target future investment more effectively.

During 2025/26, work began to improve the quality of our asset data, with further investment in enhanced EPC tracking and analysis planned during 2026/27. This will support more targeted investment using EPC data, mapping and other property intelligence to identify opportunities to improve energy efficiency and inform future programmes.

Properties by EPC rating 2025-26



2025/26 Investment in Our Homes

During 2025/26, we continued significant investment in our existing homes, supporting quality, safety, energy performance and long-term sustainability.

- **£6.7 million** planned investment
- **£3.1 million** reactive repairs
- **£1.8 million** cyclical maintenance
- **£250,000** damp and mould investment
- **£2.4 million** equivalent ECO4-funded improvements

Maintaining High-Quality Homes

Alongside targeted energy-efficiency investment, we continued to improve the quality, safety and resilience of our existing homes through planned upgrades and responsive maintenance.

During 2025/26, we completed:



16,206
repairs



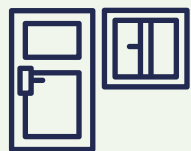
99.24%
Right first time repairs



418
kitchen and bathroom upgrades



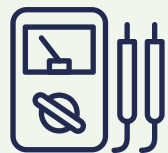
146
heating upgrades



460
windows and doors replaced



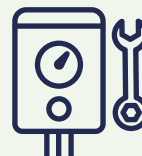
82
roofing improvements



94
electrical upgrades



73
environmental improvements



111
boiler replacements

Supporting Energy Efficiency

Through the ECO4 programme, we delivered 218 solar photovoltaic (PV) installations, alongside insulation and heating improvements across homes in Dundee, Angus, Perth and Kirkintilloch.

These measures are helping to improve energy efficiency, reduce carbon emissions and create warmer, more comfortable homes while potentially reducing household energy costs and helping tenants make their income go further.

Early tenant feedback is positive, with some households reporting lower energy costs and credit building on their energy accounts following the improvements.

The programme has a particular focus on supporting vulnerable households and contributes to our wider efforts to tackle fuel poverty and improve household affordability.

Retrofit Activity

During 2025/26, we continued to deliver targeted retrofit and improvement works across our existing homes, combining energy-efficiency measures with wider investment in building fabric and communal infrastructure.

2025/26 Programme Summary

Work Type	Homes/Units
Window and Door Replacements	460
Bathroom Renovations	286
Heating Upgrades	117
ECO4 Enhancements	216
Energy Efficient Lighting	40
District Ventilations Systems	40
Kitchen Replacements	134
Roofing Improvements	82
Electrical Upgrades	102
Balcony Improvements	14
Roughcast Improvements	22
Environmental Upgrades	73

New Homes

During 2025/26, we delivered 128 high-quality, energy-efficient new homes, helping to address housing need while supporting our ambition to become a Net Zero organisation.

Our new homes are designed to high energy-efficiency standards, incorporating sustainable design principles and low-carbon technologies to reduce energy consumption and carbon emissions while helping tenants benefit from warmer, more affordable homes.

2025/26 Development Highlights



128
new homes
completed



61
homes under
construction at
31 March 2026



£47.2m
development value
of projects completed or
on site during 2025/26



£24m
Scottish Government
funding for projects
completed or on site
during 2025/26

Energy Performance of Our New Homes

Energy efficiency is embedded within our approach to new development, helping to reduce the environmental impact of our homes while supporting lower energy consumption and improved affordability for tenants.

- 100% of new homes completed in 2025/26 achieved EPC A or B
- 46% EPC A | 54% EPC B
- 139 homes in our current development pipeline are targeting at least EPC B, with around half expected to reach EPC A

CASE STUDY - Investing in New and Existing Homes in Kirkintilloch

Through the ECO4 programme, we completed targeted retrofit works to nine of our lowest-performing homes in Kirkintilloch, previously rated EPC D or E. Taking a whole-home approach, improvements included solar photovoltaic panels, internal wall insulation, high heat retention storage heaters, loft insulation top-ups and improved ventilation, alongside associated repairs.

The combined measures delivered significant improvements in energy performance, with homes improving from EPC D or E to EPC A or B. By targeting some of our least energy-efficient homes, the programme demonstrates how coordinated retrofit investment can improve energy performance while creating warmer, more comfortable and affordable homes for tenants.



CASE STUDY - Ballindean Road, Dundee - Award-winning, energy-efficient homes

Our 67-home Ballindean Road development in Dundee demonstrates how high-quality affordable housing can combine strong environmental performance with comfort and affordability. The £12.7 million development, supported by £6.1 million of Scottish Government funding and delivered in partnership with Cullross Ltd, transformed a former brownfield site into a new mixed-tenure community of 49 homes for social rent and 18 for shared equity.

A fabric-first approach, incorporating enhanced insulation and triple glazing, is complemented by low and zero-carbon technologies including:

- 64% of homes achieving EPC A, with the remainder achieving EPC B
- Air source heat pumps
- Solar photovoltaic panels
- Battery storage in rented homes
- Electric vehicle charging infrastructure
- Designed to meet Building Regulations Silver Sustainability Standards

One semi-detached home achieved an Energy Efficiency Rating of 106 and an Environmental Impact Rating of 105, highlighting the high standards achieved through the development.

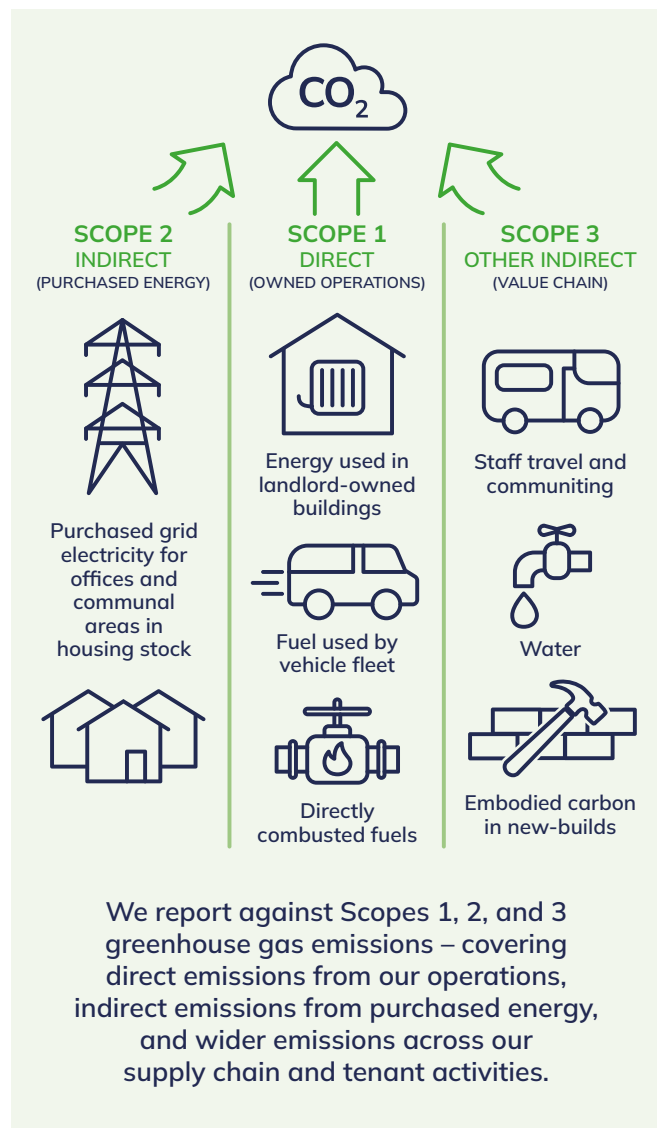
By reducing energy demand and incorporating renewable technologies, Ballindean is helping

to lower carbon emissions while creating warmer, more energy-efficient homes that can help residents manage their energy costs. In 2026, Ballindean Road was recognised at the Scottish Home Awards, winning Social Housing Development of the Year (under 100 units).

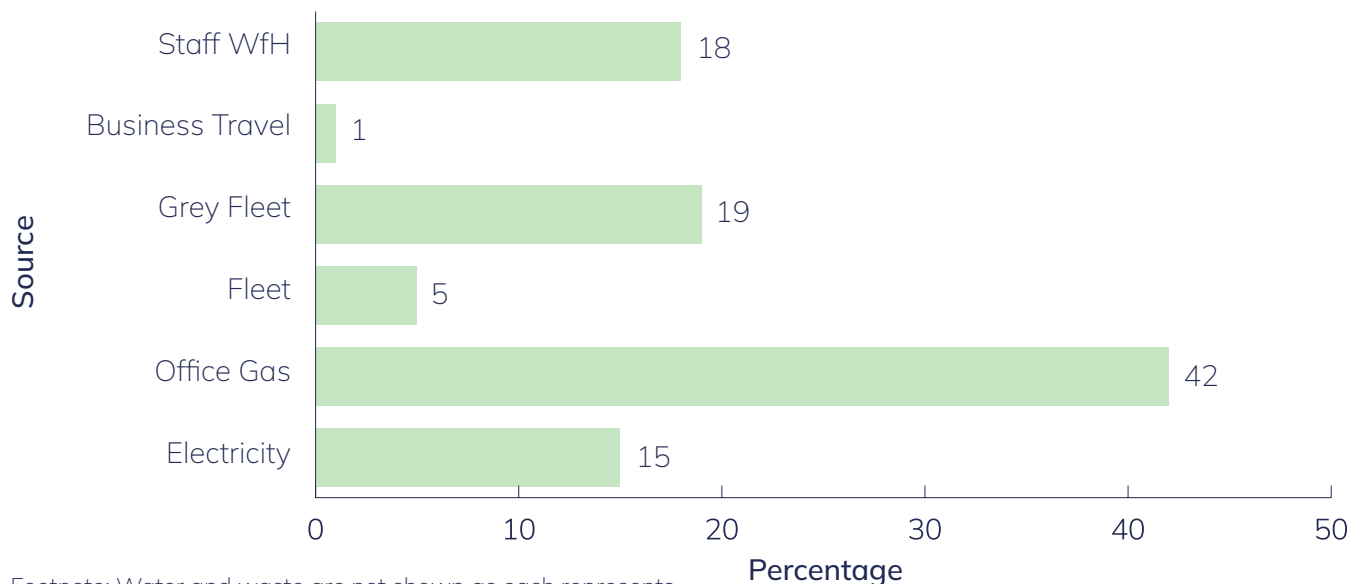


“This is life changing. My new house has totally exceeded my expectations.” Nichole Mill, Ballindean resident

Understanding Our Emissions



Operational Carbon Footprint by emission source (tCO₂e) 2026-26

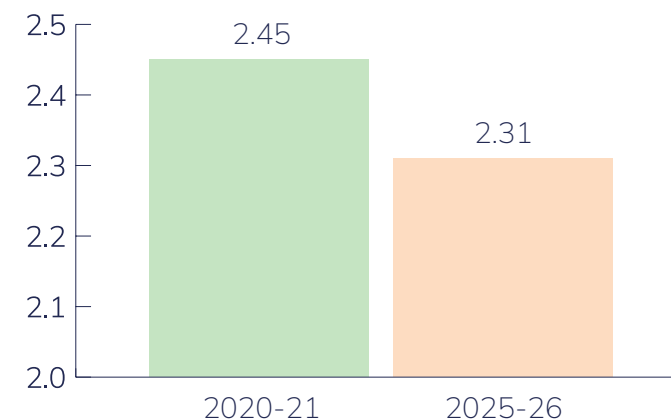


Footnote: Water and waste are not shown as each represents less than 1% of the total operational carbon footprint.

Average tCO₂e per property by year

To provide further insight into efficiency improvements, we have also calculated greenhouse gas emissions per home.

We remain committed to building our emissions reporting maturity over time and will continue to expand our data coverage in line with sector best practice.



Improving the Quality of Our Carbon Data

During 2025/26, we continued to strengthen our carbon reporting by improving the quality, consistency and coverage of environmental data across our operations and wider value chain.

Working with our new utility management provider has improved the accuracy of energy consumption data, helping us better understand energy use and target efficiencies. New utility contracts commencing in 2026/27, including renewable electricity, will further strengthen data quality, monitoring and long-term carbon reduction.

What the Data Tells Us

The majority of our operational emissions arise from the energy used to heat and power our homes, reinforcing the importance of improving the energy efficiency of our existing housing stock. Investment in communal heating systems, LED lighting, building controls and energy-efficient office accommodation is beginning to deliver benefits. Alongside better data and monitoring, these measures are helping us understand our emissions profile and target future carbon reduction.

Building Better Scope 3 Reporting

Measuring Scope 3 emissions remains a complex area of carbon reporting. During 2025/26, we continued to expand the range and quality of data captured, improving our understanding of emissions associated with purchased goods and services, capital investment, business travel and employee commuting.

Purchased Goods & Services

Analysis of procurement expenditure is improving our understanding of supply-chain emissions. As we strengthen Scope 3 reporting towards 2030, we will work with contractors and suppliers to improve emissions data across repairs, maintenance and construction.

Capital Investment

We continue to develop our understanding of embodied carbon within our new-build programme, working with development partners to improve data and identify opportunities to reduce embodied carbon over time.

Business Travel & Employee Commuting

Our Low Carbon Staff Travel Survey strengthened our understanding of commuting and business travel. During 2025/26, staff car-sharing helped avoid an estimated **9,460 miles of business travel**, contributing to reduced Scope 3 transport emissions.

The survey also identified increased rail travel and greater use of electric and hybrid vehicles. These findings will inform the 2026/27 review of our Sustainable Travel Plan and future lower-carbon travel initiatives.

Key Carbon Insights

- Scope 1 emissions reduced
- Estates fleet mileage reduced by around 10%
- Staff car-sharing avoided approximately 9,460 miles of business travel
- Improved utility management strengthened energy data quality
- Scope 3 reporting expanded across procurement and development activities

Greenhouse Gas Emissions

Measuring Our Carbon Footprint

Measuring greenhouse gas emissions is fundamental to achieving our Net Zero ambition. By monitoring emissions across our operations, purchased energy and wider value chain, we can identify opportunities to reduce our environmental impact, target investment and measure progress over time.

During 2025/26, we continued to develop our approach to carbon reporting, strengthening the evidence base for decision-making, future action and transparent ESG reporting.

2025/26 Highlights

- 10% reduction in operational carbon emissions
- Improved utility management and data quality
- 10% reduction in Estates fleet mileage
- Investment in more efficient communal heating systems
- Continued replacement of lighting with energy-efficient LED systems
- Improved EPC data through enhanced asset management systems

Tracking Our Progress - Caledonia's Total Carbon Footprint, FY 2020-21 to FY 2025-26

This year's total is higher than in previous years, but this is expected within the social housing sector as it continues to build properties to meet the national demand. The new-builds alone account for over 6,000 tCO₂e of emissions. In summary as Caledonia's data collection improves and we begin to calculate our scope 3 emissions, including tenants home energy use and our embodied carbon in our new build housing, our carbon footprint will increase over time.

Category	Subcategory	2020/21 Tonnes CO ₂ e	2023/24 Tonnes CO ₂ e	2024-25 Tonnes CO ₂ e	2025-26 Tonnes CO ₂ e	% difference to Baseline
Direct Operations - Scopes 1 & 2						
Energy	Offices - Gas + Electricity	201.0	229.4	241.2	190.6	
	Landlord Supply - Gas + Electricity	2,767.0	2,309.2	2,334.0	2,081.9	
Travel	Fleet - Leased vehicles	25.0	25.9	26.1	18.4	
SUBTOTAL		2,993	2,565	2,591	2,291	-239
Direct Operations - Scope 3						
Water	Offices	0.2	0.3	0.2	0.4	
	Landlord Supply	3.0	1.0	0.8	0.8	
Waste*	Offices	-	2.7	0.0	-	
Travel	Grey Fleet	32	63	66	62	
	Business Travel	-	1.5	1.9	2.1	
	Staff Commuting	-	109.3	109.7	91.6	
Other	Staff Home/Hybrid Working	55	59	61	60	
	Procurement - Paper Printing	0.7	0.3	0.5	0.3	
	Electricity Transmission & Distribution				46.8	
SUBTOTAL		91	237	241	264	
Indirect Operations - Scope 3						
CHA Properties and tenant homes by EPC band.*	EPC bands A-B	925	1,463	1,530	708	
	EPC band C	6,934	9,167	9,166	10,612	
	EPC band D	2,868	1,888	1,888	1,548	
	EPC band E	439	98	98	85	
	EPC band F-G	66	-	-	-	
CHA New builds	Build embodied carbon		2,851	4,118	6,442	
SUBTOTAL		11,232	15,467	16,800	19,395	
Caledonia Housing Association Direct Operations Total		3,084	2,801	2,832	2,555	
Total Caledonia Housing Association Carbon Footprint		14,316	18,268	19,632	21,950	

* Emissions and totals calculated from validated DREAM data 2024 and matched with average baseline EPC emissions analysis carried out in 2022.

Climate Resilience

As the impacts of climate change become increasingly important to the long-term management of our homes, we continue to consider how risks including flooding, extreme weather, water stress and overheating could affect our properties and communities.

Previous investment has included flood prevention works in Brechin, Angus and Ballinluig, Perth and Kinross. During 2025/26, our focus continued to be on understanding climate-related risks and considering how resilience can be more systematically embedded within future asset investment and development decisions.

Looking ahead, our new Asset, Investment and Sustainability Strategy will provide an opportunity to strengthen this approach, using improved asset data and long-term investment planning to better understand climate vulnerability, prioritise investment and build resilience across our housing stock.

Nature & Biodiversity

Protecting and enhancing the natural environment forms part of our wider approach to sustainable development.

Through our Climate & Sustainability Strategy, we support the UN Sustainable Development Goals, with commitments relating to biodiversity and the management of green space reflected in our development masterplanning and investment in new and existing homes.

Our approach is particularly aligned with Life on Land, supporting the creation and management of green spaces, biodiversity and community involvement in the natural environment.

Community Benefits Supporting Biodiversity

Our planned investment programmes can also create wider environmental and community benefits. Following window replacement works in the Faifley area, recycled timber was repurposed to create planters for Flourishing Faifley, alongside a financial contribution to support the group's work.

Flourishing Faifley is a community-led organisation working to strengthen community pride, wellbeing and connection through environmental and social activities. Its work includes community growing, enhancing local habitats and biodiversity, and creating opportunities for outdoor learning. The group reports engaging with around 150 local residents each week through its clubs, groups and activities, helping people of all ages connect with their community and the natural environment.

CASE STUDY - Biodiversity Through Regeneration – Bellsmyre



The Bellsmyre Regeneration Masterplan demonstrates how biodiversity, green infrastructure and placemaking can be incorporated in neighbourhood design.

The masterplan combines high-quality landscaping and the transformation of underused land with limited amenity or ecological value into accessible green space. New routes create visual and physical connections with the neighbouring woodland Nature Conservation Site, helping connect the development with the wider natural environment.

- Rain gardens and bioswales supporting sustainable surface-water management and green infrastructure.
- Replacement and additional tree planting to increase tree cover and biodiversity value.
- Natural materials incorporated within landscaped and play areas.
- Green spaces designed to support both biodiversity and community use.
- School and community planting activities involving local people in creating and enhancing green spaces.

Supporting Greener Communities

Our commitment to biodiversity and greener places extends beyond new development. Across our communities, we support initiatives that protect and enhance local green spaces while creating opportunities for residents to connect with nature and one another.

Cordale's Care of Garden Maintenance Scheme helps tenants maintain their gardens, while the community garden hub in Renton provides shared space for growing and community activity.

Through our Community Fund and partnerships, we also support local planting, gardening and environmental projects. Colleagues contribute through volunteering and community clean-ups, helping improve local environments and strengthen community connections.



Managing Environmental Risks

Managing environmental risks helps protect our tenants, homes and communities while safeguarding the wider environment. Risks are managed through our asset management, development, operational and compliance frameworks.

Pollutants and Environmental Hazards

Protecting tenants, homes and communities from environmental risks is embedded across our asset management, development and compliance arrangements, supported by our Climate and Sustainability Strategy and operational frameworks.

Our approach to damp and mould demonstrates how environmental risks are identified and managed. Through proactive monitoring, improved data and targeted investment, we work to identify issues early, address underlying causes and ensure homes remain safe, healthy and well ventilated.

During 2025/26, we invested £250,000 in tackling damp and mould, alongside improvements in our response to reported cases.

The proportion of cases responded to within target timescales increased by 31.1% during the year, reflecting our increased focus on early intervention and timely action.

Looking ahead, our new Asset, Investment and Sustainability Strategy will provide an opportunity to strengthen how environmental risks and long-term investment priorities are considered together.

Resource Management

Our Design Standards support responsible material selection across development and asset investment, requiring materials to meet relevant performance and quality standards while considering energy efficiency, durability, maintenance requirements and whole-life cost.

Designers are encouraged to consider lifecycle performance and lower-carbon or more sustainable alternatives where appropriate, helping us balance environmental performance with quality, affordability and long-term value.

Sustainability is also increasingly considered through procurement, with environmental sustainability forming an important part of the assessment of new contracts. Suppliers are expected to demonstrate realistic, evidence-based approaches to areas including manufacturing, delivery, waste management and recycling.

We do not currently systematically measure the proportion of materials sourced responsibly across our investment and development programmes. Strengthening this evidence base remains an area for future development.

Waste & Circular Economy

Our Resource and Recycling Plan supports our approach to reducing waste, encouraging reuse and improving recycling across our operations. Our priority is to reduce and reuse materials wherever possible, recycling where waste cannot be avoided.

During 2025/26, we promoted responsible resource use through colleague and tenant engagement, including Plastic Free July and improvements to recycling facilities within our offices. Tenant newsletters also provided locally relevant recycling information and practical tips to help households reduce waste, reuse resources and recycle more effectively.

Some of our most significant indirect waste impacts arise through development, repairs and maintenance. We are working with contractors and suppliers to improve waste data and strengthen our understanding of construction and maintenance waste across our supply chain.

The Scottish Government's Circular Economy Strategy for Scotland, published in March 2026, provides longer-term direction for circular construction practices. We will continue working with our development and construction partners as sector approaches and reporting requirements evolve.



Water Management

Improving the quality of our water consumption data remains an important part of strengthening our environmental reporting. During 2025/26, work continued to improve utility data and prepare for new water supply arrangements commencing in 2026/27.

The new arrangements will increase metering across relevant supplies and provide more reliable consumption data, strengthening our ability to monitor water use and identify opportunities to improve efficiency.

Water efficiency is also considered within the design and development of new homes, with further information on specific standards and measures to be confirmed.

Colleagues making their Plastic Free July pledges to reduce single-use plastic and make more sustainable everyday choices.

Working With Our Supply Chain

Sustainability and social value considerations are incorporated into relevant procurement and contract requirements.

Through supplier relationship and contract management, we work with suppliers and contractors to encourage responsible environmental practices and monitor commitments through contract reviews, reporting and ongoing dialogue where appropriate.

We recognise that further work is required to strengthen how sustainability performance is measured and monitored consistently across our supply chain.

During 2025/26, we began analysing procurement expenditure to improve our understanding of the carbon impact of purchased goods and services. Initial analysis identified that a significant proportion of expenditure is concentrated among a relatively small number of key suppliers. This provides an opportunity to work more closely with our major contractors and suppliers as we develop our approach to measuring and reducing Scope 3 emissions.

During 2026/27, we will continue working with key suppliers and contractors, particularly across development, repairs and maintenance, to improve the quality of environmental performance data and support more comprehensive Scope 3 reporting.

Sustainable Procurement at a Glance

Sustainability and social value

Embedded in relevant procurement activity.

Contract Requirements

Environmental commitments included where relevant.

Understanding Our Impact

Expenditure analysis is strengthening our understanding of supply-chain carbon.

Supplier Engagement

Working with key suppliers to improve Scope 3 reporting.

Measuring Performance

Further development of supply-chain sustainability monitoring planned.



Working with our development partners to deliver high-quality, energy-efficient homes at Dalquhurn, Renton, completed in September 2025.

Our Priorities for 2026/27

As we continue our journey towards Net Zero, we will focus on embedding and strengthening sustainability across our homes, operations and supply chain. During 2026/27, targeted investment, strategic review and collaboration will enhance our approach and ensure it continues to reflect emerging legislation, best practice and organisational priorities.

Investing in Sustainable Homes

- Continue delivering our Business Plan commitment to build 500 new homes over five years, designed to high energy-efficiency standards.
- Continue investing in existing homes to improve energy performance, resilience and long-term sustainability.

Reducing Operational Emissions

- Begin transitioning our operational fleet to electric and hybrid vehicles.
- Use findings from the Low Carbon Staff Travel Survey to inform the refreshed Sustainable Travel Plan and encourage lower-carbon travel choices.

Strengthening Our Strategic Approach

- Review and refresh our Climate and Sustainability Strategy.
- Review our Sustainable Travel Plan and Resource and Recycling Plan.
- Develop our new Asset, Investment and Sustainability Strategy, providing the framework for future investment in our homes and helping to embed energy efficiency, climate resilience and environmental sustainability within long-term asset planning.

Improving Carbon Reporting

- Work with suppliers, contractors and other stakeholders to strengthen the measurement and monitoring of Scope 3 emissions, including construction waste.
- Continue improving environmental data quality to support transparent ESG reporting, investment planning and informed decision-making.

Digital Transformation & Resource Efficiency

- Continue investing in digital transformation to improve data quality, streamline services and reduce reliance on paper-based processes.
- Build on data-cleansing activity and increased use of Connect, alongside the planned introduction of a new digital application portal during 2026/27.
- Use digital services and improved systems to support further reductions in paper use and printing across the organisation.

Together, these priorities will build on the progress made during 2025/26 and strengthen the foundations for our longer-term transition to Net Zero. By combining investment in our homes with improvements in data, technology, business operations and partnership working, we will continue working towards a more sustainable, resilient and affordable future for our tenants and communities.

Social

Social

Affordability and Security

Delivering secure, affordable homes underpins our commitment to making lives better. We work to keep housing costs within reach while continuing to invest in safe, high-quality and energy-efficient homes.

Alongside affordable rents, we provide practical support to help tenants manage household costs and offer a range of housing options to meet different needs.

Rent Affordability

Affordability is a key consideration in our annual rent-setting process. We use the Scottish Federation of Housing Associations (SFHA) Rent Affordability Tool to assess our rents against a range of household types and incomes. In 2025/26, the assessment confirmed that our homes remained affordable across all household types on moderate incomes.

Tenants are consulted each year on proposed rent increases, ensuring their views help inform the final decision.

Following the 2026 consultation, the Management Board considered tenant feedback and approved a 5% rent increase for 2026/27, balancing affordability with the need to continue investing in safe, high-quality homes and services.

In 2025/26, 62% of tenants received Housing Benefit or Universal Credit, providing important support with housing costs. Our most recent Large Scale Tenant Satisfaction Survey also found that 84.1% of Caledonia tenants considered their rent good value for money.

2025/26 Affordability at a Glance

Homes assessed using the SFHA Rent Affordability Tool	✓
Tenants receiving Housing Benefit/ Universal Credit	62%
Tenants rating rent as good value	84.1%
Rent collected	99.13%

Different Homes for Different Needs

Existing Rented homes by provision type	Number	Percentage
General needs	4256	75%
Amenity	712	12.5%
Housing with Care	10	0.2%
Housing for older people Retirement and sheltered Very sheltered	698	12.3%
Total	5676	100%

The majority of homes owned and managed by the Group are provided for social rent, including housing for older people and supported housing. We also provide a management service for 377 sharing owners. This mix reflects the diverse needs of the communities we serve.

During 2025/26, the Group completed 128 new affordable homes, increasing the supply of much-needed housing across our communities. The programme delivered homes for social rent across Caledonia and Cordale, alongside shared equity homes, supporting a range of household needs and routes to affordable housing.

Helping Tenants Manage Energy Costs

We recognise that energy costs remain a significant pressure for many tenants. Our approach combines investment in the energy performance of our homes with practical advice, financial support and targeted intervention for households experiencing fuel poverty.

During 2025/26, the Group's planned investment programme totalled £6.65 million, supported by an additional £2.4 million of ECO4 funding. This external investment enabled the installation of 218 solar photovoltaic systems, 9 insulation upgrades and 33 heating replacements across homes in Kirkintilloch, Dundee, Angus and Perth.

These measures formed part of a wider programme of improvements delivered to more than 1,309 homes, including 460 window and door upgrades and 146 heating upgrades.

Through a fabric-first approach, we are improving insulation, airtightness, windows and heating systems to reduce heat loss, improve comfort and help tenants use less energy.

At year end, 95% of Caledonia homes and 100% of Cordale homes met the Energy Efficiency Standard for Social Housing. A programme of improvement works is also under way to enhance the energy performance of British Iron Steel Federation (BISF) homes in Bellsmyre, West Dunbartonshire during 2026/27.

Alongside physical improvements, our partnership with Scarf provides tenants with tailored energy advice, emergency fuel vouchers and practical energy-saving measures. During the year, 241 households received support, helping to reduce household costs and improve energy efficiency. A further 362 onward referrals connected tenants with wider financial, energy and wellbeing services, ensuring households received holistic support tailored to their individual circumstances.

By combining investment in the energy performance of our homes with targeted advice and financial support, we are helping tenants reduce household costs, improve comfort and build more sustainable, resilient homes and communities.



"I now have electricity again and I'm all sorted. My Neighbourhood Officer has been in touch to help me arrange my refund. Thank you so much for all your support and help – this has helped me hugely. You went above and beyond, and I appreciate everything you have done."

Caledonia tenant supported by Scarf

Building Safety and Quality

Providing safe, high-quality homes is fundamental to our commitment to making lives better. We take a proactive approach to building safety, compliance and asset investment, ensuring our homes remain safe, well maintained and fit for the future.

Through planned investment, robust compliance arrangements and early intervention, we continue to protect tenants while improving the quality, sustainability and resilience of our homes.

Performance is routinely monitored through our assurance framework, including quarterly review by the Health, Safety and Wellbeing Committee and bi-annual reporting to the Board through the Employee and Building Safety Report, providing oversight of performance, emerging risks and improvement actions.

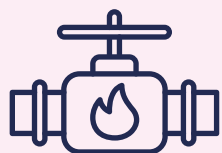
Keeping Homes Safe

Our compliance framework supports the delivery and monitoring of statutory inspections, servicing and safety checks across our housing stock, underpinned by specialist compliance contracts and regular assurance reporting.

During 2025/26, we continued to strengthen compliance management through the transition from manual record-keeping to enhanced digital systems. This has improved data quality, increased visibility of performance and strengthened oversight of statutory safety obligations.

At year end, the Group identified minor procedural weaknesses affecting the reporting of fire and electrical safety compliance indicators relating to a small number of properties. These did not indicate systemic building safety failings but highlighted opportunities to strengthen compliance processes and assurance arrangements. Improvement actions were implemented promptly to address the issues identified and further strengthen oversight of compliance performance.

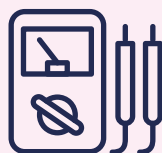
Safety Checks Carried Out 2025/26



Gas Safety
100%



Fire Safety (LD2)
99.84%



Electrical Safety (EICR)
99.15%



Asbestos Management
**100% annual
inspections completed**



Legionella
**41 communal sites tested
and 154 domestic risk
assessments completed**



Passenger Lifts & Stairlifts
**100%
(254 inspections)**

Investing in Quality Homes

Maintaining high-quality homes requires ongoing investment, proactive asset management and a robust understanding of the condition of our homes. Through a rolling programme of stock condition surveys covering approximately 10% of our housing stock each year, we continue to strengthen our property data, enabling investment to be targeted where it will have the greatest impact and supporting informed, long-term asset management decisions.

During the year, 95.09% of Caledonia homes met the Scottish Housing Quality Standard (SHQS). Of the remaining properties, the majority were recorded as exemptions or abeyances, where the standard could not reasonably be achieved because of property configuration or factors outside our control.

Only five properties failed to meet the standard at year end, all relating to the configuration of kitchens within traditional tenement flats. Improvement works have been programmed during the current financial year to redesign these layouts and achieve full compliance with the Scottish Housing Quality Standard.

Property condition data informs our long-term Asset, Investment and Sustainability Strategy and helps us plan future investment around the condition and needs of our homes.



Strengthening Compliance Through Better Data

During 2025/26, we began transitioning from manual record-keeping to enhanced digital compliance management systems. This work formed part of a wider programme to strengthen compliance management and assurance, with improvements including:

- Improved visibility of compliance performance
- More accurate and consistent compliance records
- Earlier identification of emerging risks
- Stronger governance and assurance arrangements

Property condition data informs our long-term Asset, Investment and Sustainability Strategy and helps us plan future investment around the condition and needs of our homes.

Healthy Homes

Providing healthy homes is fundamental to supporting tenant health and wellbeing. We take a proactive approach to managing emergency property hazards, with a particular focus on preventing and responding to damp and mould through early intervention, planned investment, effective performance monitoring and Board oversight and assurance.

During the year, our dedicated Maintenance (Damp and Mould) Team further strengthened oversight of reactive repairs and damp and mould cases, improving monitoring, contractor performance and communication with tenants.

Dedicated procedures, specialist resources and robust reporting arrangements ensure cases are investigated promptly, managed consistently and monitored through established governance and assurance processes. The team coordinates complex cases from initial inspection through to resolution, ensuring thorough investigations, clear communication with tenants and comprehensive record keeping.

We reduce the likelihood of damp and mould through staff training, specialist accreditation, planned investment, proactive property inspections, timely repairs, effective ventilation and heating improvements, and early intervention where signs of damp or condensation are identified.

Tenant advice and guidance also help residents understand how to manage moisture, condensation and ventilation within their home.

Preparation for the introduction of the Investigation and Commencement of Repair (Scotland) Regulations 2026 (Awaab's Law) has further strengthened this approach. During the year, we reviewed our policies, procedures and reporting arrangements to ensure we are well placed to meet the new statutory requirements, reinforcing our commitment to timely investigations and effective remedial action.

During 2025/26, 195 damp and mould cases were successfully resolved across the Group, with 27 cases remaining under active management at year end. Analysis of completed cases continues to inform preventative maintenance, identify recurring issues and target investment where it will have the greatest impact, supporting healthier homes and reducing the likelihood of future occurrences.

2025/26 Damp & Mould at a Glance

Cases resolved	195
Cases under active management at year end	27
Most common cause identified	Condensation
Dedicated Damp & Mould Team	✓
Policies and procedures reviewed in preparation for Awaab's Law	✓

Tenant Satisfaction

The Group's most recent independent Tenant Satisfaction Survey found that **87.3%** of Caledonia Housing Association tenants were satisfied with the overall service provided, increasing to **88.2%** within Cordale Housing Association.

The survey also highlighted strong performance across key measures of customer engagement, with **89.3%** of Caledonia tenants agreeing that they are kept informed about services and decisions, and **83.6%** satisfied with the opportunities available to participate in decision-making.

While these results provide an important baseline, the Group recognises that meaningful engagement is an ongoing process.

Tenant insight continues to be gathered through a range of formal and informal activities, helping ensure services respond to changing expectations and local priorities.

Turning Insight into Action

Building on this feedback, the Group undertook further consultation during 2025/26 to understand how tenants wanted to engage with Caledonia Housing Group and influence future decisions. This directly informed the development of the Tenant Engagement Strategy 2026–2031 and our Engagement for Everyone model, built around the principles of **Listen, Inform, Act and Involve**.

The Strategy reflects what tenants told us they wanted: more flexible ways to participate, clearer feedback on how their views have influenced decisions and greater opportunities to shape services at both local and organisational level. It now provides the foundation for how tenant insight is gathered, acted upon and reported across the Group.

Looking Ahead

A new independent Tenant Satisfaction Survey will be undertaken in autumn 2026, providing an updated assessment of tenant satisfaction and service performance.

The findings will inform future business planning, service improvements and investment priorities, ensuring tenant insight continues to shape decision-making across the organisation.



We Listen



We Inform



We Act



We Involve

Tenant Accountability

The Tenant Engagement Strategy 2026–2031 provides the framework for how the Group listens to tenants, improves services and demonstrates accountability. Supported by the Engagement for Everyone model, it promotes inclusive participation, removes barriers to engagement and creates greater opportunities for tenants to influence decisions.

This commitment to accessible and inclusive engagement was recognised externally during the year, with Caledonia Housing Group shortlisted for the Chartered Institute of Housing (CIH) Scotland Excellence Award for Accessibility and Inclusion.

A key strength of this approach is our network of 24 Neighbourhood Hubs, each serving a distinct community with its own priorities, opportunities and challenges. This neighbourhood-based model enables local teams to build strong relationships with tenants, understand what matters most to each community and tailor engagement, investment and service improvements to reflect local needs, while maintaining consistent standards across the Group.

Opportunities to Influence

Tenants can influence decisions throughout the year through annual assurance and rent consultations, neighbourhood consultations, Hub surveys, estate walkabouts, tenant surgeries and day-to-day engagement with local neighbourhood teams.

These opportunities are supported by accessible communication channels, including local newsletters, digital communications, the website, telephone and face-to-face engagement, enabling tenants to participate in ways that best suit their needs.

Tenants also told us they wanted quicker, simpler and more accessible ways to provide feedback following service interactions. In response, the Group introduced the CX Feedback platform, enabling tenants to share real-time feedback following repairs and other customer interactions. This helps identify emerging issues and improvement opportunities more quickly while making it easier for tenants to have their voices heard.



24
Neighbourhood Hubs
supporting locally
responsive engagement

Closing the Feedback Loop

Accountability is strengthened by demonstrating how tenant feedback has influenced decisions. Through regular “You Said, We Did” communications, the Group provides clear evidence of actions taken in response to tenant insight, helping build trust and confidence that engagement leads to meaningful change.

Tenant feedback also informs local Neighbourhood Hub Action Plans, investment priorities and service improvements, ensuring insight is translated into practical action at both neighbourhood and organisational level.

Tenants are also supported to hold the Group to account through the Annual Assurance process, with opportunities to scrutinise performance against the Scottish Social Housing Charter and regulatory requirements. Feedback gathered through this process is considered alongside performance information, complaints analysis and wider customer insight to identify priorities for improvement.

By embedding tenant voice within governance, service planning and performance monitoring, accountability becomes more than a regulatory requirement – it is fundamental to how decisions are made and services improved.

Learning and Continuous Improvement

The Group recognises complaints as an important source of customer insight, helping identify opportunities to improve services, strengthen accountability and enhance the customer experience.

Complaints are managed in accordance with the Scottish Public Services Ombudsman's Model Complaints Handling Procedure, ensuring they are investigated consistently, responded to promptly and used to inform organisational learning.

Performance is monitored throughout the year to identify recurring issues, emerging themes and opportunities for improvement. Complaint response times are reported quarterly to the Management Board, while the Annual Complaints Handling Report provides detailed analysis of performance, outcomes, benchmarking and lessons learned. This governance framework ensures improvement actions are scrutinised and monitored through to completion.

Real-time insight gathered through CX Feedback complements the formal complaints process, helping identify emerging issues earlier, recognise good practice and implement improvements more quickly.

By bringing together complaints, tenant engagement, CX Feedback, performance information and satisfaction data, the Group develops a richer understanding of the customer experience. This joined-up approach ensures feedback is used not only to resolve individual concerns but also to influence wider service delivery and future decision-making.

Complaints Performance 2025/26

Measure	2025/26
Stage 1 complaints received	586
Stage 2 complaints received	29
Average Stage 1 response time	4.8 days
Average Stage 2 response time	18 days
Quarterly reporting to Management Board and Committees	✓
Annual Complaints Handling Report published	✓
Benchmarking reported to Audit Committee	✓

The majority of customer concerns continued to be addressed through the Stage 1 process, enabling issues to be considered at the earliest opportunity while ensuring learning was captured and shared across the organisation.

Supporting Sustainable Tenancies

Working in Partnership to Improve Lives

Sustaining successful tenancies requires more than providing a home. Through a preventative, person-centred approach, Caledonia Housing Group works alongside trusted partners to identify support needs early, helping tenants strengthen their financial resilience, maintain their health and wellbeing and live safely and independently within their communities.

During 2025/26, the Group continued to expand access to specialist advice, early intervention and tailored support services. By providing the right support at the right time, we help prevent challenges from escalating, reduce the risk of tenancy breakdown and build stronger, more resilient communities.

Award Recognition

Caledonia Housing Group's commitment to supporting tenants and strengthening communities was recognised in 2025, when the Group received the Scottish Home Awards Community Contribution Award.

The award celebrates the positive social impact created through partnership working, community investment and services that support tenants and help people thrive in their neighbourhoods.



Supporting Financial Wellbeing

Supporting tenants through the ongoing cost-of-living challenges remains a key priority. Working with trusted partners like Scarf and Lightning Reach, the Group provides access to welfare advice, energy efficiency support and financial assistance to help households maximise their income and reduce costs.

Scarf supported 241 households through emergency fuel vouchers, personalised energy advice and practical energy-saving measures, helping tenants reduce household costs and improve energy efficiency. The support is estimated to deliver annual savings of more than £143,000 while reducing carbon emissions by almost 189 tonnes. A further 362 onward referrals connected households with wider financial, energy and wellbeing services, ensuring tenants received holistic support tailored to their circumstances.

Through our partnership with **Lightning Reach**, 297 households received tailored support, resulting in more than £18,000 in direct financial assistance and the identification of over £31,000 in previously unclaimed benefits. Together, these partnerships are helping households strengthen their financial resilience, maximise their income and sustain successful tenancies.



CASE STUDY - Helping a Perth family reduce energy costs

A Perth family struggling with exceptionally high electricity costs and an unresolved prepayment meter issue received support through Caledonia's partnership with Scarf. The household, which included two children and relied on electric heating, was spending almost £480 per month on electricity.

Following a home energy assessment, the family received £224 in emergency fuel vouchers, practical energy-saving measures including LED bulbs, draught-proofing and a heated clothes airer, alongside tailored energy advice and support to challenge their energy supplier. The combined intervention reduced immediate financial pressure while helping the household improve energy efficiency and establish a more sustainable, affordable approach to managing energy costs.

Promoting Health and Wellbeing

Through our HOPE (Helping Our People Engage) Project, delivered in partnership with Dundee Health and Social Care Partnership, we provide personalised support that helps residents access the services, advice and community connections they need to improve their wellbeing and remain active in their communities.

During the year, our HOPE Engagement Worker supported residents through 447 referrals, working with 23 partner organisations to provide tailored support.

This included tackling social isolation, providing financial advice and benefit checks, arranging key safe installations to help people remain safe at home, and offering housing advice to connect residents with the services most appropriate to their needs.

By providing early intervention and connecting residents with the right support at the right time, the HOPE Project helps prevent social isolation, improve wellbeing, strengthen community connections and build resilience.

Complementing this support, our Community Anchor initiative continued to deliver activities within retirement housing that encouraged participation, reduced social isolation and created opportunities for residents to remain connected with their communities. Through regular events and a trusted local presence, the initiative helped residents remain active, connected and engaged within their communities.



Tenant at Monifieth 100th Birthday

Supporting Independent Living

Helping people remain safe and independent at home is central to creating sustainable communities. As the population ages and demand for accessible homes continues to grow, Caledonia Housing Group continues to invest in adaptations that enable people to live safely and confidently in their own homes for longer.

During the year, the Group commissioned and completed **293 major adaptations - an 87% increase on the previous year.**

These improvements, including accessible bathrooms, level-access showers and other mobility adaptations, help tenants maintain their independence, improve their quality of life and reduce the need for more intensive health and social care support.

One tenant who received a new wet room described the impact: *"The wet room has made such a difference to our lives. We still can't quite believe it – what a difference this makes being able to access the shower again."*

Care and Repair

Our Care and Repair service continued to provide preventative, practical support to older and more vulnerable residents across Angus and Perth & Kinross.

During the year, the service supported 330 households through major adaptations, minor adaptations, small repairs and ramp installations, helping residents maintain their independence while continuing to live safely within their own homes and communities.



Creating Lasting Social Value

Together, these partnerships and support services demonstrate how Caledonia Housing Group creates social value beyond the provision of housing. Through early intervention, practical assistance and preventative support, we improve financial security, promote health and wellbeing, strengthen independence and help tenants sustain successful tenancies.

By embedding support within our neighbourhoods and working collaboratively with trusted partners, we help people overcome challenges before they escalate, creating stronger communities while fulfilling our purpose of providing homes and services that make lives better.

Investing in Stronger Communities

Strong communities are built through partnership, participation, investment and a shared sense of place. Alongside providing quality homes, the Group works with tenants, local organisations and community partners to reduce social isolation, strengthen local connections and improve wellbeing.

By supporting community-led initiatives and investing in neighbourhoods, we help create places where people feel connected, included and proud to live.

Supporting Community-Led Action

During the year, community grants were awarded to more than 30 local community groups delivering activities and services across the Group's neighbourhoods. These organisations provide vital support to tenants and residents, helping tackle loneliness, improve wellbeing, encourage social inclusion and strengthen community resilience.

By investing in local organisations that understand the needs of their communities, the Group extends its social impact well beyond the homes it manages.

CASE STUDY - Monifieth Befrienders

One organisation supported through the Group's Community Fund was Monifieth Befrienders, which received a £250 grant to continue its work tackling social isolation and helping people build stronger social connections.

Alongside its one-to-one befriending service, the organisation delivers a wide range of activities including lunch clubs, men's brunches, seated yoga, knitting groups, disco afternoons and community outings. These initiatives help people develop confidence, build friendships and remain active within their local community.

The impact of this support is reflected in the experiences of local tenants. As David, one of our tenants, explained: *"The befrienders are great. They bring everyone together and, being on your own, it's always really nice to have someone to talk to."*

By supporting organisations such as Monifieth Befrienders, Caledonia Housing Group is helping to reduce loneliness, strengthen community connections and create more inclusive neighbourhoods where people feel valued and supported.



Creating Opportunities to Connect

Throughout the year, neighbourhood teams worked alongside tenants and community partners to deliver a wide range of local events and activities.



Many of these activities were supported by colleagues using their annual volunteering day, demonstrating the Group's commitment to giving back to the communities it serves while strengthening relationships between staff, tenants and local organisations.



Working in Partnership

Collaboration is central to the Group's approach to community investment. Working with local authorities, charities, housing partners and community organisations, Caledonia Housing Group helps deliver initiatives that reflect local priorities and encourage residents to play an active role in shaping the places where they live.

By investing in people, partnerships and communities alongside homes, Caledonia Housing Group is creating neighbourhoods that are resilient, inclusive and better connected. These initiatives complement the Group's wider investment in housing by helping people develop stronger relationships, greater community pride and a lasting sense of belonging.

Across the Group's retirement housing schemes, residents enjoyed a varied programme of social events, including summer fêtes, seasonal celebrations and community gatherings, helping people build friendships, reduce social isolation and remain active in their communities.

CASE STUDY - Weavers Yard: Celebrating Community Identity

Community investment is about more than delivering services; it is about creating places where people feel connected, represented and proud to live.

At Weavers Yard in Dundee, Caledonia Housing Group worked with Hillcrest Homes and Stobswell Forum to deliver a community artwork project celebrating the heritage and future of the Upper Dens neighbourhood.

Tenants played a central role in shaping the project. Through consultation based on the theme “Past, Present and Future”, residents helped select the artist and influence the designs, ensuring the artwork reflected both the area’s industrial heritage and the community that calls Weavers Yard home today.



Created by local artist Abi Baikie, the artwork draws inspiration from the site’s former jute mill, incorporating historic architectural features alongside Mary Brooksbank’s handwritten poem *Oh Dear Me*.

The project demonstrates how partnership working and meaningful tenant engagement can strengthen community pride, celebrate local heritage and create a genuine sense of belonging.

Creating Social Value Through Procurement

Caledonia Housing Group recognises that every procurement decision is an opportunity to create wider social, economic and environmental value for the communities we serve. By embedding social value within our procurement processes, we work with suppliers and contractors to ensure contracts deliver benefits that extend beyond the homes and services themselves.

Alongside delivering high-quality goods and services, our procurement approach encourages contractors to generate lasting community benefits, including:

- employment opportunities
- apprenticeships
- work experience placements
- school and community engagement
- volunteering
- investment in local communities
- environmental improvements

Social value commitments are agreed at the outset of contracts and monitored through contract management arrangements and regular performance reporting. This helps ensure community benefits are delivered alongside contractual requirements and continue to contribute to stronger, more resilient neighbourhoods.

Social Value in Action



Employment Opportunities



Apprenticeships



Work Experience Placements



Community and School Engagement



Volunteering



Investment in Local Communities



Environmental Improvements



CASE STUDY - Bellsmyre Regeneration: Delivering Social Value Beyond New Homes

The Bellsmyre Regeneration Programme demonstrates how Caledonia Housing Group embeds social value within major procurement and development projects. Working in partnership with CCG (Scotland) Ltd, Phase One has delivered far more than 27 new energy-efficient homes, creating lasting social, economic and environmental benefits for the wider community.



Creating Opportunities

Through community benefit commitments built into the contract, the project has supported local employment, skills development and community investment.

- Two local people secured sustainable employment.
- Apprentices and trainees gained valuable hands-on construction experience.
- Young people explored careers in construction through work placements, site visits, careers events and mock interviews.

Investing in the Community

The regeneration has also strengthened the wider community through targeted investment. Funding has supported the Cutty Sark Community Centre, Bellsmyre Community Garden and Tullochan Trust, while Caledonia colleagues used their volunteering days to take part in community clean-up activities.

Partnership working is also enhancing the local environment through biodiversity improvements and the creation of pollinator-friendly planting with local primary schools.

Lasting Impact

By integrating social value throughout procurement and delivery, the regeneration is creating opportunities that extend well beyond the homes themselves – supporting employment, developing skills, strengthening community organisations and improving the local environment.

This approach ensures that investment in new homes delivers wider social, economic and environmental value, helping to build a stronger, more connected and sustainable community that can benefit both current and future generations.

Governance

Structure and Governance

Governance Framework

Caledonia Housing Group comprises Caledonia Housing Association, the parent organisation, and its subsidiary, Cordale Housing Association. Together, we are committed to high standards of governance, accountability and transparency, ensuring we deliver homes and services that make life better for our tenants, customers and communities.



As Community Benefit Societies, Registered Social Landlords and Scottish Charities, both organisations operate within a robust regulatory framework that supports effective governance, financial stewardship and accountability to tenants, partners, lenders and regulators.

Caledonia Housing Association and Cordale Housing Association are registered with the Scottish Housing Regulator and comply with the Standards of Governance and Financial Management for Registered Social Landlords in Scotland.

As a systemically important landlord, Caledonia maintains regular engagement with the Regulator, reflecting the scale of our operations and significant new-build programme. During 2025/26, both organisations maintained compliant regulatory status, with no adverse regulatory findings, interventions or enforcement action.

Governance and Risk

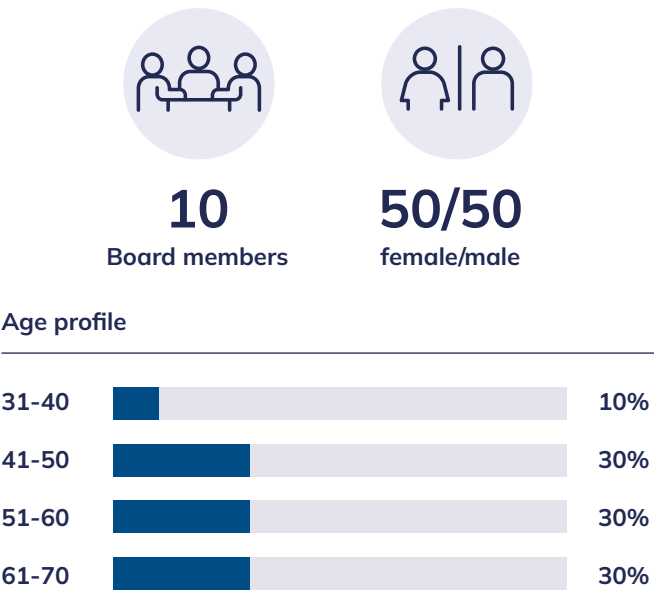
The Management Board provides strategic leadership for Caledonia Housing Group through oversight of business planning, financial performance, risk management and decision-making. It is supported by three standing committees covering Audit and Risk Management, Housing Development and Remuneration and People, alongside short-life working groups established where required.

Environmental, Social and Governance considerations are embedded throughout the Group's governance framework. ESG-related risks are managed through the Group Risk Register alongside strategic risks including health and safety, climate change, cyber security, business continuity, financial resilience, treasury management, asset management and subsidiary governance. Risks are reviewed regularly by the Executive Management Team and reported to the Audit and Risk Management Committee and governing bodies, providing effective scrutiny and assurance.

Management Board

At 31 March 2026, the Caledonia Management Board comprised 10 members, with an equal gender balance of 50% female and 50% male.

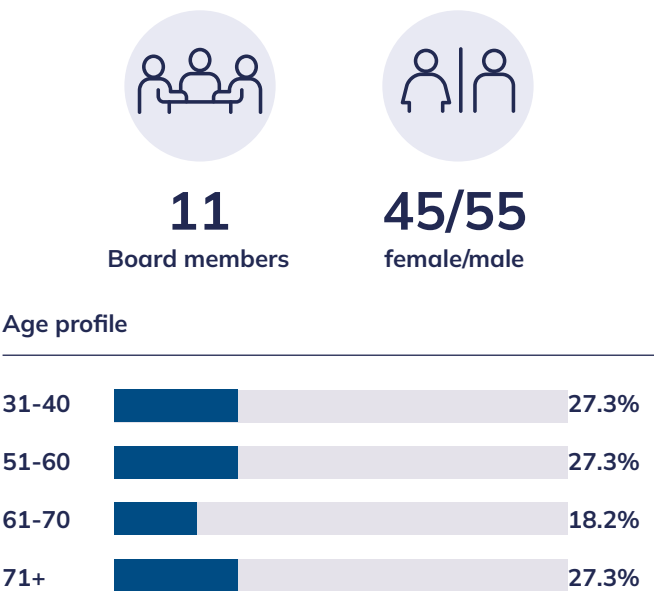
Board members bring expertise across finance, law, housing, governance, digital technology, sustainability and human resources, with experience spanning the public, private and third sectors. Tenant representation also ensures lived experience informs strategic decision-making.



Cordale Housing Association Management Committee

The Committee provides local leadership and oversight within the wider Group governance framework, ensuring local priorities and perspectives are reflected in decision-making while supporting the Group’s strategic objectives.

During 2025/26, four new members were appointed, bringing additional skills and experience across finance, asset management, risk and assurance and further strengthening the Committee’s collective knowledge and expertise.



Leadership and Succession

During the year, one Caledonia Management Board member stepped down, while two Caledonia-appointed members concluded their service on the Cordale Management Committee following the appointment of four new members.

During the same period, there was one change within the Executive Management Team, with the appointment of a new Executive Director of Finance following the departure of the previous postholder, with the appointment ensuring strong and effective leadership in finance, IT and business transformation.

Fair and Inclusive Recruitment Practices

We ensure a diverse range of perspectives are considered in governance through clear Equality, Diversity and Inclusion policies, and recruitment frameworks. Resident voice is embedded through tenant engagement structures, local consultations, and Board representation.

Key policies include:

- Governing Body Recruitment
- Selection and Succession Planning
- Equality, Diversity, and Inclusion
- Staff Recruitment and Selection

Independent Scrutiny

The Audit and Risk Management Committee includes members with recent and relevant financial expertise, providing independent scrutiny of financial reporting, internal controls, audit activity and risk management across the Group.

All members of the Management Board and Committees are non-executive and serve on a voluntary basis. The roles of Chair of the Caledonia Board and Chair of the Audit and Risk Management Committee are remunerated in recognition of their additional responsibilities. A Board Remuneration framework is in place that provides oversight and assurance that remunerated positions deliver value for money.

External Audit

RSM has served as the Group's external auditor since its predecessor, Baker Tilly, was appointed in 2012/13. During 2025, the Group undertook an open and competitive procurement exercise for external audit services, with RSM successfully reappointed following the tender process. The current Lead Audit Partner will undertake their sixth annual audit during 2025/26, providing continuity while demonstrating the Group's commitment to robust procurement and good governance.

Managing Conflicts of Interest

The Group maintains a robust framework for identifying and managing conflicts of interest. All Board and Committee members complete annual declarations of interest, formally sign the Code of Conduct each year and are required to declare any interests as they arise.

Declarations of interest remain a standing agenda item at every meeting, with members withdrawing from discussion and decision-making where appropriate to ensure transparency, integrity and public confidence.

This ratio reflects our balanced approach to leadership remuneration and supports our efforts to maintain equity, transparency, and responsible governance.



Independent Board Effectiveness Review

An Independent Board Effectiveness Review confirmed that the Group's governance arrangements exceed sector standards, providing independent assurance over the effectiveness of the Caledonia Management Board, its committees and the wider governance framework.

Employees

Our people are central to delivering excellent services and creating positive outcomes for our customers and communities. We are committed to fostering an inclusive workplace where colleagues feel valued, supported and empowered to thrive.

Through fair pay, respect for human rights, investment in wellbeing, learning and development, and a strong commitment to equality, diversity and inclusion, we continue to build an engaged workforce that reflects our values, supports fair and respectful employment practices, and delivers our strategic ambitions.

Independent recognition through our Best Companies 2-Star Accreditation, reflecting an

outstanding level of workplace engagement, together with our continued ranking among the Top 10 Companies to Work For in Scotland and Top 10 UK Housing Associations demonstrates the positive workplace culture we have created.

This commitment to our people also underpins wider organisational success, contributing to Caledonia Housing Group being recognised as Housing Association of the Year in 2025. During

the year, our Executive Director of People & Governance was also shortlisted for the Institute of Directors HR Director of the Year Award, recognising the strength of the Group's people strategy and leadership.

By investing in our people, we strengthen our ability to deliver high-quality services, improve organisational performance and create lasting benefits for the communities we serve.



Investing in Our People

In January 2026, the Management Board approved a pay strategy that maintains pay at or above the Real Living Wage, reaffirming the Group's commitment to Fair Work First principles and ensuring all colleagues receive at least the Real Living Wage. Salaries and employee benefits are reviewed annually by the Group's Remuneration Committee, informed by up-to-date benchmarking data, to support fair and equitable reward across the organisation.

Our commitment to creating an outstanding workplace continues to be recognised independently through our Best Companies 2-Star Accreditation and our ranking among the Top 10 Companies to Work for in Scotland and the Top 10 UK Housing Associations. These achievements reflect the positive workplace culture we have built and our ongoing investment in our people.



50:50 Gender split in internal promotions

50% Executive Management Team are women

50% Heads of Service are women

Feedback from the 2025 Best Companies survey further reinforced this, with colleagues recognising that pay and benefits are fair, competitive and reflect the value of their contribution. This independent endorsement demonstrates that our approach to reward supports colleague wellbeing, engagement and retention.

Although not legally required to publish gender pay gap data, we voluntarily disclose this information as part of our commitment to transparency, fairness and continuous improvement.

For 2025/26, Caledonia Housing Association reported a median gender pay gap of 18.67% and a mean gender pay gap of 21.57%. The gap reflects the distribution of women and men across different occupational groups rather than unequal pay for equal work, with women representing approximately 69% of the workforce and being proportionally more represented within lower-paid roles.

During the year, we continued to strengthen gender representation across leadership, achieving a 50:50 gender split in internal promotions and within our Executive Management Team, led by our female Chief Executive. Women also represent 50% of our Heads of Service team, demonstrating continued progress towards greater gender balance in senior leadership.

Creating fair and inclusive opportunities for progression remains an important part of our approach to equality, diversity and inclusion. Progress is monitored through our Gender Equality Action Plan and reviewed annually by the Remuneration and People Committee, providing oversight and accountability.

For 2025/26, the ratio of the Chief Executive's remuneration to the median full-time equivalent salary was 3.88:1, reflecting our commitment to fair and transparent remuneration and responsible governance.

Investing in Future Talent

Developing future talent is an important part of our commitment to creating sustainable careers and ensuring the long-term success of the organisation and wider housing sector.

During 2025/26, we welcomed two Modern Apprentices into the Group, providing structured career opportunities in Human Resources and Communications & Engagement. Through a combination of formal learning, mentoring and practical workplace experience, our apprentices are developing the knowledge, skills and confidence needed to build successful careers within the housing sector.

Alongside our apprenticeship programme, we continued our long-standing partnership with Career Ready, helping young people develop the skills, confidence and experience needed to succeed in the workplace while showcasing the diverse and rewarding careers available within social housing.

Developing future talent extends beyond entry-level opportunities. We are committed to creating clear pathways for career progression at every stage, investing in leadership development and supporting colleagues to fulfil their potential. This approach is reflected across the organisation, with 50% of our current Heads of Service team having been promoted internally, demonstrating the strength of our talent pipeline and our commitment to developing future leaders from within.

By investing in apprenticeships, employability, mentoring and leadership development, we are building the skills and leadership needed to deliver excellent services now and in the future.

Broadening insight into the housing sector

Modern Apprentices Abigail and Niamh visited Hillcrest Housing to gain first-hand experience of partnership working and collaborative community planning. They went on to attend the Dundee, Angus and Fife Tenant Engagement Officers Forum, providing an opportunity to learn from colleagues across the sector and broaden their understanding of tenant engagement and partnership working.



Creating Pathways into Housing Careers

Careers in social housing offer opportunities to make a real difference to people's lives, but they are not always on young people's radar. We have supported the Career Ready programme for several years, helping young people build confidence, develop workplace skills and explore careers within the sector. During 2025/26, we also provided mentoring through MCP Pathways, extending our support for young people as they consider their next steps

During 2025/26, we welcomed a new Career Ready student, providing mentoring and workplace engagement ahead of a four-week paid internship in 2026/27. The programme connects young people with colleagues, tenants and communities, offering first-hand insight into the varied careers available within housing.

Building Confidence

Reflecting on her subsequent internship, Lucy said: *"I could not have imagined being able to do this a year ago. I feel my confidence has grown so much by taking part in the Career Ready programme. I will take everything I have learned into my future."*

"My favourite part has been getting to know staff and tenants at Caledonia and attending the social events with tenants at Caledonia's retirement housing schemes. Everyone has been so friendly."



Giving Something Back



Her mentor, Laura Hurlestone, Retirement Housing Team Leader reflected: *"Throughout my own career, I have been fortunate to benefit from the guidance and support of excellent mentors. Taking part in the Career Ready programme has given me the opportunity to give something back by sharing my experiences, supporting a young person in their development, and helping them build confidence as they consider their future career options."*

"It has been incredibly rewarding and I hope the experience has inspired them to recognise their potential and approach their future with confidence."

Equality, Diversity and Inclusion

Creating an inclusive workplace where everyone feels respected, valued and able to succeed is fundamental to Caledonia Housing Group's culture. During 2025/26, the Group continued to strengthen its approach to equality, diversity and inclusion by embedding inclusive practices across governance, decision-making, communications and colleague engagement, underpinned by our commitment to equality, fairness and human rights.

This work is supported by our Equality, Diversity and Inclusion Policy, EDI Action Plan and cross-functional EDI Working Group, providing a framework for collaboration, continuous improvement and embedding inclusive practice across the organisation.

A key area of progress during the year has been strengthening Equality Impact Assessments (EqIAs) processes within organisational decision-making. New guidance, policy templates and training have strengthened the consideration of equality impacts when developing policies, reviewing services and introducing organisational change, helping ensure decisions reflect the needs of colleagues, tenants and the diverse communities we serve.

This approach has also shaped the review of our Recruitment and Selection Policy, embedding Fair Work First and Disability Confident commitments, strengthening application and interview processes, and enhancing support through reasonable adjustments and more accessible recruitment practices.

We also continued to improve the accessibility and inclusivity of our communications. During the year, we reviewed our Tone of Voice and Brand Guidelines, strengthened translation and interpretation arrangements. Together, they are helping to strengthen an inclusive culture where colleagues can thrive, while enabling Caledonia Housing Group to better reflect and serve the diverse communities in which we operate, and embedded inclusive communications across customer engagement initiatives, including the Engagement for Everyone model and the development of CX Feedback.

These improvements are helping to remove barriers to engagement and ensure more people can access information and provide feedback in ways that meet their individual needs.

Alongside these improvements, colleagues participated in a year-round programme of awareness campaigns, learning opportunities and events, including Pride Month, Neurodiversity Celebration Week, Carers Week and Human Rights Day. These initiatives encouraged meaningful conversations, increased understanding of equality, diversity and human rights and celebrated different experiences and perspectives, and promoted inclusive behaviours across the organisation. Together, they are helping to strengthen an inclusive culture where colleagues can thrive, while enabling Caledonia Housing Group to better reflect and serve the diverse communities in which we operate.



2025/26 EDI Highlights



Equality Impact Assessments embedded into policy development, organisational decision-making and service change.



EDI Working Group continued to drive collaboration, challenge and continuous improvement across the organisation.



Recruitment and Selection Policy updated to embed Fair Work First and Disability Confident commitments, strengthen reasonable adjustments for disabled applicants, and introduce more inclusive interview practices, including the option to share interview questions or themes in advance.



Inclusive communications strengthened through a review of our Tone of Voice, Brand Guidelines, translation and interpretation arrangements, and the development of the Engagement for Everyone model.



Joined the Housing Diversity Network (HDN), strengthening access to sector best practice, with colleagues participating in HDN training and attending the Housing Diversity Network and Scottish Federation of Housing Associations Conference to share learning and inform future improvements.



Invested in digital accessibility, including tools such as ReachDeck to help ensure information is available in more accessible formats and reduce barriers for tenants accessing our services.



Year-round awareness programme delivered, including Pride Month, Neurodiversity Celebration Week, Carers Week and Human Rights Day, helping to raise awareness, celebrate diversity and promote inclusive behaviours across the organisation.



Finalist in the CIH Scotland Awards 2025 – Excellence in Accessibility and Inclusion – and shortlisted in the HR Scotland Awards' Leading with Kindness category, recognising our work to create more inclusive homes, services and workplaces.

Health, Safety and Wellbeing

Supporting the physical and mental health of our colleagues is fundamental to creating a safe, healthy and high-performing workplace. During 2025/26, Caledonia Housing Group continued to strengthen its wellbeing culture through flexible working, proactive mental health support, health promotion initiatives and a range of policies and practices designed to help colleagues thrive both personally and professionally.

Our award-winning Agile for Everyone approach remains central to this commitment. Developed in partnership with colleagues, it enables flexible and collaborative ways of working that support wellbeing, productivity and work-life balance.



Reflecting the success of this approach, 86% of colleagues report a positive work-life balance, while 36% of employees work part-time, demonstrating the breadth of flexible working opportunities available across the organisation.

During the year, the Group continued to invest in initiatives that promote both physical and mental wellbeing. Our network of one Mental Health First Aider for every nine colleagues provides accessible peer support across the organisation, complemented by wellbeing training for managers, menopause support, volunteering opportunities, strengthened lone-working arrangements and our Service with Respect – Respect our Service framework, which helps create a safe and respectful working environment for frontline colleagues.

Our continued investment in colleague wellbeing is delivering measurable outcomes. Employee wellbeing scores have increased year on year through the Best Companies survey, while mental health-related absence has reduced over the same period, demonstrating the positive impact of our people-centred approach.

Supporting wellbeing extends beyond the workplace. Throughout the year, colleagues participated in initiatives promoting healthier lifestyles, community connection and social responsibility.

Our volunteering programme enables colleagues to use volunteering leave to support local communities throughout the year, contributing to activities such as community litter picks, environmental improvement projects and local events.

We also promoted active lifestyles through events delivered in partnership with the Vale of Leven Cycle Hub, while our annual staff-led Men's Health Event encouraged open conversations about physical and mental health, helping colleagues access practical health advice and support in an engaging and inclusive environment.

Employee health, safety and wellbeing performance is reported regularly to the Management Board through our Employee and Building Safety assurance framework, ensuring robust governance, organisational oversight and continuous improvement.

2025/26 Wellbeing Highlights

- ✓ Award-winning Agile for Everyone model to support flexible and collaborative working.
- ✓ 86% of colleagues report a positive work-life balance.
- ✓ One Mental Health First Aider for every nine colleagues.
- ✓ Wellbeing scores increased year on year in the Best Companies survey.
- ✓ Mental health-related absence reduced during 2025/26.
- ✓ Annual Men's Health Event promoting physical and mental wellbeing.
- ✓ Volunteering opportunities supporting colleague wellbeing and stronger communities.
- ✓ Active travel initiatives encouraging healthier and more sustainable lifestyles.
- ✓ All line managers completed Mental Health Awareness Training, delivered by SAMH as part of our Leadership Development.

Wellbeing in Action: Annual Men's Health Event

One of the highlights of our wellbeing calendar is our staff-led Annual Men's Health Event, organised by colleagues to encourage open conversations about physical and mental health while strengthening relationships across the organisation.

This year's event attracted a record 25 colleagues and began with a "Know Your Numbers" session delivered by Chest, Heart and Stroke Scotland, helping attendees better understand blood pressure, cholesterol and cardiovascular health. The day continued with a team scavenger hunt around Perth, encouraging colleagues to get active, work together and enjoy some friendly competition.

Led by colleagues, for colleagues, the event combines practical health advice with team building and social connection, reflecting our wider commitment to creating a supportive workplace where wellbeing is everyone's responsibility.



"The health events are always great fun and insightful, with lots of humour and laughs, while sharing important health information. The team clearly put a huge amount of thought and effort into making each event engaging and enjoyable."

Barry Johnstone,
Executive Director of People & Governance

Learning, Development and Opportunity

Developing our people is fundamental to delivering excellent services and achieving the ambitions set out in the Group Business Plan.

Our People Strategy places learning, development and career progression at the centre of organisational success, recognising that engaged, skilled and adaptable colleagues are essential to meeting the changing needs of our customers and communities.

During the year, we strengthened our approach to learning through the rollout of our online Personal Learning Plan (PLP) process, with 94% of colleagues and 90.3% of line managers completing the process. Regular reviews help identify development needs, support career aspirations and ensure learning remains aligned with organisational priorities.

Professional development continues to be supported through accredited qualifications, professional memberships, conferences, mentoring, work shadowing and a broad programme of technical and leadership learning. During 2025, 8% of colleagues secured an internal promotion, demonstrating our commitment to developing talent from within and creating meaningful career progression opportunities.

Our sponsorship programme also enables colleagues to gain professionally recognised qualifications that support both individual career aspirations and organisational capability. During the year, colleagues completed qualifications across a range of disciplines, strengthening specialist knowledge while creating opportunities for career progression within the Group.



8%
of colleagues
secured an internal
promotion



94%
of colleagues
and
90%
of line managers
completed a Personal
Learning Plan



CASE STUDY – Investing in Professional Development: Supporting Career Progression

Supporting Career Progression

Investing in learning and development helps colleagues build specialist knowledge, gain recognised qualifications and develop rewarding long-term careers.

Through the Group's sponsorship policy, Finance Officer Karen Anderson completed her Payroll Specialist Certificate (CIPP Level 4) while balancing her studies with work and family commitments. She has now progressed to studying towards her ACCA qualification, further developing her financial expertise and supporting her future career ambitions.

"I'm proud to have completed the Payroll Specialist Certificate while also juggling work and home life. I'm extremely grateful to Caledonia for the opportunity, and for the ongoing support to help me achieve this."

Karen Anderson
Finance Officer

Building Skills Across the Organisation



Investing in Professional Qualifications

We continued to invest in recognised professional qualifications, helping colleagues build specialist knowledge while strengthening organisational capability and resilience.



Project Improvement Framework

Building on our Blueprint for Success leadership programme, colleagues developed the Project Improvement Framework, providing practical tools to identify opportunities, develop solutions and embed continuous improvement.



Strategic Workforce Planning

Our Strategic Workforce Planning Framework helps ensure we have the skills, capacity and leadership needed to respond to future challenges and continue delivering excellent services.

Karen's Career Journey



CIPP LEVEL 4
Payroll Specialist
Certificate
COMPLETED



**PROFESSIONAL
DEVELOPMENT**
Group sponsorship
and support



ACCA
Further professional
qualification
IN PROGRESS

Finance and Funding

Sustainable Finance

Sustainable finance underpins Caledonia Housing Group's ability to deliver its environmental, social and governance ambitions – investing in quality homes, responding to housing need and creating lasting social and environmental value. During 2025/26, we maintained a strong focus on financial resilience while continuing to invest in existing homes, deliver new affordable housing and support customers and communities.

Our approach is underpinned by prudent financial planning, a strong balance sheet and effective financial management. Strategic budgeting enables us to balance investment in existing homes, sustainable development and service delivery while maintaining affordability for tenants.

Financial planning and scenario modelling also informed our new *Shaping the Future*, five-year Business Plan ensuring that future ambitions are grounded in long-term financial sustainability and informed by environmental, social and governance considerations.

Responsible Investment and Resilience

During 2025/26, we invested £6.7 million in planned improvements, alongside £1.8 million in cyclical maintenance, £3.1 million in reactive repairs and £250,000 in tackling damp and mould. This investment supports the quality, safety, energy efficiency and long-term sustainability of our homes.

Alongside investment in existing homes, we delivered 128 new affordable homes, with projects completed or on site during the year representing £47.2 million of development value, supported by £24 million of Scottish Government funding.

Long-term financial modelling helps us balance continued investment and sustainable growth with affordability, ensuring resources are directed where they can deliver lasting value for customers and communities.

Treasury and Risk Management

Our treasury and risk management arrangements support long-term financial stability and provide the capacity to invest in our homes, services and communities. During 2025/26, we increased the proportion of drawn debt held at fixed rates to 92%, significantly above our minimum threshold of 50%, providing greater protection from interest-rate volatility.

Gearing remains low compared with sector benchmarks, preserving financial capacity for future investment. During 2026/27, we will review the maximum gearing level within our Treasury Management Policy to ensure our financial framework continues to support the delivery of new affordable homes as the funding environment evolves.

This disciplined approach supports financial resilience while maintaining the capacity to invest in our homes, services and communities and advance our long-term ESG ambitions.

Appendix

SUSTAINABLE DEVELOPMENT GOALS



SRS Criteria

Ref	Description	Location in report	Ref	Description	Location in report
C1	Distribution of EPC ratings of existing homes (those completed before the last financial year).	14	C11	Does the housing provider have a strategy to use or increase the use of responsibly sourced materials for all building and repairs works? If so, how does the housing provider target and measure performance?	23
C2	Distribution of EPC ratings of new homes (those completed in the last financial year)	15	C12	Does the housing provider have a strategy for waste management incorporating building materials? If so, how does the housing provider target and measure performance?	24
C3	Does the housing provider have a Net Zero target and strategy? If so, what is it and when does the housing provider intend to be Net Zero by?	10	C13	Does the housing provider have a strategy for water management? If so, how does the housing provider target and measure performance?	24
C4	What progress has the housing provider achieved in the last 12 months towards its Net Zero targets and strategy? What retrofit activities has the housing provider undertaken in the last 12 months in relation to its housing stock?	10 15	C14	How is sustainability considered when procuring goods and services? What measures are in place to monitor the sustainability of the housing provider's supply chain when procuring goods and services?	25
C5	Scope 1, Scope 2 and Scope 3 Greenhouse Gas emissions Total emissions per home If unable to report emissions data, please state when the housing provider is expected to be able to do so.	18-20	C15	For properties that are subject to the rent regulation regime, report against ONE OR BOTH of the following Affordability metrics: - Rent compared to average private rental sector (PRS) rent across the relevant Local Authority - Rent compared to the relevant Local Housing Allowance (LHA)	28
C6	Has the housing provider mapped and assessed the increased flood risks to its homes caused by climate change in the last 2 years? How is the housing provider mitigating these risks?	21	C16	Share, and number, of existing homes (owned and/or managed) completed before the last financial year allocated to: - General needs (social rent) - Intermediate rent - Affordable rent - Supported Housing (excluding Housing for Older people) - Housing for older people - Low-cost home ownership - Care homes - Private Rented Sector - Private Market Sale - Other	28
C7	Has the housing provider mapped and assessed the increased water stress risks to its homes caused by climate change in the last 2 years? How is the housing provider mitigating these risks?	21			
C8	Has the housing provider mapped and assessed the increased overheating risks to its homes caused by climate change in the last 2 years? How is the housing provider mitigating these risks?	21			
C9	Does the housing provider have a strategy to enhance green space and promote biodiversity on or near homes? If yes, please describe with reference to targets in this area. If no, is the housing provider planning on producing one in the next 12 months?	21-22			
C10	Does the housing provider have a strategy to identify, manage, and reduce pollutants that could cause material harm? If so, how does the housing provider target and measure performance?	23			

Ref	Description	Location in report
C17	Share, and number, of new homes (owned and/or managed) that were completed in the last financial year, allocated to: - General needs (social rent) - Intermediate rent - Affordable rent - Supported Housing (excluding Housing for Older people) - Housing for Older people - Low-cost home ownership - Care homes - Private Rented Sector - Private Market Sale - Other	28
C18	How is the housing provider trying to reduce the effect of high energy costs on its residents?	29
C19	Describe the condition of the housing provider's portfolio, with reference to: % of homes for which all required gas safety checks have been carried out. % of homes that meet national fire safety regulations (varies by nation – see guidance). % of homes for which all required electrical safety checks have been carried out. % of homes for which all required asbestos management surveys or re-inspections have been carried out. % of homes for which all required legionella risk assessments have been carried out. % of homes for which all required communal passenger lift safety checks have been carried out.	30
C20	What % of homes meet the national housing quality standard? Of those which fail, what is the housing provider doing to address these failings?	31
C21	How do you manage and mitigate the risk of emergency hazards, including damp and mould? How do you reduce the likelihood of damp and mould hazards occurring?	32
C22	What are the results of the housing provider's most recent tenant satisfaction survey? How has the housing provider acted on these results?	33

Ref	Description	Location in report
C23	What arrangements are in place to enable residents to hold management to account for the provision of services?	34
C24	Report ONE OR BOTH of the following quantitative metrics: - % of Stage 1 and Stage 2 complaints responded to within target timeframes (varies by nation). - Average time in working days to respond to Stage 1 and Stage 2 complaints. How have reported complaints resulted in change of practice within the housing provider?	35
C25	In the last 12 months, what additional support have you provided to your tenants? Please include support across any of the following areas, as well as any other relevant services: - Employment & training - Wellbeing & mental health - Vulnerable tenants	36-39
C26	In the last 12 months, what interventions has the housing provider made or enabled to foster stronger communities and places, considering both: - Physical changes to shared spaces or public realm - Events, activities, and signposting	40-42
C27	How is social value creation considered when procuring goods and services? What measures are in place to monitor the delivery of this Social Value?	43-44
C28	What is the housing provider's most recent regulatory grading/status?	46
C29	Explain how the housing provider's board manages ESG risks. Are ESG risks incorporated in the housing provider's risk register?	46
C30	Has the housing provider been subject to any adverse regulatory findings in the last 12 months (data protection breaches, bribery, money laundering, HSE breaches, etc.) that resulted in enforcement or other equivalent action?	46
C31	How does the housing provider ensure it gets input from a diverse range of people into the governance processes?	47
C32	Does the housing provider have policies that incorporate Equality, Diversity and Inclusion (EDI) into the recruitment and selection of board members and senior management? How do they do this?	48

Ref	Description	Location in report
C33	What % of the housing provider's Board have turned over in the last two years? What % of the housing provider's Senior Management Team have turned over in the last two years?	48
C34	Number of board members on the housing provider's Audit Committee with recent and relevant financial experience.	48
C35	What % of the housing provider's board are non-executive directors?	48
C36	For how many years has the housing provider's current external audit firm partner been responsible for auditing the accounts?	48
C37	When was the last independently-run, board-effectiveness review?	48
C38	How does the housing provider handle conflicts of interest at the board?	48
C39	Does the housing provider pay the Real Living Wage?	50
C40	What is the housing provider's median gender pay gap?	50
C41	What is the housing provider's CEO:median-worker pay ratio?	50
C42	How is the housing provider ensuring equality, diversity and inclusion (EDI) is promoted across its staff?	53
C43	What activity has the housing provider undertaken over the last 12 months to support the physical and mental health of its staff? What impact has this had on staff and the wider organisation?	55-56
C44	What activity has the housing provider undertaken over the last 12 months to support the professional development of its staff? What impact has this had on staff and the wider organisation?	57



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