

**Hill & Smith PLC (the 'Company')
2024 Annual Report and Notice of 2025 Annual General Meeting ('AGM')**

Further to the Company's announcement of its final results on 12 March 2025, in accordance with the UK Listing Rules, copies of the following documents ('Shareholder Documents') have been submitted to the National Storage Mechanism and will shortly be available for inspection at: <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.

- The Hill & Smith PLC 2024 Annual Report & Accounts
- The Notice of the Company's 2025 Annual General Meeting ('AGM Notice'); and
- The Form of Proxy

Hard copy versions of the above documents have been posted to those shareholders who have elected to receive them in paper form.

The Annual Report and AGM Notice will also shortly be available via the Company's website at: <https://hsgroup.com/investors/reports-and-presentations/> and from the Company's registered office at Hill & Smith PLC, Westhaven House, Arleston Way, Shirley, Solihull B90 4LH.

Compliance with Disclosure and Transparency Rule 6.3.5 ('DTR 6.3.5') - Extracts from the 2024 Annual Report

The information below, headed as Appendix A, B and C, and which is extracted in unedited form from the 2024 Annual Report, is included solely for the purpose of complying with DTR 6.3.5 and the requirements it imposes on how to make public Annual Financial Reports. It should be read in conjunction with the Company's Preliminary Announcement issued on 12 March 2025 (available at www.hsgroup.com). Together these constitute the material required by DTR 6.3.5 to be communicated to the media in unedited full text through a Regulatory Information Service. This material is not a substitute for reading the full 2024 Annual Report. All page numbers and cross-references in the extracted information below refer to page numbers in the 2024 Annual Report.

Appendix A - Principal Risks and Uncertainties

Risk: Reduction in US infrastructure spending		
Trend No change	Description and potential impact Our growth is supported by multi-year planned government spending to upgrade US infrastructure, technology change and private investment from US manufacturers and producers to onshore vital components. Changes to these plans could have a detrimental impact on Group revenues. We remain confident that infrastructure investment will continue to form part of national spending plans under the new US federal government administration.	Mitigation <ul style="list-style-type: none"> • Cross-party support for core infrastructure investment plans. • Our portfolio covers diverse products, markets and territories. • Market and product development initiatives. • Strategic planning process overseen by the Executive Committee and Board to anticipate and mitigate potential downside risks.
Risk: Changes in global economic outlook and geopolitical environment		
Trend Increase	Description and potential impact Material adverse changes in the political and economic environments in the end-user markets in which we operate have the potential to put at risk our ability to execute our strategy. 2024 has seen continued geopolitical tensions, including the potential introduction of tariffs under the new US federal government administration. We continue to monitor the risk, however we currently expect this to have limited impact on our supply chains and end markets.	Mitigation <ul style="list-style-type: none"> • The Group has a diverse portfolio of operating companies with exposure to a range of infrastructure and built environment end markets. • Strong balance sheet with low leverage and mix of fixed and floating rate debt. • Current and future financial performance is continuously monitored, facilitating rapid response to changes in market conditions. • In line with our entrepreneurial model, our decisions are made close to our markets and our businesses are agile and responsive to changes in their external competitive landscape.
Risk: Increase in competitive pressure		
Trend No change	Description and potential impact Increased volatility, uncertainty and slowdown in our markets could result in increased competition, leading to a loss of customers and/or pricing pressure and consequently a loss of sales and reduced profits.	Mitigation <ul style="list-style-type: none"> • The Group holds leading positions in niche infrastructure markets with high barriers to entry. • In line with our entrepreneurial model, our decisions are made close to our markets and our businesses are agile and responsive to changes in

		<p>their competitive landscape.</p> <ul style="list-style-type: none"> • Our operating companies strive to provide superior products and high service levels to customers, while aiming to ensure there is no dependency on any one customer.
Risk: Product failure		
Trend No change	Description and potential impact The Group operates in infrastructure markets where it is critical that its products meet customer and legislative requirements and where the consequences of product failure are potentially significant. Product failure arising from component defects or warranty issues may require remediation including the replacement of defective components or complete products, resulting in direct financial costs to the Group and/or wider reputational risk.	Mitigation <ul style="list-style-type: none"> • Products tested, approved and accredited by regulatory bodies. • Quality control protocols fully implemented and continuously monitored. • Contractual controls in place to minimise economic impacts. • Product liability insurance cover maintained globally. • Litigation supported/managed by external legal specialists.
Risk: Climate Change		
Trend No change	Description and potential impact Failure to adapt to and manage the threats and opportunities from climate change could have significant reputational, financial and operational impacts on the Group. Chronic changes in climate and extreme weather events may disrupt our operations and supply chains. Transitioning to a low-carbon economy may present technological challenges and the high energy demand of some of our operations could incur carbon taxes.	Mitigation <ul style="list-style-type: none"> • Sustainability Committee to oversee and govern our carbon reduction plans and initiatives. • TCFD analysis to understand the risks and opportunities arising from climate change, including climate scenario modelling to evaluate the threat from extreme weather. • Costed plan established to set out how we will achieve net zero (for scopes 1 and 2) by 2040, reducing our exposure to transition risks. • Insurance cover, continuity planning and extreme weather protocols in place to mitigate our exposure from physical risks. <p>See Our Approach to Sustainability, (including our TCFD report) for further details, (pages 46 to 65).</p>
Risk: Supply chain failure		
Trend No change	Description and potential impact The Group's businesses depend on the availability and timely delivery of raw materials and components. Supply chain failures due to availability, cost inflation, quality and/or insolvency may have an adverse impact on the Group's production capacity and lead to an inability to meet customer requirements. Climate change transition costs could also inflate the price of the goods we purchase.	Mitigation <ul style="list-style-type: none"> • Group procurement standards, including robust due diligence of supply chain partners and the requirement for dual sourcing where available. • Regular interaction and assessment of performance/ financial status of key suppliers. • Group oversight of material procurement contracts ensuring robust contractual protections. • Contingency plans in place throughout the supply chain, such as purchasing additional stock of key raw materials, and securing additional supply chain capacity.
Risk: IT systems failure		
Trend Increase	Description and potential impact The Group relies on the information technology systems used in the daily operations of its operating companies. A failure of those systems or cyber attack could have a significant operational impact on the Group, impacting customer service, revenue and margins. During the year the global cyber threat has continued to evolve, with the proliferation of advanced cyber intrusion tools lowering the barrier for entry to criminals and states alike. The UK's National Cyber Security Centre (NCSC) has warned that ransomware remains one of the most pervasive cyber threats to UK organisations. Given this, while there has been continued enhancement of the Group's IT security controls during 2024, the Board considers the risk to be heightened.	Mitigation <ul style="list-style-type: none"> • The Board maintains a watching brief on IT and cyber risk and has overseen significant investment across the Group to enhance IT security controls. • Wholesale network security improvements completed during 2024. • IT controls manual mandating a robust set of information security controls covering basic cyber hygiene, system back-up procedures, hardware/ software protection, table top exercises and security training. • Ongoing program of IT controls compliance reviews completed by Internal Audit.

Risk: Portfolio management		
Trend No change	Description and potential impact The Group's growth strategies include the acquisition of businesses to complement or supplement its existing activities. Failure to execute an effective acquisition due diligence and integration programme could have a significant impact on the Group's ability to generate sustainable profitable growth for shareholders.	Mitigation <ul style="list-style-type: none"> • All potential acquisitions are tightly evaluated to ensure they fit within our purpose and core strategic goals. • Due diligence protocols deployed in relation to assessment of target businesses, including financial, commercial, environmental and legal. • Contractual protections and assurances sought from sellers to mitigate subsequent identification of risks. • Board approval required for Group acquisitions, in line with its Schedule of Matters Reserved. • Post-acquisition integration plans established for all acquisitions, with regular performance monitoring and reporting to the Board.
Risk: Failure to take advantage of product development and innovation		
Trend No change	Description and potential impact The Group operates in core infrastructure markets where continuous innovation is integral to the Group's product offering and where a failure to innovate could result in product obsolescence, the entry of new competitors and/or loss of market share. The development of new products and technologies carries risk including the failure to develop a commercially viable offering within an acceptable timeframe.	Mitigation <ul style="list-style-type: none"> • Entrepreneurial culture and autonomous structure to encourage innovation and enable agile response to a changing competitive landscape. • Our acquisitions strategy brings innovative products and technology to our portfolio. • Board monitoring of emerging risks alongside external specialist support, where both the risks identified and the potential opportunities arising are considered. • Active Intellectual Property management within individual operating companies overseen by Group.
Risk: Failure to attract, retain and develop an appropriately diverse, skilled and experienced workforce		
Trend No change	Description and potential impact Talented employees are fundamental to the success of the Group. We aim to employ the best people for the job, and we know we can only do this by considering talented people from the whole community. Failure to attract, develop and retain high-quality individuals may impact our ability to deliver against our strategic goals.	Mitigation <ul style="list-style-type: none"> • New training and development programme for high potential talent launched in 2024. • Board level review of succession planning for senior leaders. • Bespoke coaching and mentoring for identified MD successors to support development. • Training and development programme in place for supervisors and line managers. • Continued use of internships, apprenticeships and other vocational courses for specialist and technical roles. • Appropriate remuneration and benefits, together with bonus opportunities and incentive plans offered to employees. • Annual engagement survey results inform local operating action plans to improve engagement. • Women's network to attract, retain and develop female employees.
Risk: Prevention of harm or injury to people		
Trend No change	Description and potential impact The Group is committed to ensuring the health, safety and wellbeing of all employees and third parties. The Group operates multiple manufacturing facilities, where a failure in the Group's health and safety procedures could lead to injury or to the death of employees or third parties. Our LTIR has reduced by 23% to 0.33 in 2024. Given the performance we have updated our target for 2025 to 0.275 from 0.75, reflecting that health and safety is a key focus area for the Group. Our 2030 target has also been reduced to 0.1 from 0.25.	Mitigation <ul style="list-style-type: none"> • Culture of zero tolerance promoted by the Board with clear targets and improvement metrics. • Regional health and safety organisational structure to allow Group health and safety resource to be closer to the individual operating companies. • Groupwide incident management system launched in July 2024. • Monitoring and review of LTI rates with all LTI incidents investigated and findings presented to the Executive Committee Improvement

		<p>Executive Committee. Improvement recommendations are implemented and shared across the Group to minimise any reoccurrence.</p> <ul style="list-style-type: none"> • Regular health and safety site audits. • Health and safety forums to monitor performance and share best practice. • External health and safety accreditations and relationships maintained with regulatory bodies.
Risk: Violation of applicable laws and regulations		
Trend No change	Description and potential impact The Group's operations must comply with a range of national and international laws and regulations including those related to modern slavery, anti-bribery and corruption, human rights, employment, GDPR, trade/export compliance and competition/anti-trust. A failure to comply with applicable laws and regulations could result in civil or criminal liabilities and/or individual or corporate fines and could also result in debarment from government-related contracts, restrictions on ability to trade or rejection by financial counterparties as well as reputational damage.	Mitigation <ul style="list-style-type: none"> • Group Code of Conduct sets out required approach for all staff. • Mandatory training for employees including Modern Slavery, Anti-Bribery and Corruption, and Competition Law compliance. • Programme of audits undertaken on a cyclical basis to review operating companies' compliance with regulatory requirements. • Software solutions implemented globally to ensure compliance with trade and export legislation. • Externally hosted whistleblowing hotline available to all employees to allow them to raise concerns in confidence or anonymously, if preferred. • Toolkits issued to all UK operating companies to aid compliance with GDPR.

Appendix B - Responsibility Statement of the Directors pursuant to Disclosure and Transparency Rule 4

The following statement is extracted from page 126 of the 2024 Annual Report and is repeated here for the purposes of compliance with DTR 6.3.5. This statement relates solely to the 2024 Annual Report and is not connected to the extracted information set out in this announcement or the Preliminary Announcement.

We confirm that, to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face. We consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

Appendix C - Related Party Transactions

The key management personnel are considered to be the Board of Directors of Hill & Smith PLC, whose remuneration can be seen in the Remuneration Committee Report on pages 102 to 116 and the members of the Executive Board who are not also Directors of the Group, and in the related party details on page 207 (note 15) of the 2024 Annual Report.

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