Reconomy

Sustainability Report 2025

Think *circular*

Introduction

Welcome to Reconomy's 2025 Sustainability Report.

As global leaders in circularity, we leverage tech-enabled solutions and the expertise of our people to help customers reduce waste, stay compliant, and unlock value from the products and materials they handle, improving profitability.

Our work helps to close the global circularity gap – the disparity between the materials entering the global economy and the small proportion currently reused each year. Across all our brands, we operate as one team with a unified vision, purpose, and mission, to deliver measurable impact for our customers.

Our direction is clear. We're building a future where one organisation's waste becomes another's resource, products stay in use for longer, and growth is driven by circularity rather than depletion. We're committed to making the transition towards a circular economy practical, profitable and scalable for our customers.

About this report

This report shares our latest progress towards sustainability targets and our updated sustainability strategy, Action: 2030. Our strategy is built around five key focus areas that drive our commitment to a waste-free world:

- **Enabling circularity**
- **Taking climate action**
- **Empowering people**
- **Responsible procurement**
- **Ethical business**

We track and report our progress in line with several bodies, including the Global Reporting Initiative (GRI), the Task Force on Climate-related Financial Disclosures (TCFD), the Science Based Targets initiative (SBTi), the Carbon Disclosure Project (CDP), and Taskforce on Nature-related Financial Disclosures (TNFD). We also use the globally recognised EcoVadis ratings and certification standard – achieving a Platinum score for one Reconomy brand and a Gold score for three Reconomy brands in 2025.[1]

See page 68 for more details on our certifications, reporting standards, and memberships. Unless noted otherwise, the information in this report reflects our international operations in 2025.

[1] Valpak (Platinum), Noventiz (Gold), RLG (Gold), Combineering (Gold)

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Welcome message from Guy Wakeley, Chief Executive

"As regulation becomes more complex, our systems, data, and insight help customers comply at lower cost and with greater confidence.

A year of momentum and impact

2025 was a year of meaningful progress for Reconomy. We advanced our strategy, sharpened our focus on circularity and resource efficiency, and created long-term value for our customers and communities. We closed the year as a truly international business with an increasingly balanced presence across the Americas, the UK, and Europe, and a growing sense that this is our moment to lead.

Scaling our global presence

Our portfolio is becoming ever more balanced, with activity split roughly a third each across the Americas, the UK, and Europe. This diversification strengthens our resilience in a volatile geopolitical and economic landscape.

North America remains both our biggest challenge and our greatest opportunity. We now operate nine businesses in the region and are seeing strong organic growth supported by targeted acquisitions. Recycling rates are still in single digits[2], compared to more than 60 percent in much of Europe, yet the volume of material in circulation is many times higher than in other regions. By speaking the language of efficiency, cost reduction, and added value, we show that circularity can cut operating costs, unlock capital, and support more sustainable growth.

Technology, data, and closing the circularity gap

Our purpose is to help customers understand and improve the flow of materials through their operations, and that starts with data. In 2025, we managed almost 8.5 million tonnes of material, reusing or recycling more than 6.8 million tonnes.

To support this, we continued to invest at scale, including spending around £30 million on technology, expanding out our RecoTek technology centre in Bucharest to a 200-strong team, and creating a single platform with unified data for our UK waste businesses. We also launched CircuLab, our new sustainability innovation hub, also based in Bucharest.

Regulation as a tailwind

Despite short-term political noise, regulation is moving decisively towards decarbonisation and circularity. New measures such as textile extended producer responsibility (EPR) in the EU, deposit return legislation in the UK, and expanding packaging EPR across multiple US states create both responsibilities and opportunities for our customers, and for Reconomy as their partner.

This was part of the thinking behind CircuLab, which drives Reconomy's circularity by using advanced analytics and life cycle expertise to manage millions of tonnes of resources. It standardises data, maps material flows, and finds interventions to increase circularity, supporting ESG reporting and knowledge sharing, and ensuring efficient group-wide adoption of best practices.

CircuLab also enables us to offer customers clear, measurable insight into their circularity performance and supports their sustainability reporting. As regulation becomes more complex, our systems, data, and insight help customers comply at lower cost and with greater confidence.

Looking ahead

In 2026, we will continue to prioritise growth in North America, play an active role in the UK Deposit Return Scheme (DRS), and expand our support for textiles and marketplace. We are also strengthening our sustainability leadership, including appointing a dedicated sustainability lead for North America and elevating sustainability governance across our business.

We believe growth can be decoupled from resource consumption, and we are committed to proving that every day through innovation, partnership, and a relentless focus on outcomes. Thank you to our colleagues, customers, and partners for sharing this ambition and for your continued trust in Reconomy.

Guy Wakeley - Chief Executive

[2] *Environmental Protection Agency Facts & Figures About Waste and Materials*

Our performance and highlights

We made meaningful progress in 2025, using every insight as a chance to improve and grow. Using everything we've learned, we're moving with even greater focus towards a more circular future. Here's a snapshot of our sustainability performance across the business.

Enabling circularity

70%
Reconomy circularity gap[3]

£30
million invested in closed-loop technologies

64
customer satisfaction net promoter score (NPS) - 'Excellent' category

11%
more circular in 2025 (vs 2024)[4]

Empowering people

22.7%
of colleagues volunteered a total of 2,949 hours

0.5%[5]
profit (before tax) committed to community investment

23
internships and 10 apprenticeships started

23,072
hours of training provided to colleagues

Ethical business

90%
of employees completed modern slavery training

96%
of employees completed cyber security training

Taking climate action

17%
absolute (market-based) decrease in Scope 1 and 2 combined emissions from 2021 baseline 2% absolute decrease from 2024

37%
reduction (market-based/gross profit) in Scope 1, 2, and 3 intensity from baseline

94.5%
of global electricity use from renewable sources

97%
car fleet is EV (58.2%) or hybrid (38.4%)

Responsible procurement

69.6%
of supplier spend allocated to small and medium-sized enterprises (SMEs) suppliers[6]

0.2%
of our preferred suppliers are voluntary, community, and social enterprises (VCSE), representing 0.4% of supplier spend

960
suppliers assessed during 2,425 supplier site visits

[3] Reconomy circularity gap is 23% smaller than the global circularity gap of 93% [4] Based on tracking the flow of the materials that we manage, own, or track through our different service loops

[5] Calculated using the UK national TOMs (themes, outcomes, measures) [6] Calculation of SME uses UK government definition: less than 250 employees and under £50 million turnover

Awards and achievements

In 2025, we continued to drive positive change by focusing on innovation and sustainability to deliver results that matter. Our commitment was recognised through multiple esteemed awards, affirming the impact of the work we do every day.

Award wins for Reconomy in 2025

2025 National Sustainability Awards – Provider of the Year

These awards spotlight organisations leading the transition to a more sustainable future, recognising projects and teams that turn ambition into practical action.

2025 Deloitte Best Managed Company Awards – Best Managed Company

Highlighting businesses that excel in strategy, innovation, governance, and sustained performance, these awards set a benchmark for long term, purpose driven leadership.

2025 Global CIO Awards – CIO 100 (awarded to Jody Fullman)

This award recognises technology leaders shaping the future of digital transformation who deliver strategic vision, innovation, and measurable business impact.

2025 Sustainable Investment Awards – ESG Initiative of the Year

These awards recognise the investors and organisations raising the bar for responsible finance to deliver sustainability with real-world impact.

2025 Global Sustainability Awards – ESG Programme of the Year (Highly Commended)

Celebrating global excellence in ESG performance and the programmes that turn commitments into lasting results.

2025 Unseen Business Awards – Partnership of the Year (awarded to Supply Chain Sustainability School (SCSS) partnership)

These awards honour businesses taking meaningful action to combat modern slavery by embedding ethical practices and the protection of people across their operations and supply chains.

2025 British Private Equity & Venture Capital Association – Excellence in Environmental, Social, and Governance (ESG)

These awards recognise high-growth leaders with outstanding commitment to responsible investment and the best teams backed by private capital.

Award wins for Reconomy brands in 2025

2025 Awards for Excellence in Recycling & Waste Management – LetsRecycle.com:

- **Circular Economy Success**

Reconomy Connect

2025 National Recycling Awards:

- **Circular Economy Initiative**

Reconomy Connect

2025 Waste2Zero Awards:

- **Best Closed-Loop Project (with Sysco GB) (Highly commended)**

Reconomy Connect

2025 Green World Awards:

- **Environmental Best Practice (Manufacturing & Distribution)**
- **Environmental Best Practice (Construction) – Waste Management**

Reconomy Connect

2025 Resource Hot 100 List:

- **No. 22: Jim Armitage (Director of Procurement)**
- **No. 70: Hannah Osman (National Cup Recycling Manager)**

Valpak

2025 International Green Apple Environment Awards:

- **Gold Winner, Engineering & Manufacturing – Carbon Reduction (with Protec)**
- **Silver Winner, Environmental Best Practice (Utilities) – Carbon Reduction (with Comex 2000)**
- **Bronze Winner, Environmental Best Practice (Sport & Leisure) – Waste Management (with Chester Zoo)**

Reconomy Connect

35 Under 35 Awards – LetsRecycle.com:

- **Awarded to Lauren Holland, Reconomy Connect**

Reconomy Connect

2025 Footprint Drinks Sustainability Awards:

- **Waste Prevention & Management**

Reconomy Connect

2025 National Sustainability Awards:

- **Sustainable Packaging Innovation**

Reconomy Connect

01 | Who we are

At Reconomy, we use technology, data, and deep expertise to help organisations around the world shift to a circular way of working, whilst unlocking substantial cost savings. By partnering closely with our customers, we support their move away from a traditional 'take-make-waste' approach and into a circular economy: one that protects finite resources, keeps materials in use for longer, and adds business value.

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About us

Reconomy is an international circular economy specialist. With brands operating in over 175 countries, we serve more than 25,000 diverse international customers, turning their circular ambitions into measurable business impact.

Our 4,000+ strong team helps businesses put circular principles into practice, maximising profitability and preserving the value of their resources and materials for as long as possible.

We deliver this through a unified model built around three service areas, our circular 'loops': ***Recycle, Comply and Re-use***. We work across a wide range of sectors, including retail fashion and apparel, online marketplaces, consumer electronics, grocery, facilities management, hospitality and leisure, transport and logistics, manufacturing, and construction.

While some services are available as standard offerings, most are designed in close partnership with our customers – **tailored solutions shaped around their specific challenges and ambitions.**

Inside our operations

4,000+ colleagues

25,000+ customers

175+ countries serviced

£226m social and local economic value

294m spent procuring from SMEs

Expanded into **6 new territories**[7]

Diversification into **6 new markets**[8]

Group revenue in 2025 >£1.6 billion

UK **32%**

EU **42%**

North America **23%**

Rest of the World **3%**

[7] Japan, Poland, Portugal, Romania, Ukraine, Spain

[8] Marketplace returns, Recommerce, Lithium-ion battery takeback, Vapes takeback USA, Hazardous and Industrial Waste USA, Market and lifecycle assessments

The Reconomy Promise

We aim to lead the global transition towards a circular economy, guided by a shared vision, purpose, and mission. Together with our core values, these principles form the foundation of the Reconomy Promise.

The Reconomy Promise sets out how we will achieve our sustainability ambitions and the principles that shape every decision we make. It underpins our work to repurpose materials, redesign supply chains, lower energy use, reduce pollution, and build effective partnerships.

Through this approach, we strive to operate within a system where natural resources are managed responsibly and where both ecosystems and society can thrive.

Purpose

We enable the circular economy for our customers using technology to build partnerships that create a more sustainable world.

Vision

A waste-free world where resources are conserved, and economic growth is achieved through sustainable, circular means.

Mission

Our skilled people and technology advance circular models through reuse, recycling, redesigning supply-chains, and ensuring regulatory compliance.

The Reconomy Promise is our pledge to those we value most: the many customers we serve, the colleagues we collaborate with, the communities we form and support, and the wider natural environment that we all share collective responsibility for. For more information on our values, please visit *Our vision* web page.

Reconomy service loops

Our three core service loops are designed to offer bespoke, circular, and sustainability-driven solutions, working as part of the wider resource cycle to enhance efficiency, minimise waste and achieve substantial cost savings for customers.

Recycle Loop

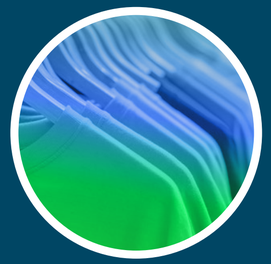
Our Recycle Loop supports day-to-day waste and resource management, strengthened by advanced technology, data, and specialist expertise. We help customers maximise material use and make cost savings through automation, closed-loop recycling, and innovative reuse technologies.

We also provide policy support, zero-waste services, training, and specialist equipment. Working with our customers in the UK, we divert 98.3% of processed waste from landfill (globally this is 85.6%), with 81% globally recycled in 2025.

Comply Loop

Our Comply Loop helps businesses stay ahead of complex environmental regulations. We combine expert insight, data management, and compliance services to coordinate take-back systems and work with more than 40 producer responsibility organisations (PROs) worldwide across batteries, electronics, packaging, and textiles.

We support organisations in meeting EPR requirements and tracking global regulatory changes, such as DRS, providing horizon scanning, data oversight, and consultancy to keep them compliant and prepared.



Re-use Loop

Through our Re-use Loop, we manage over 132 million returns each year, using data-driven platforms to optimise online returns for major retailers. Our flexible delivery models cover pre-retail, logistics, returns, fulfilment, and processing.

Specialising in omnichannel returns, we help global fashion and electronics brands improve customer experience and increase product reuse. With a network of more than 270 return carriers, we streamline international returns and enable rework, local resale, and responsible dispositioning.

Recycle Loop

ama waste management
AOWR American Outsourced Waste & Recycling LLC
aws nationwide
Casepak by Reconomy
circlewaste
collect my waste Trade Waste. Trade Prices
Complete Solutions & Sourcing by Reconomy
EcoTec by Reconomy
EcoVend by Reconomy
Ecofficiency
Eurokey by Reconomy
evolution Skip Hire Partners to Builders Merchants
IntegratedWaste Analysts, Inc. Waste & Recycling Management Solutions
Lincoln Waste Solutions by Reconomy
National Waste Associates
Reconomy Connect
SkipHireUK
WasteFocus Focused on environmental solutions
Webb's Training Services by Reconomy

Comply Loop

ARXG by Reconomy
Combineering by Reconomy
Envirovert by Reconomy
Noventiz by Reconomy
RLG by Reconomy
SmartComply by Reconomy
Sudamin Rohstoff by Reconomy
Valpak by Reconomy

Re-use Loop

Advanced intelligent supply chain by Reconomy
ReBound by Reconomy

Businesses acquired in 2025

In 2025, we acquired four new businesses[9], including Complete Solutions & Sourcing and AOWR, two established US waste-management providers that strengthened our Lincoln Waste Solutions brand and expanded our reach across retail, residential, hospitality, and manufacturing.

We also acquired NWA, a major outsourced waste-services provider managing nearly 3,000 sites across the US, significantly enhancing our customer base and operational scale. Finally, we acquired IWA, a specialist industrial waste and recycling business serving leading national brands, further cementing our position as a top-five waste operator in the US.

[9] Data from the 2024 and 2025 acquisitions are included within the figures presented in this report

Q&A: Staying ahead of the changing landscape

Among the significant shifts, milestones, and market forces that shaped our year, Reconomy stayed ahead of a fast-changing landscape and continued to lead the transition to a more circular economy.

How is Reconomy improving recycling rates in the US, and what role are recent acquisitions playing?

Reconomy is scaling fast in the US by acquiring speciality waste management companies that expand its reach and capabilities. Recent additions, including NWA, IWA, Complete Solutions & Sourcing, and AOWR, strengthen our national footprint and deepen our expertise across multi site sectors. These businesses now sit alongside Lincoln Waste Solutions, creating a unified, tech enabled platform. Together, they give Reconomy more data, talent, and operational capacity, positioning the company to improve recycling rates and lower customer costs in the world's largest waste and recycling market.

Mike Williams - EVP Circular Solutions, North America

How is Reconomy keeping up with expanding EPR compliance requirements?

EPR has become a major growth driver for Reconomy as more organisations must meet regulatory requirements. In 2025, we significantly strengthened our position as a trusted compliance and data partner for global brands. As EPR frameworks expanded across Europe and new packaging schemes were introduced in several US states, regulatory complexity increased sharply.

Our response has been to continue innovating through our Supplier Data Hub and Global Data Insights Platform, which are Valpak's principal data collection and customer reporting tools, enabling us to keep pace with the new regulatory requirements. Looking ahead, EPR will remain a core growth theme in 2026, particularly in textiles and emerging North American markets.

Steve Gough - Chief Executive, Valpak

How is Reconomy advancing its data and analytics capabilities?

A significant development in 2025 was the launch of CircuLab. Established to enhance Reconomy's circularity performance, CircuLab applies advanced data analytics, regulatory intelligence, and life cycle expertise to the 8.5 million tonnes of resources we manage annually. As a rapidly integrated group of diverse brands, we needed a central technical function capable of standardising data, mapping material flows, and identifying where interventions could shift resources from open-loop recycling, waste-to-energy, or landfill into higher-value circular pathways. CircuLab enables knowledge transfer, supports ESG reporting for global clients, and ensures best practices within any part of the business can be rapidly scaled across the entire organisation.

Torben Kristiansen - Chief Business Development Officer, Combineering

To learn more about our business advancements and the launch of CircuLab, read technology driving innovation on page 29.

How we create value

Key inputs and enablers	Our business model	Value we create (outputs)	Our impact long term (outcomes) linked to SDGs

We are a tech-enabled, people-powered engine of the global circular economy. Where others see waste or unwanted resources and materials, we see opportunities to generate savings – and it's our mission to empower our customers to harness the full and inherent value of their resources.

Key inputs and enablers	Our business model	Value we create (outputs)	Our impact long term (outcomes) linked to SDGs
Our people, **4,000+** globally, skilled and talented colleagues	Enabling the circular economy. Recycle – 5m tonnes of waste managed, Comply – with over 40 global producer responsibility compliance schemes, Re-use **– 132m** returns	Our community – local employment **52%,** community engagement and **2,949** volunteering hours, long-term and local charity partnership with the National House Project (NHP), **£143,190** worth of in-kind donations	Equitable employment – promote a fair and diverse workplace with motivated and engaged colleagues Health, safety, and wellbeing are priorities
Social capital - Social value = **£1.5m**, Social and economic value = **£226m**, Apprenticeships = **10**, interns = **23**		Our people strategy – motivated, knowledgeable and skilled teams, health, safety and wellbeing prioritised, management gender split – male **53%**/ female **47%** and all-gender split – male **52%**/female **48%**, training hours **23,071.8,** and improved engagement score **76%** (inclusivity score)	Environmental sustainability – circular economy, Move the Date, SBTi-validated carbon reduction targets to 2040, Climate and Nature Strategy, community investment, and engagement and profit reinvestment for the long term
Financial resources revenue total £1.6bn that breaks down regionally as: **UK 32.4%, EU 42.6%, North America 22.5%, Rest of World 2.6%,** with **42.7%** growth in **North America*** (2024 vs 2025)		Enabling circularity and taking climate action – reduce our circularity gap by **over 10%**, increase options for the circular economy, mitigate and adapt to climate change, carbon intensity reduction **37%** from 2021, protect nature and natural resources	Value chain – business ethics, partnership, and collaboration prioritised Customers – technology and data to drive efficiency, a sustainable and responsible supply chain for the long term
Technology – advancing our technology and investment of key products such as data insights, omnichannel returns, **£30m** investment		Our customers – customers' NPS score 64, support customers' sustainability objectives, protection of reputation through compliance, solutions for difficult recycling needs Circular awards demonstrate collaboration on solutions	
Natural capital – reliant on ecosystems services with **94.5%** of **15,074,457.61kWh** of electricity used from renewable sources globally **31,716m3** water used	Responsible sourcing – partnering with our extensive global supply chain to support customer needs	Responsible Procurement – Sustainability Supplier Charter, sustainable procurement and responsible sourcing	
Supply partners – transportation, materials recycling logistics Spend with SME **69.6%,** spend VCSE **0.39**%, number of suppliers that are SME **79.7%** Customers – **25,000+** customers globally across key sectors such as retail, construction, automotive		Ethical business – strong balance sheet, annual climate and sustainability reporting, a resilient business for the long term	

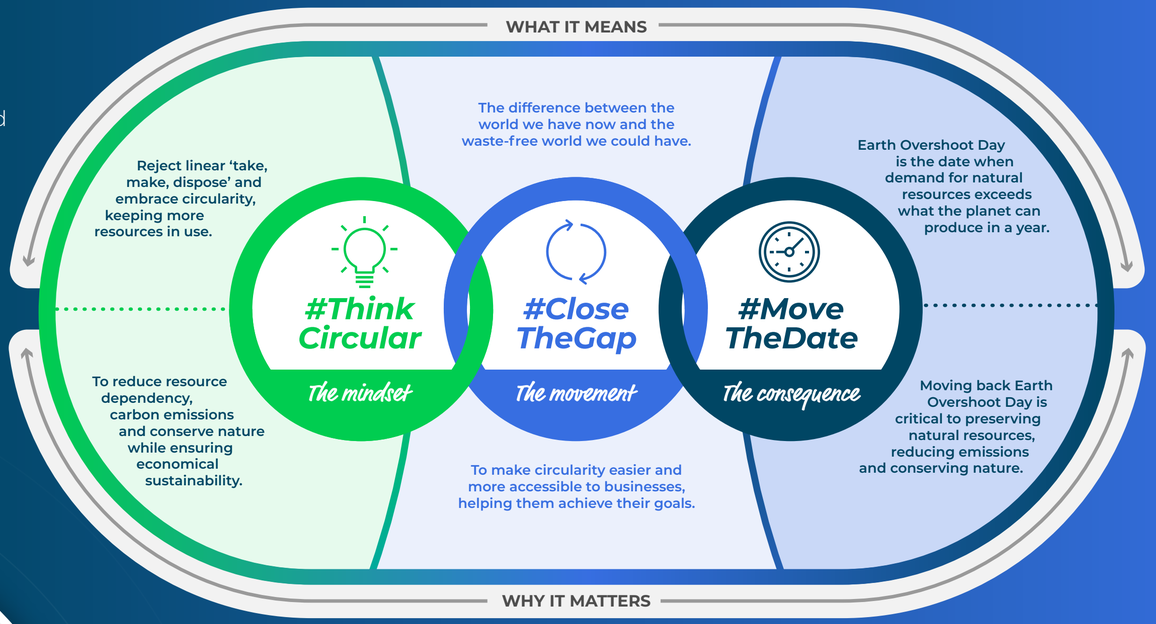
Think circular

‘Thinking circular’ has the power to revolutionise business practices. It reduces costs, improves efficiency, adds value, strengthens reputation, and helps protect our global ecosystem. This is the mindset we champion at Reconomy, supporting businesses to understand and embrace the circular economy.

Close the gap campaign

The circularity gap represents the distance between today’s linear economy and the waste-free system we could achieve. In 2025, the global economy was only 6.9% circular, meaning 93% of resources were only used once and then discarded rather than reused, repaired, or repurposed. Through our CloseTheGap campaign, we are working to make circularity more accessible and to show that it’s an opportunity for businesses, not a cost.

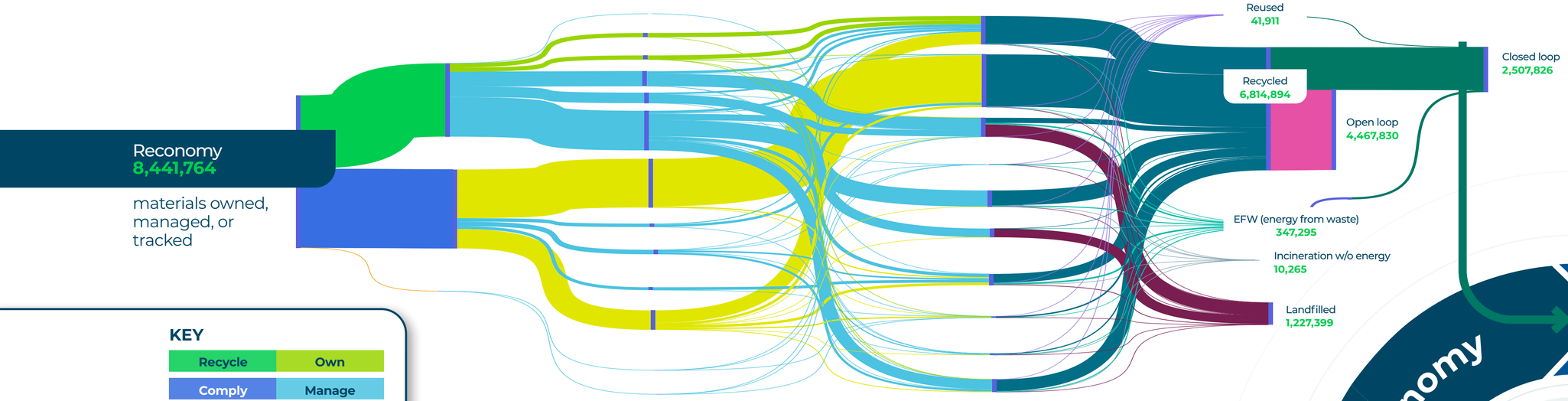
In 2024, we measured our own circularity gap at **81%** and, in 2025, improved this by 11% (2024 vs 2025). We continue to reduce it by improving our processes, strengthening our service models, and embedding circularity across everything we do.



Tracking the flow of materials

Our new sustainability and innovation hub, CircuLab, enabled us to analyse the flow of the materials we manage, own, or track, following their journey through our different service loops. Through this process, we have identified a circularity gap of 70%. This means that while 30% of the materials are either fully recycled or reused in what is referred to here as a ‘closed-loop’ system, 70% are not yet being used to their full potential as part of the circular economy. We see a great opportunity here to continue to close this gap.

Reconomy materials mass-flow in tonnes



KEY

Recycle	Own
Comply	Manage
Reuse	Virtual
Closed loop recycling	
Open loop recycling	

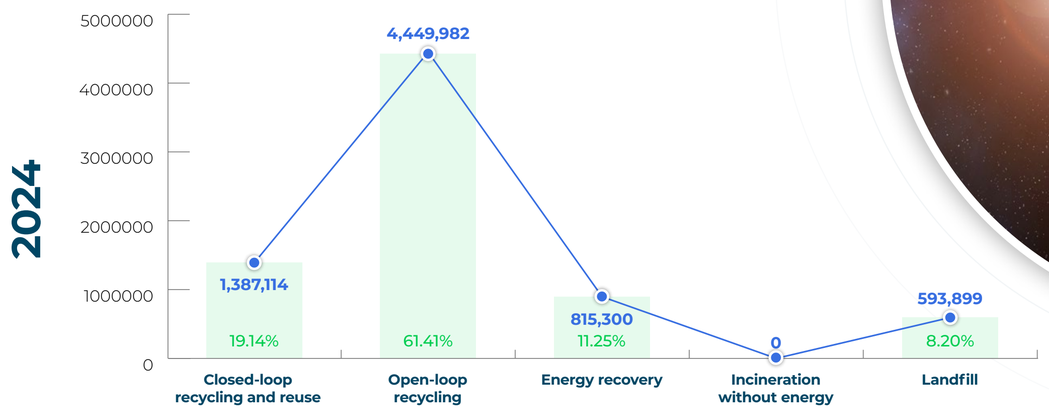
Reconomy circularity gap: 70%*

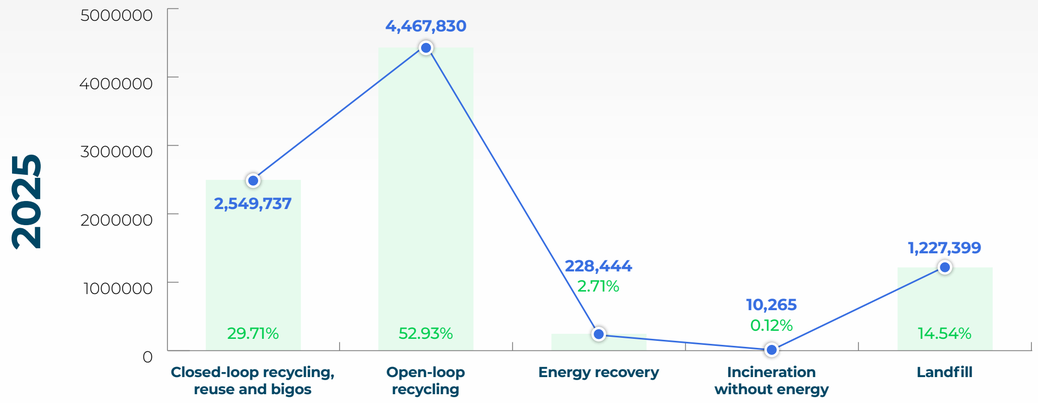
2024 v 2025 improvement:

11% more circular

[10] Reconomy circularity gap re-stated for 2024 as 81% (was 55%) following recalculation

Volumes of mass-flow materials through Reconomy 2024 vs 2025





KEY

- Tonnes
- Percentage of materials managed or tracked

Measuring circularity through Earth Overshoot Day

As part of our commitment to thinking circular, we track the influence our work has on Earth Overshoot Day – the point each year when humanity's demand for resources exceeds what the planet can regenerate. Each year, the date is calculated by the Global Footprint Network by dividing the planet's biocapacity (resources produced) by humanity's ecological footprint (demand). The first Earth Overshoot Day occurred in 1970, falling on 29 December and, since then, the date has been moving progressively earlier each year.

In 2025, Earth Overshoot Day fell on 24 July. Through our activities with customers, we estimate that we pushed the date back by 12 minutes in 2024 and 15 minutes in 2025. With more closed-loop initiatives underway, we expect this positive contribution to grow.

To understand how our business helps delay Earth Overshoot Day, CircuLab focused on building the foundations for long term impact – mapping material flows, identifying data gaps, and running life cycle assessments (LCAs) to understand where value and environmental impact sit across key waste streams. The team developed circularity metrics and dashboards, mass flow Sankey diagrams and a regulatory scanning capability aligned with emerging legislation.

The key factors assessed included:

- Avoided impact (Reconomy vs industry average)
- Total impact (Reconomy)
- Earth's biocapacity
- Global ecological footprint

Sustainability strategy

02

We are committed to challenging the way society approaches the use and consumption of resources. For this reason, our Action: 2030 sustainability strategy is intrinsically linked to our business strategy.

In this *section*

20 Our sustainability strategy

22 Targets and progress

We know that becoming truly sustainable means looking beyond single issues, so we are working to embed circular thinking, social value, and strong governance into everyday decisions across our business.

Diane Crowe
Group Sustainability Director

Our sustainability strategy

Our sustainability strategy guides how we create value across environmental, social, and responsible business areas, while supporting customers on their own circularity journeys. Underpinned by our refreshed strategic priorities, it ensures we lead by example and continue driving progress towards a more resilient, resource-efficient future.

Our strategic focus areas

Our approach is centred around purpose, thoughtful planning, and long-term vision. We seek to deliver excellence in our services while making a net positive impact on the environment. We encourage the development of diverse, collaborative teams within an inspiring workplace, upholding high standards of governance, and ensuring strong financial performance.

In 2025, we reviewed our goals and targets in line with our new double materiality assessment (DMA) and refreshed our strategy to ensure continued alignment with our business direction. Our five-year strategy, known as Action: 2030, is the result – our updated strategy built around five strategic focus areas.

Action: 2030

Enabling circularity

We accelerate the circular economy, working towards a waste-free world.

- Closing the circularity gap
- Supporting our value chain sustainability objectives
- Using technology and data to drive efficiency

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Taking climate action

We reduce our impact on the climate, as well as the impact of our customers.

- Adapting to climate change
- Mitigating climate risk
- Taking a net positive approach to nature and water resources

13 CLIMATE ACTION

Empowering people

We provide safe, rewarding, and inclusive workplaces and generate social value.

- Engaging with our local communities
- Empowering our people and encouraging volunteering
- Ensuring heath, safety and well being
- Promoting Diversity, Equality and Inclusion (DEI)
- Having measurable social impact

3 GOOD HEALTH AND WELL-BEING

5 GENDER EQUALITY

Responsible procurement

We ensure our operations are responsible, ethical, and aligned with our principles.

- Implementing a Sustainable Procurement Framework
- Understanding where our dependencies, impacts, risk and opportunities are in the value chain
- Engaging with key suppliers on low carbon vehicles and renewable energy

8 DECENT WORK AND ECONOMIC GROWTH

Ethical business

We act ethically, with strong governance, effective risk management and transparent reporting.

- Compling with UNGC and OECD guidelines
- Having transparency of data for ourselves and our customers
- Providing clear voluntary and mandatory reporting
- Ensuring oversight and control of enterprise risk management

8 DECENT WORK AND ECONOMIC GROWTH

For more detail on our DMA assessment, material topics, impacts, risks, and opportunities, see the Appendix to this report on page 71.

Contributing to the UN Sustainable Development Goals

Reconomy's sustainability strategy is aligned with the UN SDGs, framing our stakeholder priorities within the context of the biggest challenges and opportunities the world faces today.

We believe our greatest opportunities to support the SDGs lie with SDG 12 (Responsible Consumption and Production) and SDG 13 (Climate Action). Alongside this, we regularly track how we contribute to the three additional SDGs we most closely align with, as we believe this makes us a better company to work for, do business with, and invest in.

See Appendix on page 74 for more information on how we contribute to the SDGs

Targets and progress

Our targets are at the heart of our Action: 2030 sustainability strategy, guiding our efforts to reduce environmental impact and drive positive change. We are making significant progress across multiple areas, continuously measuring our impact and implementing initiatives to improve sustainability throughout the business.

See *page 23-27* for detailed year-on-year target data.

Enabling circularity

Action: 2030

Being able to monitor, measure, and demonstrate progress towards enabling the circular economy is vital. During 2025, we developed this capability and the systems and data we collect and collate through CircuLab. Previously, we used indicative data from our outsourced brands; this data now comes from across the entire organisation, so we have reset our baseline and measures from 2024.

Target	Target status	Baseline data	2025 performance
Objective: Close the circularity gap			
Produce Reconomy mass flow annually, calculate our circularity gap and reduce year on year (YoY), from a 2024 baseline (customer materials managed by Reconomy)	New for 2025	**2024 Baseline** 7,246,295 tonnes 80.86% circularity gap	8,441,764 tonnes 70.29% circularity gap ▲ 10.56 % improvement vs baseline
Reduce customer materials sent for recovery YoY by 2030, from a 2024 baseline	Updated in 2025 – based on group-wide data rather than an indicative measure from the Recycle Loop	**2024 Baseline** 11.25% of customer materials (incineration & WTE) 815,300 tonnes	**2025 Reported** 4.1% of customer materials (incineration & WTE) 347,295 tonnes ▼ 57% decrease in volume[11]
Increase the overall % of customer materials reused YoY by 2030 from a 2024 baseline	Updated – as above	**2024 Baseline** 2.3% of customer materials reused 164,500 tonnes	**2025 Reported** 0.5% of customer materials reused 41,911 tonnes ▼ 74.5% decrease in volume[11]
Increase the overall % of customer materials recycled YoY by 2030 from a 2024 baseline	Updated – as above	**2024 Baseline** 79.6% of customer materials recycled 6,326,600 tonnes	**2025 Reported** 81% of customer materials recycled 6,814,894 tonnes ▲ 7.7% increase in volume[11]
Objective: Support our value chain sustainability objectives			
Achieve at least 65+ net promoter score (weighted average score for Reconomy) year on year	Existing	**Change in absolute volume:**	64 net promotor score

[11] Denotes change in absolute volumes

Taking climate action

Action: 2030

Reconomy remains committed to the science-based emission-based targets that were validated by the SBTi in 2023 and, despite significant growth and acquisitions, is making good progress. However, due to 2024/25 acquisitions, adding more than 5% to our carbon accounts, we will undertake a reassessment of our 2021 baseline and targets during 2026. The baseline and target will then be resubmitted to the SBTi for re-validation. In addition to our target to purchase 100% renewable energy by 2028, we have set a target for viable locations to generate renewable energy, for example, solar. Reconomy has implemented the Climate and Nature Positive Strategy and is now focused on local plans at our brands to ensure environmental improvements are in place and impacts reduced.

Target	Target status	Baseline data	2025 performance
Objectives: Climate change mitigation; Net positive approach to energy, nature, and water resources			
100% of Reconomy brands (in scope)[12] to measure and report Scope 1, 2, & 3 carbon emissions and have a carbon reduction plan in place by 2030	Existing	Ongoing	100% of Reconomy brands reporting scope 1, 2, & 3 emissions 100% of Reconomy brands with a carbon reduction plan
Reduce absolute Scope 1 & 2 emissions by 33.6% by 2028 against a 2021 baseline[13]	Existing	**2021 Baseline** Scope 1 – 8,093 tonnes CO2e Scope 2 – 3,676 tonnes CO2e	17.8% absolute increase in Scope 1 emissions (v 2021) 93.5% absolute reduction in Scope 2 emissions (v 2021)
Reduce Scope 3 emissions intensity by 44% (per £ gross profit) by 2028 against a 2021 baseline[13]	Existing	**2021 Baseline** Scope 3 emissions intensity – 385,009 tonnes CO2e	54% intensity reduction in Scope 3 (v 2021)
100% of Reconomy brands to use renewable electricity by 2028	Existing	**2021 Baseline** 86%	100% of Reconomy UK brands use renewable electricity 94.5% globally
At least six Reconomy brand locations to generate renewable electricity by 2028[14]	New for 2025	Ongoing	2 locations generated 62,276kWh solar energy (estimated at Reconomy Connect in Waltham Abbey & Valpak in Stratford upon Avon) accounting for 0.4% of total electricity use
100% of Reconomy locations[15] to have an Environmental Action Plan in place (REAP) by 2028	Existing	Ongoing	78% of Reconomy locations with an Environmental Action Plan in place (REAP) (gap is newly acquired businesses)[16]

[12] Reconomy acquired businesses are in scope if they have been a Reconomy brand for more than six months of the reporting year [13] Year on year carbon comparisons in Appendix targets table [14] Generation locations restricted by size and property status e.g., leaseholds
[15] Location scope includes all operational brand locations such as offices and warehouse [16] Knowledge-based employees are office-based, whose roles are predominantly non-manual

Empowering people

Action: 2030

Due to increasing colleague numbers, thanks to growth and acquisition, we have changed our focus from numbers of people volunteering to the number of hours to better reflect the actual increase in volunteering. Our training focus is on those in knowledge-based positions who have the potential to improve sustainability in their role. We continue to offer apprenticeships and internships and will continue to ring fence positions for care leavers.

Target	Target status	Baseline data	2025 performance
Objective: Engaging with our local communities and volunteering			
Achieve a 20% annual increase in number of hours volunteered, against 2022 baseline	Updated in 2025 – to better reflect actual uptake of volunteering	**2022 baseline**[17] 872 hours volunteered in 2022	2,949 hours volunteered 28% annual increase in volunteer hours (against 2024)
75% of knowledge-based employees[12] **undertake at least one sustainability training session annually**	Existing	Ongoing	11% of employees completed at least one sustainability training session in 2025 Lower figure due to delayed transition to new learning platform
Objective: Promoting diversity, equity, and inclusion			
Annually record and report the number of apprenticeships and internships. Offer five apprenticeships and two internships for care leavers	Updated in 2025 – to ensure we record the offer of these to care leavers and understand / act on their reasoning for not accepting the offer	Ongoing	10 apprenticeships, zero were care leavers 23 internships, zero were care leavers
Objective: Measurable social impact			
Deliver at least £1.5m social value (SV) per year[18]	Existing	**2018 baseline**	£1,462,792 social value created (£6.7m social value since 2018)
1% profit before tax (PBT) committed to community investment	Existing	Ongoing	0.5% allocated to community investment

[17] 2022 baseline year selected to avoid Covid years

[18] SV calculated using the UK National TOMS 2025 (themes, outcomes and measures). SV can be defined as the wider financial and non-financial impacts of organisations, particularly regarding the social, economic, and environmental wellbeing created for local communities and society

Responsible procurement

Action: 2030

With an operational supply chain of around 16,000 partners, our new and updated targets are focused on implementing our sustainable procurement framework by 2030. This is aimed at each Loop with the highest potential impact suppliers on a risk assessment basis.

Target	Target status	Baseline data	2025 performance
Objective: Implementing a Sustainable Procurement Framework			
All brands to implement the Reconomy Sustainable Procurement Framework by 2030	Updated in 2025 – as the policy has now been adopted Reconomy-wide. We will track Framework implementation	Ongoing	Sustainable Procurement Policy implemented across group. Framework implementation to commence in 2026
Effective Supplier Management engagement on environmental improvement plans for key operational suppliers	New for 2025	**2022 base year**	Implement as part of Sustainable Procurement Framework and identify the % of suppliers targeted with plans in place
At least 80% of operational supply chain to be small and medium-sized enterprises (SMEs) by 2030, against 2021 baseline	Existing	**2021 baseline** 82.3% SMEs in 2021 88% spend with SMEs	79.7% SMEs 69.6% spend with SME - reduction mainly due to UK market consolidation (SME acquisition)
At least 2% of the supply chain to be voluntary, community, and social enterprise (VCSE) organisations, against 2021 baseline	Existing	**2021 baseline** 0.3% VCSEs in 2021 0.3% spend with VCSE	0.17% VCSEs 0.4% spend with VCSE

Ethical business

Action: 2030

Following the development and implementation of the Ethics Policy and Code of Conduct, we are working across the business to ensure we can measure and monitor the effectiveness of compliance and enterprise risk management.

Objective: Comply with UNGC and OECD guidelines (Modern Slavery, Anti Bribery and Corruption)	
Reconomy is committed to ensuring effective processes and compliance mechanisms are in place to confirm compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	This will be reviewed internally at least annually

Objective: Comply with UNGC and OECD guidelines (Modern Slavery, Anti Bribery and Corruption)		
Reconomy commits to having a documented enterprise-wide risk management process in place	To ensure this is effectively implemented, policies and frameworks will be designed to identify, assess, and mitigate risks while ensuring business continuity	This will be monitored by the percentage of brands with risk registers (over 90% in 2025)

03 | Enabling circularity

We're accelerating the shift to a waste free world by driving circular solutions that close material loops, strengthen value chain sustainability, and unlock new efficiencies and cost reductions for customers through data and technology.

In this *section*

29 *Circular innovation driven by technology*

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36 *Fostering change through circular collaborations*

High-quality data is the foundation of circularity. The more precisely we understand material flows, the more effectively we can shift them into higher-value, closed-loop pathways.

Bianca Ifrim
CircuLab Innovation Hub Manager

Circular innovation driven by technology

We're strengthening circularity from the inside out by investing in the technology, research, and digital capabilities that accelerate innovation across our operations. Our approach brings together big data, advanced analytics, and emerging tools like AI to unlock new efficiencies, improve decision making, and scale circular solutions across the business.

"Data-driven technology is woven into every fabric of our business. We are investing more than £30m over three years - including £16.5m in 2025 alone - to develop the platforms needed to enable circularity on a global scale.

Jody Fullman
Chief Information Officer

Investing in a circular future

Reconomy is investing in the digital foundations needed to scale circularity across global operations. From 2023 to 2026, we'll invest over £30 million in digitising our business for smoother operations, stronger brand engagement, and improved risk management.

In 2025, we made significant progress, from launching CircuLab to bolster our data, research, and insight capabilities, to deploying enhanced technology in the field at scale. Together, these initiatives are helping us build a smarter, more connected, and more circular organisation.

Strengthening internal systems through digital transformation

In 2025, we completed phase one of our DataStream product development initiative, our new cloud-based data platform that gives us a single, modern environment capable of handling the volume and complexity of data we manage and that is required for circular decision-making.

We also completed a critical project to consolidate 13 legacy IT and data systems in our Recycle Loop into one unified operating platform for our UK market. This created a single, consistent way of modelling waste outcomes across our brands, a critical step in improving data quality and enabling more reliable reporting for customers.

Alongside these platform changes, we also expanded our RecoTek technology scaling centre in Bucharest and introduced shared service teams in cloud engineering, quality assurance, and Group-wide business systems. These developments are building the digital backbone that will allow Reconomy and our customers to accelerate circularity with confidence.

Accelerating innovation with ethical AI

AI is becoming an increasingly important tool in enabling circularity, and Reconomy is committed to using it responsibly, transparently, and in ways that enhance, not replace, human expertise. In 2025, we made significant progress through Project Novos, our group-wide AI and automation programme.

At Valpak, a Reconomy Comply Loop brand, we automated our 'swings' process within our UK packaging compliance service line, the annual comparison of packaging data and obligations for customers. Previously a manual, time-intensive task, it is now powered by machine learning as part of our DataStream initiative, reducing labour and improving accuracy. Human experts remain in the loop to review outputs, ensuring quality and oversight.

We also expanded automation within our Supplier Data Hub, which captures packaging data from suppliers for major retailers. By reducing reliance on spreadsheets and manual uploads, we are improving data quality and making compliance easier for customers and their supply chains.

In our Recycle Loop, we piloted the use of AI agents to streamline customer and supplier enquiries with production ready roll-outs planned in 2026. These tools help teams resolve issues faster and with increased accuracy, improving service quality and operational efficiency. Across all these initiatives, our approach is grounded in ethical use. We focus on AI as an accelerator of product development, process efficiency, and service quality, not a replacement for people.

Case study

Deploying technology at scale

In 2025, Reconomy delivered one of its most significant customer-facing technology deployments to date: the DRS Technology Platform for Poland. Operating within a decentralised national framework – where multiple scheme operators are responsible for running DRS services – Reconomy's technology plays a central role in managing deposit circulation, enabling consumers to return eligible bottles and cans, and ensuring materials are captured and routed into high-value recycling streams.

The DRS Core was set up and adapted for the Polish market, meeting operator requirements for regulations, finance, and reporting. RecoTek, Reconomy's technology scaling centre, provided full support. The Core includes customer return options, retailer and operator processes, deposit and refund management, payment handling, and real-time data needed to run the scheme nationwide.

This deployment demonstrates Reconomy's ability to meet complex requirements while delivering robust, user-friendly technology that supports circularity in practice – ensuring materials are efficiently returned, accounted for, and recycled through a compliant, auditable, and trusted national system. It has also strengthened our position as a technology partner for future DRS schemes across Europe and North America.

Reconomy

CircuLab: a new home for circular innovation

CircuLab is Reconomy's internal circularity and innovation hub, created to use group wide data, research, and technical expertise to accelerate more circular and profitable solutions for customers. Its core mission is to analyse the 8.5 million tonnes of material Reconomy handles each year and provide the insights to enable the shift of more of it into higher value circular loops. CircuLab also provides the evidence and insight that brands need for circularity reporting, ESG disclosures, and informed sustainability decision making.

Operating as a shared service centre, CircuLab offers Life Cycle Assessments (LCAs), data analytics, and regulatory insight. It also supports business development by testing new circular business cases, from the recovery of circuit board metals to solutions for batteries and textiles, and ensuring materials move to their most environmentally and economically optimised next use. The areas we are prioritising are textiles (ahead of EU textile EPR), DRS, and improved waste classification.

Through CircuLab, we are also forming partnerships with universities to enhance research quality and gain global expertise, which will be particularly valuable for the 'Move the Date' methodology and DRS studies.

Preparing for the UK DRS

The UK's DRS, set to launch in 2027, marks a major step forward in packaging policy. It will introduce and depend on a network of reverse vending machines (RVM) to enhance recycling and resource efficiency.

CircuLab conducted a comprehensive LCA of the DRS infrastructure, focusing on RVM deployment across the UK. The study found that the DRS infrastructure quickly offsets its initial environmental footprint and generates ongoing climate and resource benefits, providing reassurance for policymakers and stakeholders about its long-term environmental value impacts, such as emissions and material use.

Driving customer impact with circular solutions

Reconomy's circularity solutions are designed to give customers the clarity and confidence they need to act. By combining richer, more precise data with intuitive visualisation and reporting tools, we help organisations understand their material flows and identify the most effective circular routes.

Casepak
by Reconomy

232,000 tonnes

In 2025, Reconomy brand Casepak kept 232,000 tonnes of material within the circular economy.

Practical and actionable approaches

We embed circularity at the core of our business strategy, translating global frameworks into practical, measurable actions that empower every customer to participate in a resource-efficient economy.

From new product and service innovations to partnerships that scale impact, we are focused on making circularity practical, measurable, and achievable for every customer we support.

Circularity is not an aspiration for us, it is a business commitment, anchored in global frameworks and reflected in every decision we make.

Our ambition is to support our customers with data grounded in global circularity benchmarks, giving them a clear picture of where they stand today and a credible, profitable path to improving their circularity rate. We give them the insight to set credible targets and track meaningful progress; from reducing landfilling and lowering transport emissions, to maximising recycling and measuring the business value of circular activity.

As our business has continued to grow and we have increased investment in technology and systems, we have expanded our circularity targets from our Recycle Loop to cover our entire organisation. Our 2024 baseline gives us the opportunity to track progress towards enabling circularity for our customers.

Positively, in 2025, we have seen an increase in recycling and a decrease in waste sent for incineration with energy. Materials sent for reuse has declined and this is largely due to reclassification as 'recovered'. We will continue to work on how we best promote and measure this element. Materials sent to landfill has also increased and this is mainly due to our expansion and the infrastructure in North America. In the UK we have a 98.3% diversion from landfill rate.

Supporting circular transformation in manufacturing

Volution Ventilation's partnership with Reconomy's Recycle Loop brand, Reconomy Connect, shows what is possible when a customer commits fully to circular transformation. Over the past year, Volution Ventilation has reshaped operations at its main plastics manufacturing site in Reading, embedding circularity into every stage of production. Working closely with Reconomy Connect, the company introduced upgraded technology and robust tracking systems to reduce waste and maximise material recovery.

The results are striking: 100% of waste diverted from landfill, 346 tonnes of recyclables processed, a 98% reduction in Scope 3 waste-disposal emissions, and 90% recycled plastic used in manufacturing. Closed-loop systems now turn production waste into new resources, proving that circularity can drive both environmental and operational performance. This partnership demonstrates how sustained collaboration can deliver measurable impact at scale and how thinking circular can reshape an entire manufacturing footprint.

Reconomy Connect

ReBound by Reconomy

Enhancing Returns Systems

In 2025, Reconomy brand, ReBound, took a major step towards making circularity easier and more accessible for consumers with the launch of its Circularity Portal. Built around the insight that 54% of consumers would prefer to donate items they no longer wear, the Portal gives people a simple, intuitive way to return products into responsible circular pathways. Whether donating to a chosen charity, recycling textiles and electronics in line with EPR requirements, or sending items for recommerce, the Portal turns what was once a fragmented process into a single, user-friendly experience.

The Portal sits alongside ReBound's growing recommerce ecosystem, including its new EU partnership with Trove, which has already processed more than 170 parcels of previously owned items. Together, these innovations extend product life cycles, reduce waste, and support the rapid growth of the second-hand market. By giving consumers clear, convenient options, ReBound is helping brands embed circularity at scale.

Case study

Incentivising and rewarding recycling

For consumer-focused sustainability initiatives to be successful they need to encourage behavioural change by being educational, easy to understand, and rewarding.

Through Valpak's partnership with the *Plovie recycling app*, consumers are incentivised to recycle correctly by scanning product packaging to receive rewards such as cash, discounts, or charity donations. This behaviour change model not only boosts recycling rates but also provides brands with valuable insights into CO2 savings, customer habits, and real-world recycling performance.

The impact is already significant. More than 600,000 users have so far been rewarded for learning how to correctly discard packaging waste, resulting in over 89 million packaging items being recycled through the app. Plovie's work has attracted €1.75 million in funding to scale its impact, helping businesses reinvest in recycled materials and reduce reliance on virgin resources.

Valpak by Reconomy

Case study

Simplifying carbon management with Scope 3 Insights

Scope 3 emissions typically represent more than 90% of a company's total carbon footprint. In 2025, Reconomy brand RLG strengthened its support for customers seeking to measure and reduce their indirect emissions with the launch of Scope 3 Insights, a new digital solution designed to simplify carbon accounting across complex value chains.

Scope 3 Insights brings together emissions data, supplier information, and material flows in one place, enabling customers to identify hotspots and prioritise reduction opportunities. By integrating seamlessly with existing RLG systems, it provides a consistent, scalable approach to tracking progress and meeting regulatory expectations.

By making this data more accessible and actionable, RLG is helping customers move from estimation to evidence based decision making.

RLG by Reconomy

Case study

Enabling circularity in the construction industry

In 2025, Reconomy continued to help the construction industry tackle one of its biggest challenges: reducing the carbon impact of building projects. Construction generates almost 37% of global emissions, from both embodied and operational carbon[19].

One example in action comes from Reconomy's partnership with Balfour Beatty. When the company found themselves with surplus geotextile materials, Reconomy Connect's Circularity Team connected them with the Krizevac Project, a UK charity building schools in Malawi. The materials are now being used to construct a new secondary school and hostel facilities where 60% of places will support disadvantaged students. Webbs Training Services, part of Reconomy's Recycle Loop, also donated a First Aid at Work course to support the charity's work.

Another collaboration saw Clancy Group appoint Reconomy Connect as its national waste management partner to support new Simpler Recycling legislation. After 28 site visits in one week, Reconomy mapped waste streams, implemented segregated skips, and achieved over 98% landfill diversion within three months, managing 1,184 tonnes across 83 sites.

By combining data-driven insights with circular design, we enable construction companies to reuse more, waste less, and build with lower-carbon materials, helping create a more regenerative, sustainable future.

Reconomy

Think circular AWARD

Celebrating customer innovation:

Think Circular Award

Reconomy's monthly Think Circular Award was created to celebrate our customers, suppliers, and partners who are accelerating circularity in practical ways. What began as a simple recognition programme has grown into one of our most powerful engagement tools, bringing organisations together, sharing ideas across sectors, and showing what circularity looks like when it moves from ambition to action.

2025's winners demonstrate the breadth of impact that circular thinking can unlock. In Coventry, a partnership between Renew2U, Valpak, and Coventry House Project turned discarded white goods into life changing support for young people leaving care. By refurbishing appliances that would have otherwise been recycled, the team helped 22 care leavers set up their first homes with dignity and confidence.

Other winners highlighted the diversity of circular solutions emerging across our customer base: Froneri's fully recyclable ice cream packaging, Dr Miele's recyclable bottles, GAP Alba's state of the art fridge recycling facility, and Barratt Homes London's construction site reuse systems. Each project shows how circularity can be embedded into everyday decisions, from packaging design to large scale infrastructure.

[19] UNEP https://www.unep.org/resources/report/building-materials-and-climate-constructing-new-future

Global Circularity Protocol for Business (GCP)

Reconomy is committed to supporting our customers in adopting and implementing the GCP. Launched at COP30 in 2025 by the World Business Council for Sustainable Development (WBCSD) and UN Environment Programme's (UNEP) One Planet Network, the GCP is the world's first globally harmonised, science-based framework for measuring, managing, and communicating circular performance across value chains.

We recognise that the transition from a linear to a circular model is both a strategic necessity and a significant business opportunity. Widespread adoption of the GCP could save up to 120 billion tonnes of materials and avoid up to 76 gigatons of CO2 emissions by 2050 – outcomes that will only be possible if organisations across every sector and supply chain act together.

Reconomy's service is aligned with the GCP. We can help customers to identify material resource impacts, management methods and report against the GCP for integration with existing frameworks such as GRI, the Greenhouse Gas (GHG) Protocol, IFRS S1/S2 and the European Sustainability Reporting Standards (ESRS).

Improving customer satisfaction

Customer satisfaction is one of the clearest indicators of how well our business is performing. In 2025, our NPS reached 64, which was down slightly from 2024, but in line with our target in the excellent category and a strong reflection of the trust our customers place in us.

In 2025 we introduced additional methods of collecting surveys from our customers, including SMS, email, and a new on-site survey app. We believe that expanding our channels to make it convenient for our customers to provide feedback and increasing our number of surveys will give us an even more accurate score – even if slightly lower. By staying close to our customers and building long term confidence in our services, we aim to maintain an excellent NPS year after year and reinforce our position as an industry leader.

Read more about how Reconomy engages with customers and other stakeholders in our *stakeholder engagement section.*

64 **We achieved an NPS score of 64 in 2025.**

Fostering change through circular collaborations

Transitioning to a circular economy requires global collaboration and knowledge sharing. Reconomy supports this shift by promoting research, thought leadership, and joint action across the industry and its regions.

Leading the future of circularity

Valpak's Policy team are trusted thought leaders, with years of experience engaging with policymakers to provide industry insights. They represent member interests in producer responsibility and resource use policy development, including participation in Defra's Advisory Committee on Packaging for over 20 years. We champion positive, practical, and equitable policy innovations, promoting continuous improvements to the benefit of our members, the environment, and civil society at large.

In 2025, Valpak reinforced its leadership in the circular economy through research, collaboration, and industry engagement. We advocate for practical, equitable policies that benefit the planet, our colleagues and the wider community.

Valpak by Reconomy

Advancing packaging policy through Valpak's PackFlow reports

In 2025, Valpak published its latest PackFlow reports, strengthening the evidence base that underpins UK packaging policy. These reports model future packaging waste volumes and compliance costs, giving government and industry a clear, data-driven view of what is needed to accelerate circularity.

With many of our core services linked to the UK government's circularity ambitions, the value of prioritising political engagement is clear. By making this research publicly available, Reconomy helped shape informed decision-making across the sector and reinforced its role as a trusted authority on packaging reform.

Shaping the future of textile EPR

Reconomy also contributed to national debate on the future of textile EPR through the publication of its new *Textile EPR Strategy 2030 paper*. The report outlines a five-year roadmap for businesses to navigate upcoming EPR regulations across Europe and beyond, with a focus on eco-modulation, Digital Product Passports, and supply chain transparency. Through its unmatched global PRO network and new Textile EPR Impact Assessment service, Reconomy supports clients from pre-EPR preparation through multi-jurisdictional compliance and circular model transitions.

The research commissioned by Reconomy in the drafting of this paper examined the real-world barriers that stop circularity from scaling across the textiles sector, revealing regulatory fragmentation, infrastructure gaps, data deficiencies, and consumer habits. The report proposed eight priority actions, including harmonised policies, shared standards, and cross-industry collaboration, to shift from pilot projects to commercially viable circular systems that cut emissions and costs.

Driving industry dialogue with Sancroft

At a circularity roundtable hosted by Sancroft, Reconomy joined policymakers and business leaders to explore how organisations can close the gap between ambition and action. The session highlighted the importance of high quality data, cross sector partnerships, and practical circular solutions that work commercially.

Case study

Partnership with Polytag advances recycling progress

In 2025, Reconomy brand, Casepak, partnered with a leading tag-and-trace technology provider, Polytag, to help brands cut packaging waste and improve recyclability. The partnership saw Polytag's UV tag detection and trace technology installed at Casepak's Midlands recycling facility, generating granular, real-time data on when and where packaging is recycled and the recycling rates of specific products. These insights will enable brands to report more accurately on sustainability progress, meet EPR requirements, and redesign packaging using alternative or lighter-weight materials to cut compliance costs and carbon footprint.

Reconomy brand Valpak will support integration of this data into brands' reporting systems, strengthening Reconomy's data capabilities and advancing the Ecotrace Programme, an industry-wide initiative backed by major retailers to increase transparency in packaging recycling.

Think Circular Live 2025

In 2025, our Think Circular Live event evolved into a dedicated platform for collaboration across the circular economy. Our second annual event brought together brands, retailers, policymakers, and sustainability leaders to focus on the future of textile EPR, Digital Product Passports, eco-modulation, and the regulatory shifts shaping global supply chains.

Attendees explored practical pathways for building scalable take-back models, improving data quality, and accelerating reuse and recycling. The events also showcased real-world success stories from across our brands, including insights from Valpak, RLG, ReBound, and ASC, demonstrating how data, technology, and collaboration are already driving measurable impact.

Think circular LIVE!

"Think Circular Live created a shared space for open dialogue and collective problem-solving, strengthening relationships between our brands and their customers. The event has become a catalyst for progress, helping organisations prepare for upcoming textile EPR and inspiring the next wave of circular innovation.

Aimee Campanella
Development Director, Textiles EPR

04 | Taking climate action

We're reducing our climate impact and supporting low-carbon services through a combined focus on adaptation, mitigation, and a net-positive approach to energy, nature, and water.

In this *section*

39 *Our approach to climate*

42 *Carbon reduction: Reaching net zero*

44 *Managing our GHG emissions*

47 *Becoming nature positive*

"Across our own operations, we are cutting emissions by using more renewable energy, improving fleet efficiency and reducing waste. As we look ahead, we will keep tightening our carbon performance in line with our science-based targets and long-term net zero ambition.

Simon Dennett
Director of Strategic Sourcing

Our approach to climate

We believe every business has a responsibility to protect the planet we all depend on. Across Reconomy, we are reducing our own carbon footprint while creating lasting, sustainable value for stakeholders.

The Reconomy Climate and Nature Positive Strategy

Launched in 2023, the Reconomy Climate and Nature Positive Strategy sets out our shared commitment to sustainability across the organisation. It underpins our vision of a waste-free world and strengthens our purpose: enabling the circular economy for every customer we support.

The realities of climate change, resource scarcity, and biodiversity loss present both risks and opportunities for our business. By delivering this strategy, we are working to reduce those risks while unlocking the value that circular solutions can create for our customers and society.

In 2025, we completed a climate and nature risk and impact assessment of our top operational suppliers, giving us clearer visibility of risks and dependencies in our supply chain. We also strengthened our long standing partnership with the Shropshire Wildlife Trust and participating landowners, supporting the protection and restoration of local ecosystems. Building on this foundation, each of our brands developed its own climate and nature action plan, ensuring that every part of the business is on a shared pathway to reduce emissions, protect biodiversity, and contribute to a more resilient, nature positive future.

Environmental Action Plan

To accelerate delivery of our Climate and Nature Positive Strategy, in 2024, we rolled out REAP. Designed to address the climate and biodiversity emergencies in every region where we operate, REAP is central to achieving our science-based 2028 carbon targets and our 2040 net-zero ambition. Find out more in *our REAP report.*

As net zero depends on nature recovery and a shift to a circular economy, REAP guides how we target, invest, disclose, and act across five connected focus areas:

- Climate action
- Nature positive
- Circular economy
- Sustainable procurement
- Resource reduction

In 2025 we focused on the sustainable procurement area. We used, and further developed, a tool that was commissioned and developed by Satarla Ltd (consultant support). This tool enables us to enhance visibility across our supply chain and to identify potential climate, environmental, and social impacts. The aim is to help us assess exposure and inform our procurement strategy and supplier action prioritisation. We used supplier activity data covering categorised business activity, total spend, and transaction counts. Sustainability data is overlayed onto these data to include high-level climate, environmental, and social indicators assigned at a country level. This has helped us identify key suppliers to engage with based on operational significance, geographic location, or environmental or social exposure. This work will be further developed in 2026 with our Loop Procurement teams.

Science-based emissions targets

Our science based emissions reduction targets, validated by the SBTi at the end of 2023, continue to guide our climate ambition. These informed the development of our carbon reduction plan, and throughout 2025, we continued to embed these commitments into day to day decision making. Building on this, every Reconomy brand has its own carbon reduction plan, supported by internal processes, stronger governance, and policies designed to reduce energy use and increase the generation and procurement of renewable power. Explore our *Reconomy-wide carbon reduction plan.*

Reconomy SBTi-approved emissions goals	
Overall net zero target	Reconomy commits to reach net zero GHG emissions across the value chain by 2040

Near-term targets		2024	**2025**
Absolute target	Reconomy commits to reduce absolute Scope 1 & 2 GHG emissions by 33.6% by 2028 from a 2021 base year	15.3%	**17.8%**
	Reconomy commits to increase active annual sourcing of renewable electricity from 86% in 2021 to 100% by 2028	95.6%	**94.5%**
Intensity target	Reconomy commits to reduce Scope 3 GHG emissions by 44% per USD value added[20] within the same timeframe	49.53%	**54%**

Long-term net zero targets	
Absolute target	Reconomy commits to reduce absolute Scope 1 & 2 GHG emissions by 90% by 2040 from a 2021 base year
Intensity target	Reconomy commits to reduce Scope 3 GHG emissions by 97% per USD value added[20] within the same timeframe

[20] Gross profit

TCFD and TNFD alignment

Since 2021, Reconomy has used the TCFD framework to assess the current and future risks and opportunities associated with climate change. This approach helps us give investors and stakeholders insight into how climate-related impacts could affect our business and how we are preparing for them.

In 2025, we continued to strengthen our climate- and nature-related disclosures. Building on the integration of nature into our climate-related financial reporting in 2024, we worked with GIST Impact to assess our indirect impacts and dependencies across the value chain. This analysis has significantly improved our understanding of nature-related risks and opportunities and enabled us to report more fully against the TNFD framework in 2025. Read more about how we report against the *TNFD in our Appendix.*

Our emissions data

We are working towards an 8% annual carbon reduction target for our Scope 1 and 2 emissions, tracking reductions in line with our science-based goals. Our verified carbon emissions data for 2025 shows that 96.7% (market-based) of our emissions are Scope 3, with the majority originating from operational supply chain transportation, capital spend, purchase of goods and services, and employee commuting.

Reconomy's acquisitions in late 2024 and early 2025 are now reflected in the 2025 inventory, with significant upstream transport emissions contributions from North American businesses.

As a result of acquisitions that have added more than 5% to our emissions, we have reassessed and restated our 2024 inventory. This has been done by using revenue for the acquired businesses as a proxy % for the previous year's carbon emissions. We have used this method to reassess our 2021 baseline and, due to the significant change, will resubmit our baseline and targets to the SBTi for validation.

199 tCO2e
total reduction in Scope 1 and 2 emissions

Emissions sources (market-based) **2024 emissions**

Scope 1
Fuel use:
9,669.91 tCO_2e
= 4.3%

Scope 2
Energy use:
172.32 tCO_2e
= 0.08%

Scope 3
Value chain:

Goods and services & capital goods
7,763.86 tCO_2e
= 3.5%

Upstream transportation
202,508.35 tCO_2e
= 90.3%

Employee commuting, waste, leased assets
2,453.47 tCO_2e
= 1.1%

Business travel
1,595.37 tCO_2e
= 0.71%

Total scope 3 emissions
214,321.05 tCO_2e
= 95.6%

Total 2024 emissions
224,162.99 tCO_2e **= 100%**

Emissions sources (market-based) **2024 Rebaselined emissions**

Scope 1
Fuel use:
9,6381 tCO_2e
= 3.38%

Scope 2
Energy use:
331 tCO_2e
= 0.12%

Scope 3
Value chain:

Purchased goods & services:
3,608 tCO_2e
= 1.27%

Fuel & energy-related activities:
2,609 tCO_2e
= 0.92%

Upstream transportation & distribution:
2,609 tCO_2e
= 91.59%

Waste generated in operations:
104 tCO_2e
= 0.04%

Capital goods:
2,167 tCO_2e
= 0.76%

Business travel:
1,623 tCO_2e
= 0.57%

Employee commuting:
3,474 tCO_2e
= 1.22%

Use of sold products:
413 tCO_2e
= 0.14%

Total Scope 3 emissions
274,949 tCO_2e **= 96.5%**

Total 2024 emissions
284,918 tCO_2e **= 100%**

Emissions sources (market-based) **2025 emissions**

Scope 1
Fuel use:
9,531 tCO_2e
= 3.2%

Scope 2
Energy use:
239 tCO_2e
= 0.08%

Scope 3
Value chain:

Purchased goods & services:
3,177 tCO_2e
= 1.11%

Fuel & energy-related activities:
2,588 tCO_2e
= 0.90%

Upstream transportation & distribution:
272,773 tCO_2e
= 95.20%

Waste generated in operations:
44 tCO_2e
= 0.02%

Capital goods:
2,550 tCO_2e
= 0.89%

Business travel:
1,090 tCO_2e
= 0.38%

Employee commuting:
3,667 tCO_2e
= 1.28%

Use of sold products:
630 tCO_2e
= 0.22%

Total Scope 3 emissions
286,517 tCO_2e **= 96.7%**

Total 2025 emissions
296,287 tCO_2e **= 100%**

Carbon reduction:

Reconomy commits to reach net zero GHG emissions across the value chain by 2040

PHASE 1

2023 to 2025

Phase 1 of our Carbon Reduction Plan focused on progressing against our Scope 1 and 2 targets by reducing operational energy use, switching to a 100% renewable energy tariff, and assessing the viability of solar energy production. We also laid the groundwork for significant Scope 3 emissions reductions by engaging with suppliers on their net zero progress and implementing a Sustainable Procurement Policy.

Where targets have been achieved or substantially achieved, we will continue to monitor progress through our KPIs. This will ensure new acquisitions are also included in the relevant targets and monitored. Where there is still progress to be made or our plans are off track, they have been moved to into Phase 2 and will be more closely linked to our refreshed sustainability strategy.

PHASE 2

2026 to 2028

Phase 2 will build on the goals achieved in Phase 1 by moving to 100% renewable tariffs across our international operations, expanding renewable energy generation, and transitioning our fleet to EVs. This phase will see crucial strides towards reducing value chain emissions by ensuring all new suppliers are committed to reducing their emissions.

PHASE 3

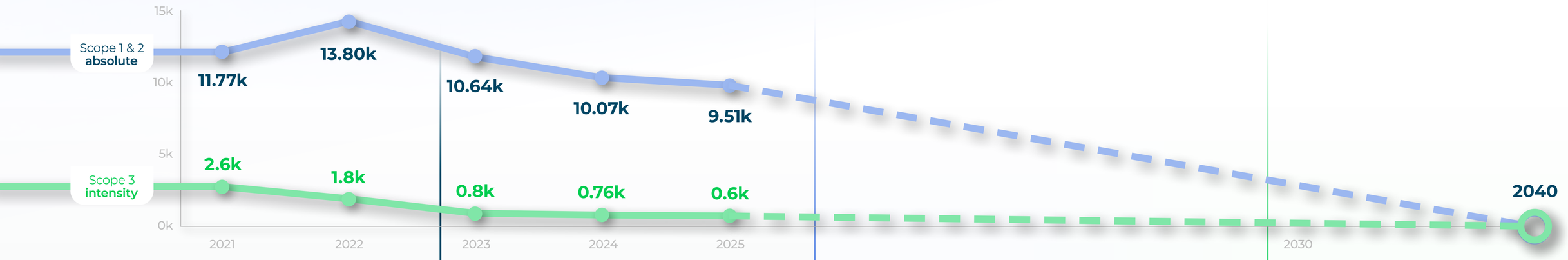
2029 to 2040

Phase 3 will ensure the ongoing success of our Carbon Reduction Plan by integrating collaborative carbon reduction incentives with our suppliers. Transport emissions reductions will be a focus of this phase by mandating low-carbon subcontracted vehicles and the use of EVs or alternative fuels throughout our own fleet and supply chain.

Carbon reduction:

Reconomy commits to reach net zero GHG emissions across the value chain by 2040

Achieved | In progress | Not started | Off track



PHASE 1
2023 to 2025

- Business units to have carbon metrics and targets
- Work with/move to lower-carbon suppliers and improve data metrics
- Reduce travel by using alternative approaches
- Incentivise subcontractors to use lower-carbon vehicles[21]
- 50% of suppliers to measure and report reductions
- 100% renewable tariff (UK)
- Dynamic route optimisation
- Heavy goods vehicle (HGV) fleet to trial hydrotreated vegetable oil (HVO) alternative fuel
- Implement Sustainable Procurement Policy
- Reduce energy use at offices and owned operations
- Policy to implement solar where viable

PHASE 2
2026 to 2028

- 50% of top suppliers by spend per Loop to measure and report reductions
- Move to 100% renewable tariffs internationally
- Mandatory net zero commitment for new suppliers
- Improve efficiencies to increase recycling and decrease incineration
- HGV fleet transition to HVO
- Continue seeking viable opportunities to install renewables
- Fully transition fleet to EVs
- Collaborate with suppliers to move towards lower-carbon options and improve data metrics

PHASE 3
2029 to 2040

- Fully collaborative carbon reduction incentives
- Mandate low-carbon subcontracted vehicles
- Suppliers and subcontractors to use alternative fuels by 2031 and transition to renewables by 2040
- HGV fleet transition to low carbon – electric/ hydrogen

[21] We have found these incentives challenging due to the limited market availability, the high cost of specialised electric HGVs, and the fact that HVO fuel is around 10-20% more expensive than diesel

Managing our impact and GHG emissions

For Reconomy, environmental responsibility is more than just meeting regulations. We are committed to leading in sustainability and driving positive change throughout our industry. Our ongoing innovations span all operations, and we work with partners across our value chain to lower carbon emissions.

37% reduction (market-based/gross profit) in Scope 1, 2, and 3 intensity from baseline

Strengthening our approach

In 2025, we strengthened our approach to managing GHG emissions by focusing on our operations and supply chain. We increased renewable energy use and adopted lower-carbon travel solutions. Our goal is to cut emissions quickly, incorporate circular practices, and strengthen our business and customer sustainability.

100% renewable electricity in UK operations, and we're on track for 100% globally by 2028.

Energy use and efficiency

Reconomy is a relatively low-energy consumption business, given our asset-light operating model. At the end of 2025, 81.5% of all energy procured (gas and electric) across our business was from renewable sources. Of that, 94.5% of electricity was from renewable sources against a business-wide target of 100% renewable electricity by the end of 2028.

Our UK sorting and warehouse facilities, operated by Casepak, Eurokey, and ASC, are among our highest-energy users, so reducing their impact remains a priority. All three now run on renewable electricity, reflecting our commitment to low-carbon operations. In 2025, £1.2 million was invested in solar arrays at Casepak, delivering a combined 1.2 megawatts of renewable energy capacity across its operations and significantly reducing grid reliance, lowering operational emissions, and strengthening our long-term energy resilience.

We continued to work with our UK energy partner, Bryt Energy, to transition major plants, warehouses, and logistics hubs to fully renewable power, while continuing to identify opportunities for efficiency upgrades and new technologies.

£1.2m invested in solar arrays at Casepak through a Purchasing Power Agreement, delivering a combined 1.2MW of renewable energy capacity.

Transport and logistics

We plan to have a low-carbon transport fleet by 2040, replacing all cars with EVs by 2028 and, in the meantime, transitioning our HGVs and vans to alternative fuels such as HVO. We also encourage transport partners to use lower-carbon options and efficient logistics.

In 2025, we renewed our fleet strategy, developed with a specialist partner, to prioritise EVs across our company cars, helping us move ahead of UK timelines for full EV adoption. We also consolidated travel procurement with a global partner to encourage lower-carbon journeys and prioritise business-essential travel.

Across our Re-use Loop logistics operations, ReBound and ASC continued to expand the use of alternative fuels, electric delivery vehicles, and multimodal transport. 12% of linehauls now run on HVO and 21% are completed by rail which, when compared to fossil diesel, represent an 89% reduction in emissions for those routes.. Efficiency initiatives, including removing plastic shrouds from stock, maximising truck-loading efficiency, and innovative trailer design, further reduced emissions by cutting waste materials and increasing load capacity. These actions have resulted in the average weight of CO2 per parcel being maintained at 0.29 kilograms.

ReBound use piloted reusable return boxes with a key client, purchasing over 270,000 units that were repeatedly returned to our warehouse for reuse. This initiative prevented significant packaging waste and achieved a 50% CO2e reduction per carton compared to single-use alternatives.

39% increase in EVs in the Reconomy fleet from 2024–2025

A drive towards zero waste

To support a circular economy, we are reducing waste with consistent recycling guidelines and a single-use plastics policy.

For example, at our ASC Bradford and Sheffield sites, switching to reusable glass bottles delivered a 72% reduction in CO2e, falling from 279 kilograms CO2e in 2024 to 77 kilograms CO2e in 2025. This shift is not only reducing our footprint but also supporting wider behaviour change by embedding a reuse-first culture across our sites.

Elsewhere, during Combineering's office relocation in Denmark, a sustainability-focused design enabled the reuse or second-hand sourcing of more than 40 pieces of furniture and appliances, including canteen tables, meeting chairs, desks, and storage units for the expanded space.

We also work with the Turing Trust, among others, to donate redundant IT equipment to those who lack access to technology. For example, as part of its relocation, Combineering also donated seven fully functional used computers to Stop Spild Lokalt, a Danish organisation that reduces food waste and helps financially stressed citizens access surplus food.

Case study

Employees take climate action

Our Net Zero Heroes are an international team of ambassadors who champion environmental best practice across our teams and facilities. They work together to strengthen responsible behaviours in the workplace, from improving recycling and trialling new waste-reduction ideas to supporting customer initiatives and marking global awareness events.

At the start of 2025, the Net Zero Heroes group focused on reducing colleagues' digital carbon footprint. They shared practical guidance to encourage more sustainable digital behaviours both in the office and at home including efficient data storage, mindful use of AI, and improved energy management.

Moving into the second quarter, colleagues took part in biodiversity-focused initiatives across office locations, including nature volunteering, the creation of wildflower gardens, and the installation of bird boxes across our offices.

In September 2025, our Net Zero Heroes led a company-wide push to champion reuse, repair, and conscious consumption as part of Second-Hand September. Through swap shops, donation drives, and awareness activities, teams collected 724.5 kilograms of items, avoiding an estimated 1,050 kilograms of CO2 and 400,000 litres of water compared with buying new.

The momentum continued into Circular Economy Month, where colleagues explored how circular principles can reduce waste and keep materials in use for longer. One initiative developed based on colleague insights was "Rehome a Plant". Having identified that healthy plants were entering the waste stream during site operations, shopfloor colleagues worked with a customer to rehome them. Since launch, 54 plants have been rehomed launch, turning potential waste into a positive opportunity that helps protect the planet and colleagues' wellbeing.

These initiatives help embed sustainability into everyday decisions and keep our climate ambitions front of mind across the business.

Becoming nature positive

With global biodiversity in decline, the need to protect and restore nature is urgent. A nature positive approach means preserving the systems our economies depend on. The circular economy helps by reducing waste and resource use, lessening ecosystem strain, and encouraging resource renewal.

We have committed 0.5% of our annual profits to community needs and the protection of nature.

Nature Positive Pledge

We launched our Climate and Nature Positive Strategy in 2023 to help protect biodiversity and the environment. As members of the UK Biodiversity and Business Forum, we have committed to the Nature Positive Business Pledge and have taken steps to support local biodiversity at our key locations.

Environmental stewardship

At Reconomy, we are committed to being responsible stewards of the natural environment, protecting biodiversity and using resources carefully to minimise our impact. Our operations use relatively little water, with most consumption occurring at RLG Austria, where equipment is cleaned for reuse.

As part of our wider sustainability efforts, we carried out biodiversity assessments across our sites in 2024 to understand nature-related risks, identify opportunities to enhance local ecosystems, and evaluate water-scarcity impacts. We found one such opportunity at our office in Telford, UK: the area near the car park is being managed as a meadow, which we are aiming to link to two nearby nature reserves.

These assessments confirmed that our direct operations present a low level of nature-related risk. To help embed this focus across the business, we also introduced a biodiversity module into our new-starter training, strengthening awareness and supporting the delivery of our Climate and Nature Positive Strategy. These updates support our wider sustainability strategy, Action: 2030, particularly our goal to take a net positive approach to nature and water resources.

Creating new partnerships

In 2025, our brand Ecofficiency Ltd partnered with Make it Wild, a rewilding and conservation charity, to assist with the planting and ongoing care of an agroforestry strip at Fraser Farms in Denby Dale. Agroforestry restores wildflowers and trees to the landscape, delivering numerous advantages such as providing habitats for wildlife, capturing carbon within trees and soil, enhancing soil quality, and fostering greater biodiversity.

Reporting on nature

Aligning our reporting with the Taskforce on Nature-related Financial Disclosures (TNFD) is a crucial step towards Reconomy becoming nature positive.

Aligning our reporting with TNFD is a key step in Reconomy's journey towards becoming nature positive. Early adoption of TNFD has also enabled us to be proactive, and through our DMA and a high-level value chain review, we identified potential biodiversity risks within our supply chain, helping us focus action where it matters most. To read more about our progress towards the TNFD-aligned reporting, please see the *Appendix.*

Case study

Shropshire Wildlife Trust

Restoring local nature with Shropshire Wildlife Trust

In 2025, Reconomy strengthened its partnership with the Shropshire Wildlife Trust, expanding funding and hands on support to accelerate biodiversity restoration across the region. Colleagues took part in volunteering days focused on woodland management, invasive species removal, and wildlife friendly land improvements, helping embed nature awareness across our teams.

This year also saw the extension of our joint project with the Trust and the Clee View Farmers Group to create a new Hazel Dormouse Highway, reconnecting fragmented habitats across three Shropshire farms. The initiative has planted: 3,510 trees to link hedgerow habitats, 1,468 trees to expand woodland, over 700 metres of hedgerow, 2 hectares of hazel woodland. This activity has linked a total of seven woodland areas.

Once mature, these habitats are expected to mitigate around 74 tonnes of CO2 annually while supporting long term nature recovery in partnership with local farmers. Through this collaboration, we are helping strengthen local habitats and advance a more nature positive future for the communities we serve.

Empowering people

05

Reconomy is committed to creating safe, inclusive, and rewarding workplaces while generating meaningful social value through community engagement, wellbeing, and measurable impact.

In this *section*

50 *Our people and culture*

54 *Diversity, equity, and inclusion*

56 *Supporting physical and mental health*

58 *Community engagement and investment*

"Embedding circularity into how we lead, develop, and support our people has been a major step forward this year. We want our culture to reflect the same principles we champion externally: empowering people, retaining talent, and creating continuous loops of growth. That means authentic leadership, consistent development opportunities, and making sure our people feel supported and heard.

Lyndsey Denning
Chief People Officer

Our people and culture

At Reconomy, everyone contributes to our goal of a waste-free, circular future. We foster an inclusive environment, offer tailored development, and support colleagues in building skills and advancing their careers.

Powering sustainability from within

In 2025, we integrated circularity into our people strategy by aligning leadership, development, and support with our business principles. This approach has strengthened the link between our purpose and people practices, emphasising talent retention, capability building, and ongoing growth to reflect our circular values.

As a purpose-led organisation, we want *our values* to be shaped by our people. Through our Reconomy Promise, we commit to openly sharing our experiences, expertise, similarities, and differences, so we can improve together.

Listening to our people

One of the key ways we listen and learn is through our annual colleague engagement survey, MyVoice, which in 2025 achieved a 77% response rate and a global engagement score of 69%.

Key survey insights

69% **69% of colleagues feel engaged** with the business.

72% **72% of people managers feel supported and trained in their management responsibilities,** an increase of 14% from 2024 following the launch of new manager masterclasses in May 2025.

86% **86% of colleagues feel their work contributes to the success of the business,** reinforcing the value of a clear strategic narrative.

76% **76% of colleagues believe the company supports a diverse and inclusive working culture.**

64% **64% of colleagues believe that we prioritise wellbeing**, a slight decline of one percentage point, highlighting an important area for further focus.

Flexible and hybrid working is the top reason colleagues stay, alongside supportive, collaborative teams, with 'the people' consistently cited as the best part of working at Reconomy.

MyVoice

Our 2025 MyVoice survey received a 77% response rate

77%

While these results highlight many positives, the feedback also shows that strengthening areas such as wellbeing will play an important role in improving morale, retention, and colleagues' ability to do their best work. Our people are deeply committed to Reconomy's mission and want to see the business succeed, but they need the right support and resources to thrive. Acting on the insights from this survey will be essential to sustaining and improving engagement in the years ahead.

Responding to feedback

In 2025, we continued to use the MyVoice survey insights to shape meaningful improvements across the business. This included a significant investment in LinkedIn Learning to expand access to high quality development, new leadership programmes to strengthen consistency and capability, and change management workshops and playbooks.

We enhanced parental leave, launched a new intranet to improve internal communication, and in 2026, we will introduce an EV purchase option via salary sacrifice. With action planning now standard practice across all teams, people managers have direct access to their results and dedicated training to help them respond effectively. We also track action planning progress monthly, strengthening accountability and ensuring feedback leads to meaningful change.

Creating fulfilling career pathways

We support colleagues to find purpose in their roles and build fulfilling careers, with internal mobility remaining a priority – 20% of vacancies were filled through internal promotion in 2025. Our structured approach to progression, including clear objectives, appraisals, and development planning, ensures career growth is aligned with our wider business strategy.

To strengthen this further, our People function now operates through dedicated Centres of Expertise (COEs) across Reward, Learning & Development, Systems & Data, and Talent, helping us deliver a more consistent and scalable colleague experience. We continue to offer a blend of role-specific training, compliance learning, and in-house masterclasses for people managers, supported by two full-time trainers in the UK. Our Learn to Earn initiative also provides regular product showcase sessions to deepen knowledge and encourage a wider understanding of all our brands, products, and services. Flexible working remains a core part of our colleague value proposition, supporting engagement, retention, and a culture where people can thrive.

77% colleague retention rate in 2025

Creating opportunities for growth

We continue to support colleagues in shaping their own professional development through training opportunities. This year, we saw a significant expansion of our global learning offer with the roll-out of LinkedIn Learning, giving colleagues access to externally verified, benchmarked, and transferable development content. LinkedIn Learning participation levels reached 64.5%, with colleagues completing 23,071.8 hours of learning across all platforms.

To strengthen career development more broadly, we launched Continuous Performance Development in 2025 following a successful trial at our RecoTek technology scaling centre in Bucharest. This approach embeds regular coaching and meaningful career conversations, empowering colleagues to shape their own progression with ongoing support. In addition, our formalised Talent COE is led by a newly appointed Director of Talent.

Strengthening our leadership pipeline

Our Leadership Framework is built on the principle that leadership is defined by actions, not titles. Central to this is Conscious Leadership®, a human-centred approach that equips leaders at all levels with the mindset, skills, and self-awareness to drive meaningful impact.

In 2025, we expanded this commitment by launching two new Conscious Leadership® programmes, one for experienced leaders and one for emerging leaders, ensuring development pathways are tailored to different stages of the leadership journey. Every senior leader has now taken part in the programme, reinforcing consistent behaviours and role-modelling across the organisation.

We continued to deliver leadership masterclasses across locations, including the 'Keeping It Real' series focused on honest conversations, alongside additional development sessions and coaching.

23,071.8 hours

of training for Reconomy colleagues provided throughout 2025, with 11% completing at least one sustainability training module

Celebrating our colleagues

The 2025 'We Are Reconomy' Awards acknowledged the outstanding contributions our colleagues made to Reconomy and its many brands over the last 12 months. Nominated by peers and voted on by the Communications Forum, this year's awards programme attracted more than 950 nominations across our brands, representing a more than 30% increase from 2024. **We celebrated our colleagues across 11 categories:**

- **Colleague of the Year –** Mark Hydzik (RLG)
- **Outstanding Achievement –** Martyn Kentish (Reconomy Connect)
- **Real Deal –** Catherine McCausland (RLG)
- **Innovation Supremo –** Hannah Osman (Valpak)
- **Customer Experience Extraordinaire –** Ella McCartney (Valpak)
- **Environmental Campaigner –** Mark Payne (Eurokey)
- **Community Champion –** Dave Reynolds (Reconomy)
- **Support Superstar –** Karol Wilski (Reconomy)
- **Personal Growth Pioneer –** Jessica Slater (Reconomy Connect)
- **Rising Star –** Jack Sutton (Webb's Training)
- **Dream Team –** ReBound North American Ops Team (ReBound)

We Are Reconomy Awards

Reconomy continued its partnership with Severndale Academy in 2025, supporting students to design and create this year's 'We Are Reconomy' Awards trophies from recycled and recyclable materials, and funding a residential trip to Liverpool.

Students were also invited to attend the 2025 We Are Reconomy Conference, receiving a round of applause for their efforts in creating the trophies. The collaboration forms part of the Reconomy Social Value Programme (RSVP), which has delivered **£6.7 million** in community impact since 2018.

Diversity, equity, and inclusion

We value diversity and strive to ensure everyone feels included. By welcoming varied perspectives and promoting respect, we enable our people and organisation to succeed.

Elevating diversity, equity, and inclusion (DEI) at Reconomy

2025 marked the first full year of implementing our *updated DEI strategy*, and we made meaningful progress in strengthening the foundations for a more inclusive organisation. We completed our initial round of global diversity data collection, giving us a clearer picture of our workforce, while also navigating local sensitivities in regions such as Germany and the Americas. As part of our comprehensive guidance to support managers through key transitions, we include resources to help them manage diverse teams and navigate topics related to inclusion and belonging.

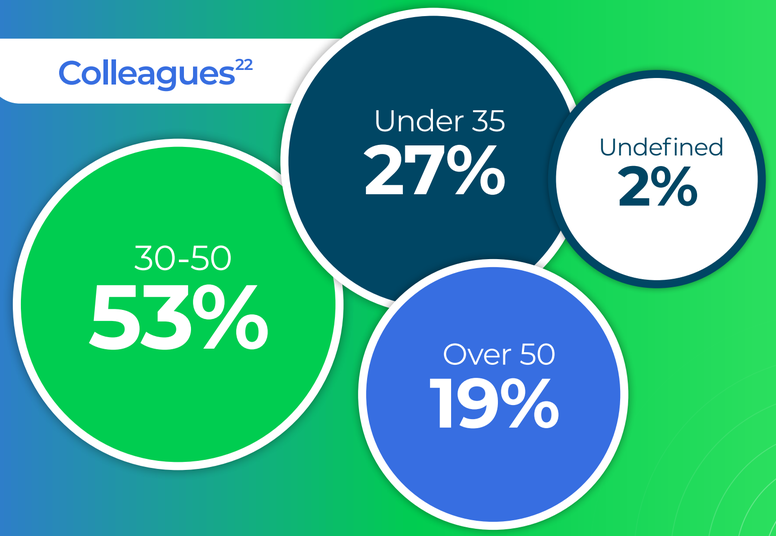
To drive ongoing momentum, we began establishing a dedicated DEI forum to create a space for discussion, challenge, and accountability. This work lays the groundwork for the next phase of our strategy, including partnering with an external provider in 2026 to analyse our demographic data in depth and guide future action.

Reconomy has also signed the Race at Work Charter, an initiative led by Business in the Community (BITC) to improve equality of opportunity for all, further reinforcing our commitment to workplace equality. By signing the charter, we pledge to take meaningful action in key areas, including senior leadership commitment, fair recruitment, and data-driven accountability.

Gender diversity

	All Colleagues	Management	Senior Management
Men	52%	53%	64%
Women	48%	47%	36%

Colleagues[22]



[22] Percentages may not add up to 100% due to rounding

Advancing gender equity and broadening representation

In 2025, we continued to strengthen our commitment to gender equity and wider diversity across Reconomy.

Building on the foundations laid in 2024, we enhanced paternity leave to two weeks' full pay and began updating our maternity and adoption policies to create a unified parental leave framework covering maternity, paternity, adoption, and shared parental leave. In addition, our Menopause Policy was refreshed and relaunched globally.

Alongside this, we have established dedicated networks for LGBTQ+, menopause, and mental health support, providing safe spaces for employees to share experiences and seek guidance. These networks play a crucial role in building a supportive and inclusive workplace culture where everyone can thrive.

We also took an intentional step towards diversifying senior leadership by appointing a female, ethnically diverse executive leader to our executive team. This reinforces our commitment to increasing representation at the highest levels of the organisation.

Closing the gender pay gap[23]

Our work to close the gender pay gap remains ongoing, with reporting across Reconomy UK, ASC, and Valpak continuing to inform targeted action. These efforts support our broader ambition to ensure fair pay, equitable progression, and a more inclusive experience for women across the business.

Gender pay gap	2024	2025
Reconomy UK	32.8%	25.3%
ASC	0.68%	7.69%
Valpak	15.6%	11.7%

[23] Gender pay gap calculated using UK Gov guidance

[24] We define 'local' as within the site/office postcode or a 20-mile radius

52% **At a business-wide level, 52% of colleagues are employed locally[24].**

Creating local employment opportunities

As part of our RSVP, we are committed to providing local opportunities by creating jobs and supporting community initiatives. This ensures that our efforts not only benefit the business but also contribute to the growth and development of the communities where we operate. Read more about RSVP in the Community section.

Supporting future generations

True inclusion starts before the job offer. Reconomy's annual paid internship programme is designed to open doors for people who might otherwise find them closed – offering structured placements to candidates from all backgrounds, with dedicated positions reserved for care-experienced young adults through the company's partnership with NHP and the Care Leavers Covenant. In 2025, 23 interns joined the business alongside 10 apprentices, gaining real experience across commercial, operational, and sustainability functions.

33 **In 2025, we recruited 33 interns and apprentices.**

Supporting physical and mental health

Our business succeeds when our people feel happy, healthy, and supported. By placing wellbeing at the centre of our approach, we are building an environment that strengthens resilience and fosters a genuine culture of care.

2,427 hours

In 2025, a total of 2,427 hours of training were dedicated to mental health awareness, wellbeing, and support, reinforcing our commitment to a healthier and more resilient workforce.

Our wellbeing and mental health programmes

In 2025, we strengthened our commitment to colleague wellbeing by expanding the support available across both physical and mental health. We continued the launch of the wellbeing zone on the MyPerks platform, increased investment in mental health first aider training, and began reviewing key processes and policies to ensure our approach provides support for all.

Our colleagues continue to have 24/7 access to the BUPA Employee Assistance Programme (EAP) and helpline (or equivalent provider), offering confidential support on topics including mental health, financial wellbeing, and family matters. We also reviewed and improved the wellbeing centre on our benefits platform by providing access to instant virtual general practitioner appointments and corporate gym memberships in addition to the existing EAP and holistic wellbeing page.

Peer-led mental health support

Our Mental Health First Aider (MHFA) network also plays a vital role across the business, providing early support and signposting when colleagues need it most. In 2025, we increased investment in MHFA training, with 25 additional colleagues trained across the business. Every brand now has at least one trained MHFA, ensuring consistent access to support regardless of location or role. This forms part of our wider commitment to creating a safe and inclusive workplace.

For example, at Valpak, we trained five more mental health champions and two MHFAs to help support our wellbeing initiatives. In 2025, our Valpak mental health supporters hosted over 500 hours of wellbeing activities, including nutrition webinars, mental health talks, coffee mornings, and weekly meditation sessions.

For Recycle Loop colleagues, we created a Mental Health section on the Reconomy Hub intranet to provide additional support and resources. A Wellbeing Group was also created, bringing together MHFAs and volunteers to lead and share wellbeing and volunteering initiatives across the Loop. The November Workbuzz Survey reported a wellbeing score of 67% for Recycle UK – a 2-point increase from the previous survey.

Mindful miles with colleagues

In November, Webbs Training Services joined the Movember campaign to raise awareness of men's mental and physical health. The team launched a competition offering free First Aid for Mental Health training courses, distributed goody bags at the Birmingham Training Centre, and delivered training with partners including Hindley Contractors. These initiatives helped highlight the importance of open conversations and practical skills in supporting men's wellbeing.

In 2025, more than 20 colleagues took part in The Great Birmingham Run to support physical wellbeing and to fundraise on behalf of our charity partner, NHP. For 2026, a new partnership with The Great Run Company will expand this wellbeing initiative, offering colleagues the chance to participate in five Great Run events across the UK. Over 70 colleagues have already registered, reflecting our ongoing commitment to supporting the physical health and wellbeing of our people.

Case study

Mental Health Awareness Week at Reconomy

During Mental Health Awareness Week 2025, teams across Reconomy came together in ways that reflected our core value of community. Highlights from across the organisation included:

- Practical mental health awareness sessions delivered by the Webb's Training team at Casepak
- A nutritious team breakfast to encourage connection and conversation at Ecofficiency
- Sunny wellness walks that sparked meaningful discussions beyond the desk at Reconomy Connect, Waltham Abbey
- Colleagues at ASC and Reconomy Connect's office in Newark participated in Wear It Green Day, raising funds for the Mental Health Foundation
- A full week of activities at Valpak, including a Greek food truck, a wellbeing talk, an employee coffee and games morning, a guided meditation session, and conversations with our Mental Health Champions

Our Mental Health Champions played a central role in shaping the programme, helping us build a workplace where people feel safe and supported.

Reconomy

Prioritising occupational health and safety

We continue to prioritise occupational health and safety as a core organisational priority. All colleagues receive the training, equipment, and induction they need to work safely, relevant to their working environment.

These requirements are supported by clear Standard Operating Procedures and regular toolbox talks that reinforce best practice and maintain a culture of continuous safety awareness, particularly within higher risk operational environments.

In 2025, there was a rise in transportation and manual handling incidents, resulting in increased lost time. Efforts to address this include specialised training, refresher courses, and behavioural safety audits, with a strong focus on audits and inspections targeting repeat incidents. Additionally, ongoing initiatives aim to improve the accuracy and consistency of health and safety incident reporting across various locations, taking into account differing national regulations, with the goal of achieving greater alignment and standardisation in data reporting.

Health & safety performance

Metric	2024	2025	Year-on-year change
Accident Frequency Rate (AFR)	1.83	1.77	3% decrease
Lost Time Injury Frequency Rate (LTIFR)	3.25	4.22	30% increase
Lost Time Injury Severity Rate (LTISR)	28.93	35.69	23% increase

Community engagement and investment

We are dedicated to creating meaningful impact in our communities. In 2025, we focused on initiatives that provide social value, support colleagues, strengthen partnerships, and invest in effective programmes. Our targeted engagement and ongoing investment drive positive change wherever we operate.

Reconomy Social Enterprise

The Reconomy Social Enterprise Community Interest Company (CIC) brings together a range of social enterprises and charities under one umbrella. These organisations tackle challenges such as managing hard-to-recycle materials and supporting socially disadvantaged or vulnerable people into employment, helping us create meaningful social value across the communities we serve.

Building innovative partnerships

Through the Reconomy Social Enterprise CIC, we connect our charity partners with customers to find innovative uses for waste and surplus materials. This creates new circular material streams, delivers social value, and helps businesses divert valuable resources from landfill.

In 2025, we completed 36 donation requests and grew our network to 31 different charities and reuse partners. Office furniture was our single biggest material stream this year, and over a third of our work focused on specialist or non-standard materials including cable drums and first aid kits.

Since 2024, this initiative has generated over £2,000 for young adults leaving care and setting up their own home supported by the NHP (National House Project) projects, furthering our commitment to social impact and sustainability.

Reconomy Social Enterprise

> *For many young people, leaving the care system and entering the next phase of life can be daunting. NHP supports them to develop the practical and emotional skills they need to live interdependently. We are delighted to be the beneficiary of the Reconomy Social Enterprise CIC, which aims to create lasting positive impact through social value and community support. This support allows us to continue supporting as many young people as possible, and this year's funds will be used to purchase white goods for our care leavers entering their first home.*

Kat Luckock
Director of Partnerships, The National House Project

The Reconomy Social Value Programme (RSVP)

RSVP is our dedicated initiative for supporting voluntary and community initiatives that promote wellbeing and create meaningful local impact. Through RSVP, we focus on three core areas: Breaking Barriers, Bridging Gaps, and Community Engagement, supporting projects ranging from school partnerships and nature programmes to employment initiatives for people from hard-to-reach backgrounds.

£6.7 million
in social value generated since 2018.

THE NATIONAL HOUSE PROJECT

Breaking Barriers

We actively seek out talent from all backgrounds, including individuals from underserved communities.

Our Breaking Barriers initiative creates employment pathways for people from marginalised or vulnerable groups, such as prison leavers, ex-military personnel, and those experiencing long-term unemployment. Through tailored training, recruitment support, and personal development, the programme helps people move towards independent, fulfilling lives while contributing to reduced re-offending rates among participating prison leavers.

Bridging gaps: National House Project partnership

Through our long-standing partnership with NHP, we offer ring-fenced paid internships across selected Reconomy brands for young people leaving the care system. As NHP's first commercial partner back in 2018, we continue to support local projects in Wolverhampton and Coventry, providing employability skills, internships, and apprenticeships. Our partnership goes beyond placements: a Reconomy director now serves as a trustee of the charity, and we provide mentoring to NHP's leadership team.

Giving back to our communities

We support our employees' desire to give back by providing all colleagues with a paid day each year for volunteering. This programme enables colleagues to contribute to their communities – whether through direct projects, skills-based volunteering, or helping local charities – while also building stronger community ties.

Our colleagues supported a wide range of community initiatives throughout the year, from environmental projects to youth development and local charity partnerships. Highlights from 2025 include:

- **Environmental conservation:** Colleagues from our Central Sales Team partnered with Pinewoods Conservation Group to remove invasive Himalayan balsam, helping protect native biodiversity in local woodlands.
- **Youth and education support:** Reconomy Connect sponsored the LionHeart Challenge at Lacon Childe School in Shropshire, supporting Year 10 students as they developed Community Action Projects to benefit their local area.
- **Local environmental action:** Reconomy Connect colleagues in Bristol carried out community litter picks in Greville Smyth Park, collecting multiple bags of waste and improving the local environment.
- **Community sports:** Eurokey sponsored the Weldon Girls Under-12s cricket team, strengthening local youth sport participation.
- **Global community impact:** RLG Systems India volunteers joined Clean 2 Green and Meenakshi College to clean 1.5 kilometres of coastline at Elliot's Beach in Chennai, collecting 250 kilograms of waste.
- **Building resilience:** Colleagues from Reconomy Connect and Ecofficiency tackled the 2025 Housebuilder Challenge – a 10-hour trek through the Yorkshire Dales – to raise funds for the Youth Adventure Trust, supporting vulnerable 11–15-year-olds with outdoor adventures that build resilience and lifelong skills.
- **Raising awareness:** Eurokey's 'Save Our Seas' float at Kettering Carnival, crafted from recycled materials by a local school, raised plastic pollution awareness and won 'Best Group Effort,' engaging the community in ocean conservation efforts.
- **Supporting education:** Casepak partnered with Leicestershire County Council to deliver engaging recycling education sessions to local pupils.

£23,026.88
raised by our colleagues in 2025

£143,190
contributed to fundraising through donations in kind in 2025

2,949 hours
volunteered by our colleagues in 2025

Case study

Creating a calming space for children in Bradford

A team of ten colleagues from Reconomy brand ASC swapped supply chains for spades and paintbrushes to create a calming space for children at a local school in Bradford.

Working together, the team built a new Reading Shed – a quiet space designed to support children who struggle with behavioural challenges by giving them a dedicated place to reset through reading. Alongside the build, volunteers revitalised the surrounding outdoor area, painting furniture, clearing overgrown greenery, and transforming the space into a brighter, more welcoming environment.

At Reconomy, sustainability is about more than materials and waste; it's also about sustaining communities and investing in the next generation. This project brought that commitment to life.

06 | Responsible procurement

By embedding responsible and ethical practices across our supply chain, we ensure our procurement decisions reflect our sustainability principles and strengthen resilience.

In this *section*

62 *Building a sustainable supply chain*

64 *Advancing our approach to responsible sourcing*

"Responsible sourcing is how we manage risk, unlock value, and make sure every pound we spend helps build a more circular, resilient supply chain.

Jamie Halstead
Chief of Staff

Building a sustainable supply chain

We uphold strong ethics and transparency in our supply chain, applying responsible procurement standards globally to ensure integrity, fairness, and sustainability across all brands and regions.

Our sustainable procurement practices

Sustainable procurement is embedded across our operations, guiding how we select suppliers and monitor performance. Our approach aligns with ISO 20400 Sustainable Procurement Guidance and international standards, including the UNGC, OECD guidelines, and our Modern Slavery and Anti-Bribery & Corruption policies.

2,425
suppliers assessed during 960 supplier site visits

Sustainable Procurement Framework

Our Sustainable Procurement Framework sets out how we identify and manage environmental and social risks across our supply chain. The updated plan for 2025–2030 focuses on mapping carbon and materials data, identifying high impact suppliers, developing reduction plans, and carrying out annual monitoring and reassessment. This work will evolve further in 2026 through workshops with supply chain teams, internal audits, and new support tools to strengthen sourcing in higher risk categories. Our aim is to deepen risk-based engagement with our highest impact suppliers in 2026.

Sustainability Supplier Charter

Our *Sustainability Supplier Charter* encourages suppliers to set CO2e reduction targets, improving carbon management and data across our value chain. Transport and logistics remain a major focus area, with brands such as Combineering in Denmark developing tools to help customers choose lower-carbon transport options and prioritise rail where possible. We continue to collect operational data from suppliers for carbon reporting and improve data quality through our Supplier Data Hub, which enables suppliers to upload packaging and materials data more efficiently.

Every year, ReBound's Network Sustainability Index (NSI) evaluates carriers across 15 criteria spanning sustainability, social responsibility, and operations. All carriers that score 70% or higher are rated as sustainable partners. In 2025, the average NSI score improved to 72% (2024: 68%), supporting our 2030 target of 85% of parcels handled by these high-performing carriers.

100%

As of 2025, 100% of preferred and approved suppliers from across our business have our Code of Conduct.

69.6%

of supplier spend allocated to SME suppliers

Our commitment to local suppliers

Across our operations, we aim to work with local suppliers wherever possible, building long-standing relationships that support local economies and strengthen our supply chain. We are committed to:

- Paying suppliers on time and in line with agreed terms.
- Engaging with suppliers in a transparent, consistent, and fair way.
- Working only with partners who uphold high ethical standards and are committed to improving their sustainability performance.
- Encouraging ongoing engagement and continuous improvement.

Alongside prioritising local procurement, we also look to support SMEs where feasible. At the end of 2025, 79.7% of our suppliers were SMEs (with 81.6% in the UK Recycle Loop) against a target of 80%. In the UK, 0.17% of our preferred suppliers were VCSEs, against a target of 2%.

0.17% **of our preferred suppliers are VCSEs**

Advancing our approach to responsible procurement

To ensure consistency across our global operations, in 2025 we continued to embed a unified procurement strategy by introducing standardised supplier onboarding, applying supplier risk assessments, and rolling out a group Sustainable Procurement Policy. Together, these steps help ensure every supplier relationship meets our expectations for quality, ethics, and environmental performance.

In 2025, we strengthened how we manage contracts and suppliers across Reconomy. A new contract life cycle management system and upgraded procure-to-pay tools now give us a single view of our suppliers, contractual terms, and ESG requirements, improving transparency and compliance across all brands.

Improving decision-making through digitisation

We expanded our digital capabilities to give us clearer insight into our supply chain and spending patterns. **Key 2025 updates include:**

- AI-driven spend analysis to track global spend and understand category-level trends
- Digital tendering tools, including autonomous sourcing bots, to run fair and transparent sourcing processes
- Market discovery platforms that help us identify new suppliers who meet our sustainability and quality criteria

These tools help us embed sustainable procurement into new markets, goods, and services.

Focused category management

Our Group Sourcing team now has clearer ownership of high-impact categories such as IT, facilities, utilities, fleet, property, and travel. This includes practical initiatives, such as laptop refurbishment pilots that extend device lifespans from three to six years, and more sustainable travel management supported by a global travel partner and tools that encourage lower-impact choices.

Building internal capability

We continue to invest in the skills and knowledge our teams need to apply sustainable procurement principles in their day-to-day work. In 2025, we expanded access to learning pathways through LinkedIn Learning, the SCSS, and our new intranet 'Hub', giving colleagues a central place to access guidance, policies, and training. Our partnership with SCSS remains a core part of this approach, providing tailored learning on topics such as sustainable procurement and a foundation in sustainability and circularity for new employees.

07 Ethical business

We operate with integrity, strong governance, and transparent reporting, upholding global standards that give customers confidence in the quality and security of our data.

In this *section*

66 *Ethics and governance*

68 *Upholding standards*

Ethical business at Reconomy is a source of momentum, not constraint. It gives our people a clear compass: if a decision is fair, safe, and true to our values, we lean into it with confidence – whether that's choosing a supplier, integrating a new business, or exploring what's possible with AI.

Phillip Vincent
Chief Financial Officer

Ethics and governance

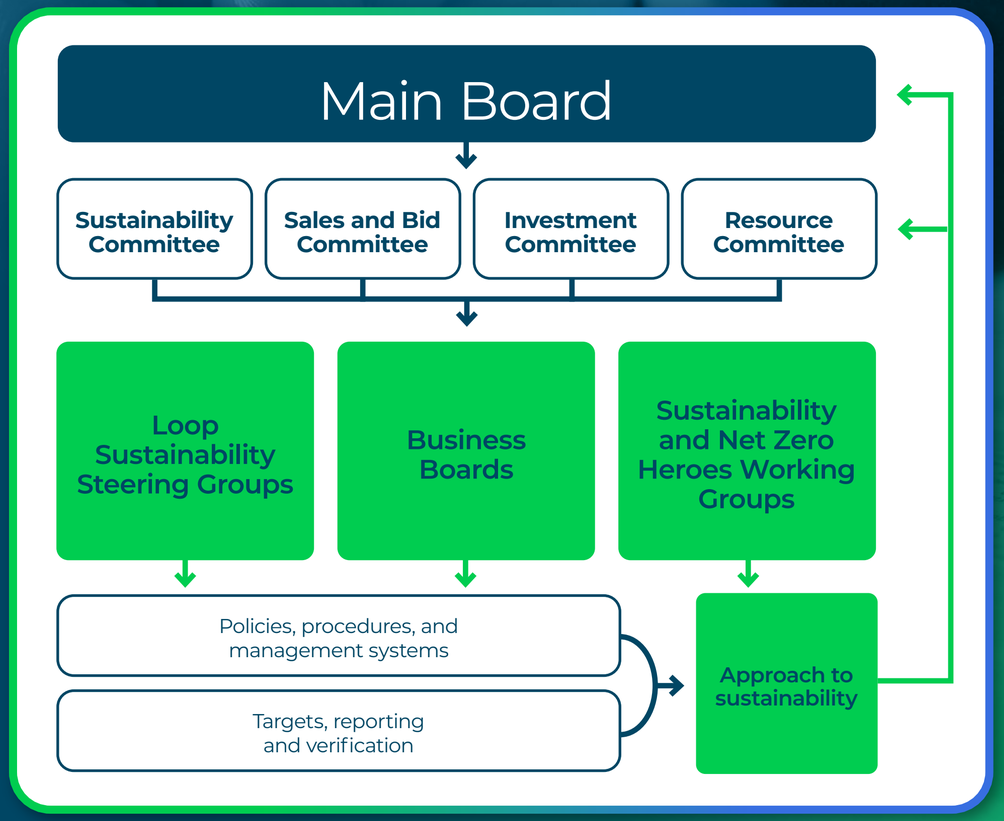
Strong governance is crucial for embedding Reconomy's values, ensuring an effective strategy, and upholding high ethical standards for our customers and sector.

Governance structure

The Sustainability Committee oversees and monitors the implementation of our strategy.

Daily management of the risks and opportunities is delegated to the Group Sustainability Director and Loop Sustainability Leads. Each brand contributes to a quarterly report that is submitted to the Reconomy Board for accountability. Each Loop Sustainability Lead is integrated with Loop management and has a Sustainability Steering Group that drives strategy implementation across our operations.

In addition to the Sustainability Committee, the Sales and Bid, Investment, and Resource Committees ensure that sustainability risks and opportunities are integrated into decision-making.



Risk oversight

Our approach requires identifying, assessing, and reporting risks while maintaining a robust internal control framework. This ensures that risk management is embedded within the daily operations of the business.

We integrate environmental, community, and economic risk management into our enterprise risk management with identification and implementation through the sustainability risk register and loop risk registers.

The register assigns clear lines of responsibility and accountability for risk management. Reconomy conducts internal assessments to evaluate the effectiveness and efficiency of its risk management and control processes. Short-term risks are managed and mitigated through our business continuity processes. The Reconomy Operating Committee is responsible for managing enterprise-wide sustainability risks, reports to the Board, and monitors key enterprise and legislative-related risks.

Aligning with best practices of ethical conduct

We embed the principles of our *Business Ethics: Code of Conduct* into everyday operations and how we work with customers and suppliers. The Code sets clear expectations for the behaviour of all colleagues and anyone acting on our behalf.

All employees are expected to confirm they have read and understood the Code through our HR system and complete mandatory training on bribery and corruption, modern slavery and human trafficking, and cyber security. Governance committees oversee key areas such as investments, resource allocation, and financial audits, while strengthened supplier onboarding processes help ensure ethical standards are upheld across our operations.

When we acquire new businesses, we integrate them into our ethical and sustainability framework as quickly as possible.

Human rights

Reconomy is committed to ensuring there is no modern slavery or human trafficking in any part of our business, and we expect the same from all suppliers. This commitment is reinforced through mandatory modern slavery training, our *Modern Slavery Statement,* and our membership with the UNGC.

90% **of employees completed modern slavery training in 2025.**

We ensure our governance and management approach complies with local safety and employment regulations. We recognise the 19 major occupational risk factors identified by the International Labour Organization (ILO) and assess potential sector-specific risks accordingly. Further detail is available in our *Appendix.*

Data privacy

We continue to invest in information security and data privacy, strengthening our teams and the tools that support business continuity and customer trust. In 2025, 96% of employees completed cyber security training. We are also working to expand compliance with recognised standards, such as ISO 27001 across the business, meaning that now 74% of key brands are now covered by ISO 27001 and/or Cyber Essentials.

As digital tools become more integrated into our operations, we are developing an AI ethics policy to guide responsible use across the business. This will support colleagues as AI becomes increasingly embedded in procurement and supply chain processes.

96% **of employees completed cyber security training in 2025.**

Upholding standards

Across Reconomy, we have consolidated our ISO 9001 certifications for establishing and maintaining our quality management system and streamlining our processes. Mature and established ISO 14001 certification is implemented across key brands, providing a framework for environmental management and compliance. Regular assessments of our business operations drive the highest standards of quality and environmental best practice and ongoing improvement.

Eight Reconomy brands are now assessed and rated by EcoVadis to ensure our approach encourages continuous improvement. Our target is for each brand to aim for a score of higher than 78, and to improve their score by at least 3 points. In 2025, Reconomy brands achieved an overall EcoVadis rating of between 66 and 85, reflecting our progress in responsible business practices.

We also report in line with leading voluntary standards, including CDP, where we achieved a B score. Reconomy is CDP Supplier Engagement leader 2025.

Certifications and memberships

EcoVadis

Over half of the assessed Reconomy brands are in the top 5% of companies globally for sustainability management.

Brand	Score
ASC	78 (Silver)
Combineering	83 (Gold)
Noventiz	83 (Gold)
OS Bidco	66 (Bronze)
ReBound	72 (Silver)

Brand	Score
Reconomy Recycle	77 (Silver)
RLG	83 (Gold)
Valpak	85 (Platinum)

United Nations Global Compact

Reconomy regularly submits its UNGC Communication on Progress (CoP), describing the practical actions we take to implement principles in each of the four issue areas (human rights, labour, environment, and anti-corruption).

Science Based Targets initiative

Validated by the SBTi in December 2023, our science-based target for net zero carbon underscores our commitment to achieving net zero carbon by working closely with our customers, suppliers, and stakeholders to reduce our climate impact.

Carbon reporting

Reconomy is certified to ISO 14064, an international standard for quantifying and reporting GHG emissions, which supports a full GHG inventory for the business and includes data verification and auditing, along with carbon reduction planning and targets.

CDP

Reconomy voluntarily discloses to the CDP and in 2025, achieved a score of B. It is important to us and our stakeholders to track and benchmark our progress, building trust through transparency.

Ellen MacArthur Foundation

We joined the Ellen MacArthur Foundation to collaborate on advancing the circular economy, helping to drive sustainable practices across industries.

UK Business and Biodiversity Forum

Reconomy is a member of the UK Business and Biodiversity Forum (UKBBF). This enables us to further develop our understanding of biodiversity and how best to integrate nature into our business strategy and reporting while sharing insights with peer organisations. In addition, Reconomy has signed the Nature Positive Business Pledge, committing to halt and reverse impacts on nature.

Looking forward

As we look ahead, our purpose remains clear: to create a waste-free world by helping businesses keep materials in use for longer and accelerate the shift to a circular economy.

In 2025, we strengthened the foundations needed to close the circularity gap – enhancing our procurement systems, improving data management, and advancing the digital tools that underpin better resource decisions. The launch of CircuLab, alongside the integration of newly acquired businesses, expands our capability to deliver consistent, tech-enabled circular solutions across more markets.

In 2026, we will build on this progress by embedding our refreshed Sustainable Procurement Framework, deepening risk-based engagement with our largest suppliers, and improving the quality of data for our carbon footprint, materials, and packaging data across our value chain. These improvements will help customers make smarter, lower-impact choices and unlock new opportunities for circular design and reuse.

We will continue investing in our people through targeted learning pathways and sustainability inductions, ensuring colleagues have the skills and confidence to support customers and drive change. As our global footprint grows, we remain committed to consistent standards, responsible governance, and a unified culture across all brands.

By combining technology, our people's expertise, and strong partnerships, we will continue to lead the transition to a more circular economy – helping businesses reduce waste, conserve resources, and create long-term value for society and the environment.

Diane Crowe
Group Sustainability Director

Appendix

08

This report provides details of our performance relating to topics that are material to our business; it has been prepared in accordance with the GRI Standards and TCFD. In this report, a material sustainability topic is one that reflects Reconomy's most significant ESG impacts, or one that could substantively influence the assessments and decisions of our stakeholders. The following pages detail our GHG emissions inventory, Climate and Nature Financial Disclosures, and GRI for 2025.

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75 Stakeholder engagement

78 GHG emissions inventory

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96 GRI Index

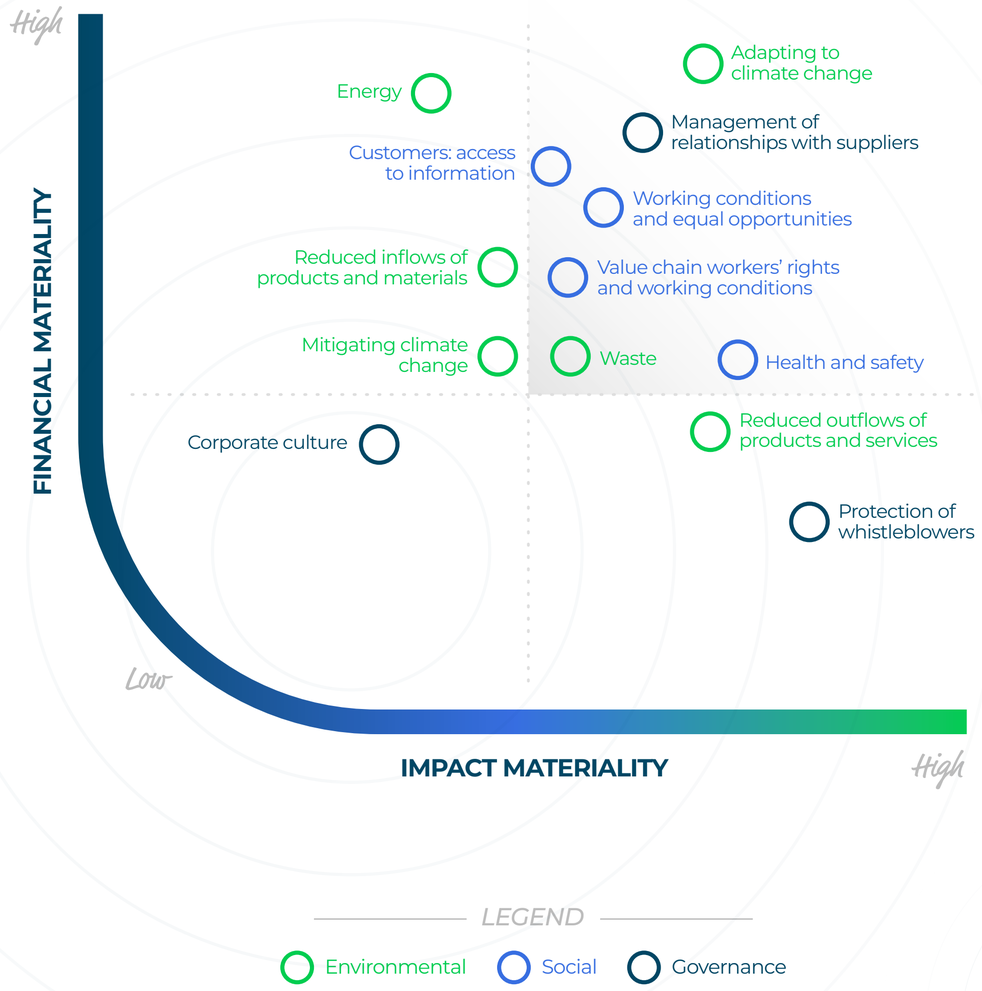
Double materiality assessment

As part of our CSRD preparation, we conducted a DMA to align our material issues with our business strategy and understand our impacts and stakeholder priorities.

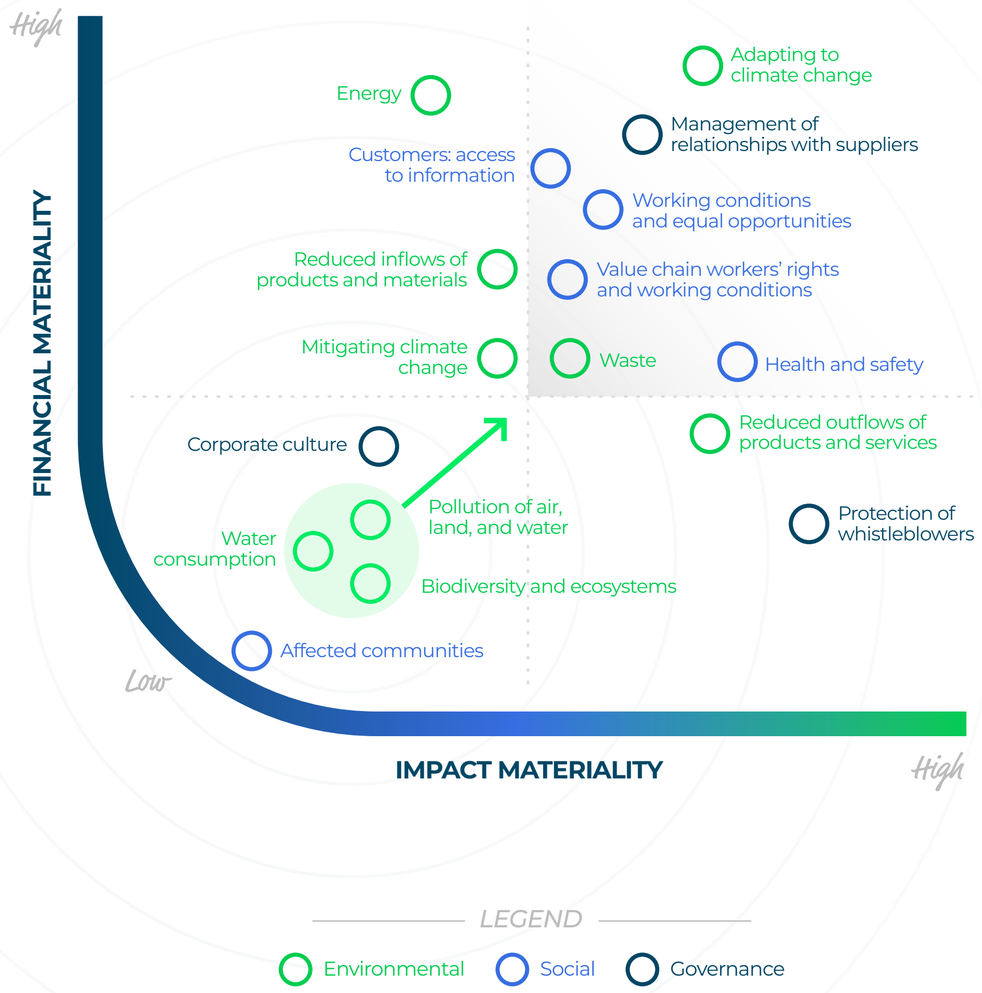
Building on our existing voluntary reporting to the GRI Standards, this assessment strengthens our ability to report in line with European and global standards for sustainability reporting by identifying key sustainability topics through a structured process:

1. **Research and alignment**
   – conducting internal reviews and industry analysis
2. **Data and insight**
   – identifying key topics through stakeholder mapping and benchmarking
3. **Feedback and strategy**
   – gathering input from employees, investors, and other stakeholders to refine our approach

Reconomy's own operation double materiality matrix



Reconomy's value chain double materiality matrix



We also set up a cross-functional CSRD Steering Committee, identified executive sponsors for each ESRS topic, and involved our Sustainability Committee throughout the process. To ensure a robust assessment, we collaborated with third-party experts, analysed our existing data along with relevant industry sectors, and engaged stakeholders through surveys and consultations.

We identified the following material topics as critical to our business:

1. **Climate adaptation:**
   Limit business disruption from climate events, mitigation challenges in existing assets and transportation, and lack of access to renewables and increased energy costs.
2. **Resource use and the circular economy:**
   Impacts of reduced outflows, legislation opportunities, and limitations and costs of recycling infrastructure.
3. **Our own workforce:**
   Climate, health and safety, working conditions, and equal opportunities to attract and retain talent.
4. **Workers in the value chain:**
   Risk of poor working conditions, human rights violations, and reputational damage.
5. **Consumers and end users:**
   Transparency of data for customers for improved decisions on waste reduction.
6. **Business conduct:**
   Lack of transparency in the supply chain.

Following the EU Omnibus, released by the EU in 2025, we have taken the time to review and prepare for the simplified ESRS. Reconomy is in scope for mandatory reporting in 2029 with 2028 data.

Material sustainability risks, impacts, and opportunities

		Location in value chain			Time horizon		
		Upstream	Own operations	Downstream	Short term	Medium term	Long term
Climate change adaptation							
Disruption to the supply chain resulting in inability to supply services to customers - As a result of increasing extreme weather events (e.g. extreme heat, floods) there is the potential for supply chain disruptions which could result in the inability to supply services to customers, resulting in financial losses and reputational damage. This may also lead to higher operational costs including insurance premiums, changes to infrastructure, higher costs of resilient supply chain management.	*Risk*	●		●		●	●
Lack of investment in renewable technology and infrastructure - As a result of a lack of electric and or alternative low carbon infrastructure, vehicles and buildings there is a potential impact on the environment from elevated emissions across value chains.	*Actual negative impact*	●	●	●			●
Impact on office locations and infrastructure and colleagues ability to work for extended periods - As a result of changing climates there is a risk of extreme weather events (e.g., flooding, temperature changes) impacting office locations and infrastructure, resulting in higher maintenance costs and possible relocation. Some geographies at higher risk. There is the potential that employees may not be able to work for extended periods which may result in employee wellbeing issues, operational disruption, the need to invest more to adapt offices and infrastructure and increased costs.	*Risk*	●	●		●	●	●
Climate change energy							
Investment in own renewable energy security - As a result of choosing renewable energy and installing own energy sources there is the potential that energy security can be increased and costs can be reduced (including costs of disruption). Potential for financial incentives from the government for using renewable energies to offset costs and cut emissions.	*Opportunity*	●			●		
Potential for increased energy costs - As a result of growing energy costs in response to climate change, there is a risk of higher operational costs from recycling, resulting in changing profit margins.	*Risk*	●	●	●			●
Resource use and circular economy							
Supporting customer sustainability objectives - As a result of helping customers innovate in product and service design there is the potential to reduce packaging requirements which may lead to reduced environmental impact (climate, biodiversity, pollution).	*Actual positive impact*	●	●	●		●	
Potential to reduce new material consumption - As a result of helping customers to increase efficiencies in recycling and reuse of materials there is the potential to reduce consumption of new materials as well as reduce waste levels which will lead to reduced environmental impact.	*Actual positive impact*	●	●	●		●	
Limitations of reuse and recycling infrastructure - As a result of limitations in current waste infrastructure, there is the potential that not all waste can be processed, which may lead to increased impact on the environment and the potential that business growth will be limited due to end processing constraints.	*Risk*	●	●		●		
Increase in regulation and compliance - As a result of increased legislation on the waste management sector, there is the potential to become a market leader in providing circular economy solutions for clients who have a financial and reputational risk and require external support to meet new regulation standards. As a result of growing demand, there is an opportunity to offer expanded recycling services (e.g., textiles) to customers, increasing revenue and reputation.	*Opportunity*	●	●			●	
Risk of waste handling becoming more expensive and complex - As a result of waste items not being disposed of properly (e.g., batteries, vapes) there is a risk of negative impacts on machinery, resulting in fires or other disruptions to operations and financial losses.	*Risk*	●	●		●	●	
Own workforce							
Potential health and safety impacts due to extreme conditions - As a result of working conditions becoming unsafe due to, for example, extreme heat events then workers will not be able to work for extended periods that may result in negative impacts on customer service, operating efficiencies and growth.	*Risk*	●	●				●
Consumers and end-users							
Increased transparency of information - There is the potential for customers to make more informed decisions based on sustainability data to reduce waste and cost which may accelerate a reduction in resources consumed, and lead to disposal methods that have a reduced impact on the environment. With our supply chain sharing good quality data, there is the potential to build higher quality customer service, loyalty and trust which could result in business growth.	*Opportunity*	●	●	●		●	
Enabling access to reused and recycled products - As a result of increased reuse and recycling practices there is a potential impact on the environment, with less waste needing to be sent to landfill / incineration and overall promotion of the circular economy.	*Actual positive impact*	●	●	●		●	
Business conduct							
Potential loss of access to materials and facilities - As a result of unstable geopolitical situations, potential tariffs / border closures, there is a risk of reduced recycling rates dependent on cross border transactions.	*Actual negative impact*	●	●	●		●	
Supply chain engagement data and information - If there is a of lack of transparency across the supply chain, there is the potential for non-compliance with legisation and regulations (environment, social, governance) which may lead to reputational damage, penalties and inability to meet customer data requirement needs.	*Risk*	●	●	●		●	

So far, the CSRD process has been useful in setting out and further understanding our material topics and data gaps. As expected, the areas that matter most to Reconomy and our stakeholders has not changed significantly, but we have identified some gaps relating to the diversity of our own workforce and the associated sustainability risks and opportunities in our supply chain. These topics will form part of our focus areas for 2025.

SDGs

We believe our greatest opportunities to support the SDGs lie with SDG 12 (Responsible Consumption and Production) and SDG 13 (Climate Action). Here is why these goals matter to us and how we are advancing progress towards them.

SDG	SDG targets	Why it matters	Activities
12 RESPONSIBLE CONSUMPTION AND PRODUCTION **Responsible Consumption and Production**	**12.2** By 2030, achieve the sustainable management and efficient use of natural resources. **12.5** By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.	A core purpose of our business is to promote sustainable consumption and management of resources. Assisting customers to reduce waste and increase reuse and recycling is an essential service.	We continue to reduce our waste generated, increasing the amount of materials that are reused and recycled. We are developing and facilitating the circular economy for our customers. We are also committed to further developing our network of social enterprises and charities that we work with to increase reuse, repurposing and recycling, repair, and rental.
13 CLIMATE ACTION **Climate Action**	**13.1** Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.	The Reconomy business model, while reducing our own impact, adapting to climate change and encouraging our supply chain to do the same, aims to support our customers' sustainability and carbon reduction objectives.	We are focusing on reducing our operational carbon, having set, submitted, and validated SBTi targets. We have measured our Scope 3 emissions and are taking action to reduce carbon across our supply chain.

Alongside this, we regularly track how we contribute to the six additional SDGs we most closely align with, as we believe this makes us a better company to work for, do business with, and invest in.

Good Health and Well-being

Reconomy's contributions come through its workplace health initiatives, mental health support, safety measures across operations, and community engagement. These align with SDG 3 targets related to mental health, reducing injuries, and health promotion.

Gender Equality

Reconomy's contribution comes through its overall trend of closing our gender pay gap, enhanced maternity policies, fair selection and internal promotion processes, along with avoiding discrimination during recruitment. These are evidenced through a fairly balanced workforce and management structure.

Decent Work and Economic Growth

Reconomy's contributions come through its sustainable economic growth over the more than 30 years in business. Over this time, the company has grown to support employment directly as well as indirectly through a vast global supply chain. Our aim through the circular economy is to decouple the consumption of raw materials from environmental degradation. These align with SDG 8 targets related to strong modern slavery and labour rights protection through our value chain, and employability skills and opportunities to young people through work experience, internships, and apprenticeships.

Stakeholder engagement

Our spirit of continuous innovation is rooted in strong engagement with our stakeholders. These include our customers, senior management, employees, investors, trade associations, regulators, and ratings agencies.

How we engage with our stakeholders

Sustainability management is an iterative and developmental process – we value the practice of listening and learning in all aspects of our operations. Working collaboratively allows us to capitalise on new opportunities and develop the capabilities to deal with risks and challenges when they arise.

Stakeholder engagement

Our customers

How we engaged with them	• Extensions to existing services; often developed in response to new regulation, e.g., EPR • Partnership agreements for key clients on global textile support services • Consortium approach to address macro-level circular economy challenges, such as our implementation of a landmark DRS for customers in Uruguay, UK, Greece and Poland
Key topics raised	• Reduce and eliminate fraud in the returns system • Support customer legislation compliance • Revitalising the stagnant recycling rates and modernising the waste management infrastructure across the UK to drive efficient management of resources • Strategy and support for the management of textile waste to support implementation of the textiles EPR
How we responded	• Developed and implemented an anti-fraud solution 'radar' for product returns • CircuLab developed service provision to help customer sustainability decision-making and compliance • Effective roll-out to facilitate the implementation of the UK Simpler Recycling legislation • Investment in the UK waste management infrastructure • Continue to engage using our framework (developed with Sancroft) to enable the circular economy: a 10-point regulatory framework to support reform across the waste sector to unlock growth and meet net zero targets • Partnership approach focussed on EPR consultancy and data opportunity with Sancroft • Acquisition of GfAW to strengthen our service to construction and industrial customers optimising recycling routes for materials such as mineral wool and gypsum across the EU

Our suppliers

How we engaged with them	• Engaged with suppliers at a brand and loop level, for example, partnership reviews and compliance assessments to ensure standards of procurement and customer service are maintained
Key topics raised	• Legal compliance with existing, and preparation for new, legislation • Services available and sustainability innovations developed
How we responded	• Supported with expertise from our compliance and circular economy leads • Ensured relationship management and consistency of service through regular supplier reviews

Our people

How we engaged with them	• Annual MyVoice engagement survey and pulse survey • Quarterly communications forum meetings • Quarterly colleague business briefing	
Key topics raised	• Diversity and inclusion • Enhanced parental leave	• Improved collaboration • Support and development for managers
How we responded	• Developed a DEI strategy • Implemented an enhanced parental leave policy • Implemented the 'Our Resource' central platform	• Developed and trialled leadership programmes • Created a new internal communications platform to increase collaboration • Developed the 'Colleague Value Proposition' to enhance colleague experience

Stakeholder engagement

Our local communities and NGOs

How we engaged with them

- Meetings between communities and charities such as NHP to ensure our programmes reach the intended beneficiaries and create impact
- Collaborations with the Chartered Institution of Wastes Management (CIWM), Waste and Crime Task Force (WACT), Wood Recycling Association (WRA), Waste Facilities Audit Association (WFAA), Institute of Sustainability Environmental Professionals (ISEP), Supply Chain School of Sustainability (SCSS), SCSS Built Environment Against Modern Slavery Forum

Key topics raised

- How we can better work together to improve care leavers' experience
- Preventing modern slavery in the global supply chain
- Waste tracking and simpler recycling regulations
- Reducing waste crime

How we responded

- Delivered NHP mentoring sessions with senior management
- Reconomy CIC benefited NHP welcome boxes and white goods
- Improved internal systems and customer support
- Provided useful industry-sector input and guidance
- Developed the Modern Slavery Task Force to raise profile of activities to negate the risks of slavery in the business and supply chain

Government and regulators

How we engaged with them

- Ongoing conversations about implementation of our 10 circular economy principles
- National Minimum Standards and consistent separate collection – Simpler Recycling for Businesses – April 2025
- Encouraging government to implement flexi-plastics recycling as a mandatory requirement from April 2027
- Digital waste tracking (DWT) portal supported by all four devolved UK nations
- RLG engaged with industry associations to form stewardship organisations/PROs
- Collaborated with Circular Materials Ontario for the Common Collections Scheme in Ontario, Canada

Key topics raised

- Advocating for the creation of a regulatory framework that incentivises the circular economy in the UK
- Engaged with Welsh government to understand their progressive strategy on reuse
- Ensuring hazardous waste in the US is properly managed to avoid risks to people and the environment
- Ensuring existing infrastructure in Canada is supported to effect an efficient transition by 2026
- Gaining insights into the value chain and options for future legislation
- Increasing investment in textile recycling technology that is essential to expanding the collection infrastructure

How we responded

- Continued advocating for our 10 circular economy principles
- Several webinars delivered to over 2,000 people centred on legislation and circularity with guest speakers from Natural Resources Wales, the Environment Agency and Zero Waste Scotland
- Reconomy has provided feedback and supports DWT system development
- Reconomy Recycle Loop brands and Valpak provided feedback on the consultation 'Delivering a best for Wales deposit return scheme' (Wales)
- Reconomy submitted a response to the Scottish consultation 'Draft circular economy strategy'
- Our Casepak Materials Recycling Facility has had multi-million pound investments to ensure we maximise recycling rates for paper/cardboard/plastics/metals/glass
- Assisted the PRO to find sustainable methods and responsible systems
- Provided operational support to ensure a seamless transition
- Support proposed for producers on eco-design and compliance, and research and development (R&D) investment in recycling technology

Our investors

How we engaged with them

- Quarterly briefings on maintaining profitability and responsibility

Key topics raised

- Ensuring Reconomy remains a diverse, equal, and inclusive organisation
- Increasing accuracy and transparency in carbon and other ESG reporting
- ESG investment

How we responded

- Developed a DEI strategy and commenced implementation in 2025
- Reviewed reporting to improve accuracy and disclosure of our carbon reporting
- Completed ESG investor questionnaires

GHG emissions inventory

This is the annual GHG emissions inventory for Reconomy, covering the measurement period 1 January 2025 to 31 December 2025.

As a result of acquisitions that have added more than 5% to our emissions, we have reassessed and restated our 2024 inventory. This has been done by using revenue for the acquired businesses as a proxy % for the previous year's carbon emissions. We have used this method to reassess our 2021 baseline and, due to the significant change, will resubmit our baseline and targets to the SBTi for validation.

Inventory summary table

Category (ISO 14064-1:2018)	Scope (ISO 14064-1_2006)	2021	2022	2023	2024	2025
Category 1: Direct emissions (tCO2e)	Scope 1	8,093	11,007	11,292	9,638	9,531
Category 2: Indirect emissions from imported energy (location-based method*) (tCO2e)	Scope 2	2,655	2,786	-	-	-
Category 2: Indirect emissions from imported energy (market-based method*) (tCO2e)	Scope 2	-	-	238	332	239
Category 2.2: Indirect emissions from fuel and energy related activities (upstream energy emissions and T&D losses) (tCO2e)	Scope 3	3,202	3,148	3,289	2,609	2,588
Category 3: Indirect emissions from transportation (tCO2e)	Scope 3	369,600	379,347	266,922	266,049	277,529
Category 4: Indirect emissions from products used by organisation (tCO2e)	Scope 3	10,334	1,717	5,483	5,879	5,770
Category 5: Indirect emissions associated with the use of products from the organisation (tCO2e)	Scope 3	1,873	2,826	120	413	630
Category 6: Indirect emissions from other sources (tCO2e)	Scope 3	0	0	0	0	0
Total direct emissions (tCO2e)		**8,093**	**11,007**	**11,292**	**9,638**	**9,531**
Total indirect emissions* (tCO2e)		**387,664**	**389.824**	**276,052**	**275,280**	**285,756**
Total gross emissions* (tCO2e)		**395,757**	**400,831**	**287,344**	**284,918**	**296,287**

Greenhouse Gas (GHG) Emissions

We assess our emissions using the GHG Corporate Accounting and Reporting Standard (revised edition) and align our practices with the ISO 14064 GHG Emissions Reporting Standard, which we have been certified against since 2021. Our carbon data is also reported, voluntarily, within our annual CDP submission.

As Reconomy continues to grow, by acquisition and asset expansion, it is increasingly important that we accurately monitor, measure, and reduce our GHG emissions. To help us do this, we have invested in a third-party platform – Minimum, audited by Interface – which assists us in collating, managing and validating our emissions over time.

Targets and progress data

Reconomy Sustainability key targets year on year progress to 2025

Strategic Sustainability Principles	Objective	Target (goal)	Function Responsible	KPI / Measure (target)	Metric (measure)	Baseline	Target year	2021 baseline	2022 Progress	2023 Progress	2024 Progress	2025 Progress
Enabling Circularity	Closing the circular economy gap	Produce Reconomy mass flow annually, calculate our circularity gap and reduce year on year (YoY), from a 2024 baseline (customer materials managed by Reconomy)	Central/Group leads	Baseline measure	% Improvement	2024	2030			6,187,900t 66% circularity gap	7,240,700t, 81% circularity gap	8,441,764 tonnes, 70% circularity gap (10.6% improvement v baseline)
		Reduce the overall % of customer materials that go to recovery YoY by 2030	Central/Group leads	Baseline measure - improve data quality and accuracy	% Recovered (Incineration and WTE)	2024	2030	2021-2023 data based on Recycle loop only. 2024 & 2025 are representative of the group.	12%	22.40%	11.3% (815,300 t)	4.1% (347,295 t) 7.2% decrease v 24 57% decrease in volume v 24
		Increase the overall % of customer materials reused YoY by 2030	Central/Group leads		% Reused	2024	2030		12.80%	13.05%	2.3% (164,500 t)	0.5% (41,911 t) 1.8% decrease v24 74.5% decrease in volume v 24
		Increase the overall % of customer materials recycled YoY by 2030	Central/Group leads		% Recycled	2024	2030		73.70%	76.13%	79.6% (6,326,600 t)	81% (6,814,894 t) 1.4% increase v 24 7.7% increase in volume v24
	Supporting our value chain sustainability objectives	Aim for at least 65+ net promoter score (weighted average score for Reconomy) YoY	Central	NPS +65 average	NPS	2021	2030	75	79	66	66	64

Reconomy Sustainability key targets year on year progress to 2025

Strategic Sustainability Principles	Objective	Target (goal)	Function Responsible	KPI / Measure (target)	Metric (measure)	Baseline	Target year	2021 baseline	2022 Progress	2023 Progress	2024 Progress	2025 Progress
Taking Climate Action	Climate Change Mitigation	100% of Brands to measure and report Scope 1,2,3 carbon emissions and have a carbon reduction plan in place by 2030	Central/Group leads	100%	No. brands	2021	2030	100% reporting	100% reporting	100% reporting 60% reduction plan	100% reporting 80% reduction plan	100% reporting and reduction plan
		Scope 1 & 2 absolute reduction 33.6% by 2028	Central/Group leads	34%	% Reduction	2021	2028	Baseline emissions: Scope 1 - 8,093 tCo2e Scope 2 - 2,655 (Location-based)	Scope 1 & 2 absolute reduction 28%	Scope 1 & 2 absolute increase 7.3%	Scope 1 & 2 absolute reduction 7.2%	Scope 1 & 2 absolute reduction 17.8%
		Scope 3 intensity reduction 44% per £ Gross Profit	Central/Group leads	44%	% Reduction	2021	2028	Baseline emissions: Scope 3 - 385,010 tCo2e	Scope 3 intensity reduction 9%	Scope 3 intensity reduction 52%	Scope 3 intensity reduction 66.2%	Scope 3 intensity reduction 54%
		100% of Brands to use renewable electricity by 2028	Central/Group leads	100%	% Renewable v non renewable	2021	2028	86%	82%	90%	95.60%	94.50%
		At least 6 Brand locations to generate renewable electricity by 2028	Central/Group leads	100%	Number of locations	2025	2028					2 out of 6 / 33%
	Net positive approach to energy, nature and water resources	Check 100% of Reconomy locations to have an Environment improvement / impact reduction Plan in place (REAP) by 2028	Group leads	100%	% Locations	2021	2028	REAP launched	86.60%	60.90%	100%	78% (gap is newly acquired businesses)

Reconomy Sustainability key targets year on year progress to 2025

Strategic Sustainability Principles	Objective	Target (goal)	Function Responsible	KPI / Measure (target)	Metric (measure)	Baseline	Target year	2021 baseline	2022 Progress	2023 Progress	2024 Progress	2025 Progress
Our People and Community	**Engaging with our local communities and volunteering**	Achieve a 20% annual increase in number of hours volunteered, against 2022 baseline	Central HR	20%	Hours and people	2022	2030	19% volunteered	872 hours (17% volunteered)	1470 hours (17% volunteered) 31.4% hours increase	2306 hours (16.6% volunteered) 43.2% hours increase	2949 (22.7% volunteered) 28% hours increase
		75% of knowledge based employees undertake at least 1 sustainability training session	Central/Group	75%	Total v people trained (%)	2021	2030	51%	49.50%	53.90%	68.70%	11%
	Promoting DEI	No. of apprenticeships (offer 5 apprenticeships for care leavers per year)	Central HR	measure	Number people	2021	2030	26 (total) 1 care leaver	86 (total)	24 (total)	15 (total)	10 (total)
		No. of interns (ringfence / target at least 2 interns positions offered for care leavers) (6 weeks or more; paid internships)	Central HR	measure	Number people	2021	2030	29 (total)	60 (total)	27 (total)	27 (total) inc. 2 care leavers	23 (total)
	Measurable Social Impact	Deliver at least £1.5M social value delivered per year	Central	£1.5M	£	2021	2030	1.7SV since 2018 £374,601 SV in 2021	£2.2M SV since 2018 £535,795 SV in 2022	£3.8M since 2018 £1.3M SV in 2023	£5.3M since 2018 £1.5M SV in 2024	£6.7M since 2018 £1.5M SV in 2025
		1% profit before tax (PBT) committed to community investment	Central	measure	% PBT	2021	2030	1%	0.60%	0.50%	0.60%	0.50%

Reconomy Sustainability key targets year on year progress to 2025

Strategic Sustainability Principles	Objective	Target (goal)	Function Responsible	KPI / Measure (target)	Metric (measure)	Baseline	Target year	2021 baseline	2022 Progress	2023 Progress	2024 Progress	2025 Progress
Responsible Procurement	**Implementing a Sustainable Procurement Framework**	All Brands to implement the Reconomy Sustainable Procurement Policy and Framework	Central	100%	No. Brands v total(%)	2025	2030		Policy 91%	Policy 71.4%	Policy 93.7%	Sustainable Procurement Policy implemented across group. Framework implementation to commence in 2026.
		Effective Supplier Management engagement on environmental improvement plans for key operational suppliers		measure	% of suppliers targeted with plans in place	2025	2030					Implement as part of Sustainable Procurement Framework and identify the % of suppliers targeted with plans in place.
		Aim for at least 80% of operational supply chain to be SME	Recycle/Comply	80%	Total No. Suppliers v No. suppliers that are SME (%)	2021	2030	82%	84%	90.1% Recycle Loop 71.92% group wide	86.3% Recycle Loop 82.4% group wide	81.6% Recycle Loop 79.6% group wide
		Aim for at least 2% of the supply chain to be Voluntary, Community and Social Enterprise (VCSE) organisations	Recycle/Valpak	2%	Total no. suppliers v no. that are VCSE (%)	2021	2030	0.30%	1%	0.96%	1.23%	0.29%
Ethical Business	**Comply with UNGC and OECD guidelines (Modern Slavery, ABC)**	Ensure the processes and compliance mechanisms are in place to ensure compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises		measure	Y/N Process in place	2025	2030					Yes
	Oversight and control of enterprise risk management	Have a documented enterprise wide risk management process in place. Develop and implement policies and frameworks designed to identify, assess, and mitigate risks whilst ensuring business continuity.		measure	% Brands with risk register	2025	2030					90%

Climate and Nature-Related Financial Disclosure

Disclosure for Reconomy FY25 Annual Statement – published May 2026

Reconomy has aligned reporting with the TCFD (Taskforce on Climate and Finance Disclosure) recommendations and guidance and is an early voluntary adopter of the TNFD (Taskforce on Nature and Finance Disclosure) framework. This allows us to inform investors and other key stakeholders of the climate and nature-related risks and opportunities that may impact the business. Using these frameworks enables us to outline our process for responding to climate change and nature recovery in a comparable way.

Our Climate Strategy summary

We focus on the circular economy, climate action, nature recovery and running our business with sustainability at the core

We have an ambition to be net zero across the value chain by 2040. Our approach is:

- Enabling and facilitating the circular economy
- Reducing carbon emissions – across our operations and supply chain, as well as supporting customers to do the same
- Protecting and enhancing biodiversity at our operations and through investment

In the short term we are addressing the climate challenges by:

- Reducing operational emissions
- Influencing our supply chain
- Investing in circular solutions
- Reducing the carbon intensity of our services

External drivers and influences

Throughout 2025 significant shifts occurred across physical, geopolitical and regulatory environments.

Physical impacts

According to the World Meteorological Organisation (WMO), the past decade has included the ten warmest years on record globally, with a 70% likelihood that the 2025–2029 five-year average will exceed 1.5°C above pre-industrial levels for the first time[1]. The Planetary Health Check 2025 confirmed that seven of nine global planetary boundaries have been breached[2] signalling rising risks to Earth's life support systems.

The pace of climate change and nature degradation continued to contribute to significant weather-related impacts. In the UK and Ireland, the 2024–2025 storm season saw Storm Éowyn, the most powerful windstorm in over a decade, triggered red warnings and disruption[3]. Updated UK Biodiversity Indicators showed relatively more metrics declining than improving.

2025 was a year of extreme climate impacts, marking Europe as the fastest-warming continent (warming twice the global average over 30 years)[4]. 81% of habitats across Europe indicate they are in a poor or bad condition[5].

In Canada, the 2025 wildfire season was the second worst on record, with 8.9 million hectares burned[6]. The USA experienced intensified climate impacts, with weather-related disasters costing $23 billion-dollars. Major events included record-breaking California wildfires, intense summer heatwaves, severe flooding in Texas[7] and a 2.4% rise in greenhouse gas emissions driven by power demand (cryptocurrency mining and data centres) and cold weather[8].

Effects in India were characterised by severe heatwaves, volatile monsoons, and devastating floods. Significant economic losses from lost labour hours due to heat, and increased coastal erosion, disproportionately affected vulnerable populations[9].

Geopolitical

Global climate action progressed in 2025, with encouraging deployment trends in renewable energy, electric vehicles and low-carbon heat. However, outcomes from UNFCCC COP30 and updated Nationally Determined Contributions (NDCs) did little to close the remaining gap to Paris Agreement goals. Diverging government agendas, fragmented policy and wider challenges, including energy security and cost-of-living pressures continue to slow progress.

In the UK, the Government continued efforts to attract private investment into emissions reduction under the Climate Change Act, including a Clean Power Action Plan to accelerate power-sector decarbonisation. The US "Putting America First" policy initiated a rapid dismantling of U.S. climate efforts. Key actions included: revoking international climate finance, halting federal climate programs, rolling back vehicle emissions restrictions, and initiating a shift back towards fossil fuels. This has generated State level conflicts (for example in New York and California).

The European Union's Clean Industrial Deal advanced despite a more divided Parliament, supporting renewable energy deployment and the electrification of energy-intensive industries, transport and heating.

[1] WMO Global Annual to Decadal Climate Update (2025-2029)
[2] https://www.planetaryhealthcheck.org
[3] A look back on Storm Éowyn - Met Office
[4] Copernicus European State of the Climate 2025 report
[5] https://www.eea.europa.eu/en/europe-environment-2025/thematic-briefings/biodiversity-and-ecosystems/state-of-europes-biodiversity
[6] National wildland fire summary
[7] Climate Central
[8] Rhodium Group
[9] https://www.bbc.co.uk/news/articles/c5yp8r4ryvmo

Regulatory

2025 marked significant regulatory activity across the sustainability landscape. In the UK, the Government UK Sustainability Disclosure Standards aligned with international ISSB standards and are expected to come into force in 2027. In addition, Extended Producer Responsibility (EPR) for packaging came into force, Simpler Recycling was introduced along with FCA guidance on the anti-greenwashing rule.

In Europe, the European Commission narrowed the scope of its sustainability framework, including amendments affecting both the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD). Europe enacted several key environmental laws targeting waste management, resource efficiency and sustainable product lifecycles through the Circular Economy Act. These included stricter rules for waste reduction and recycling, new packaging standards, regulations for batteries and textiles.

North America introduced major environmental legislation to promote the circular economy and reduce waste. Key measures included extended producer responsibility that holds manufacturers responsible for their products' entire lifecycle, banning many single-use plastics, mandating recycling and composting, requiring clear eco-labelling, and offering incentives for businesses that adopt circular practices.

At the Global level, the International Sustainability Standards Board (ISSB) announced plans for incremental nature-related disclosure requirements, while the Network for Greening the Financial System (NGFS) signalled forthcoming guidance on integrating nature-related risks, expected in 2026.

Consumer sentiment

According to Fherist 69% of consumers prioritise sustainability, however due to the current cost-of-living squeeze price is the primary factor in purchasing decisions[10]

In 2025 the global second-hand market grew by approximately 13%[11]. The drivers here appear to be sustainability consciousness along with affordability and the convenience of digital platforms. There is also a generational cultural shift, with Gen Z and Millennials treating the second-hand market as a primary shopping option.

Sustainable fund investment remains resilient

Global sustainable funds suffered net outflows in 2025. This reversal from 2024 inflows was driven by European institutional reallocations, US "ESG backlash," regulatory uncertainty, and underperformance, though total assets remained around $3.7 trillion[12].

Measurement of emissions

Reconomy's climate-related financial targets and metrics are measured and determined using the accounting guidance provided within the Greenhouse Gas (GHG) emissions Protocol.

GHG emissions are split into three scopes:

- **Scope 1** - direct emissions from company sources;
- **Scope 2** - indirect emissions released in production of energy used by the company; and
- **Scope 3** - all 'other emissions' that are a consequence of a company's activities across its value chain. These are grouped into 15 categories and include the emissions associated with upstream and downstream activities across its entire value chain. The principle of measuring Scope 3 emissions helps companies to understand the extent to which their overall business impacts climate change.

Although Reconomy continues to make good progress with data quality, availability and methodologies, challenges - as they do in other sectors - remain. We use a carbon reporting platform (Minimum) to improve the granularity, analytics and auditability of our data.

[10] Fherist https://blog.fherist.com/circular-economy-2026-sustainable-consumption

[11] Threadup Resale Report 2026

[12] Morningstar 2025 report

Summary: Reconomy Climate and Finance Disclosure report (progressing TNFD alignment)	
Governance	The Board has overall accountability for the identification and management of the risks and opportunities associated with climate and nature change. The Board has appointed a member with responsibility for the group sustainability strategy and has developed a governance structure to ensure effective implementation, communication, and engagement.
Strategy	Sustainability is one of Reconomy's eight strategic priorities and is fully integrated into the business strategy. The business has a sustainability strategy that is supported by policies and a management structure to ensure its objectives, targets and KPIs are progressed and achieved. Climate and nature change are key elements of the strategy. Reconomy understands its purpose as an organisation that is centrally placed to enable and facilitate the circular economy, support a low carbon transition, and reduce the impact on nature. We also play a crucial role in supporting our customers from across the many sectors in which we operate to achieve their own sustainability objectives. Given the model and purpose of Reconomy, we aim to reduce dependency on nature services for society. Adopting a circular economy approach supports carbon reduction and reduces the need to consume scarce natural resources. The goals of nature recovery, circular economy and climate action are fundamentally aligned. In 2024 Reconomy undertook a double materiality assessment (DMA) and biodiversity was not deemed material, however, as with every business, we are dependent on nature services such as food, water and climate regulation. We have a service-based business model and therefore are not dependent on raw materials. The purpose of the service offering is to support our customers' businesses to keep materials in circulation, reducing the impact on climate and nature. *Page 71.* However, we recognise there is potential for nature risk in the supply chain and in 2025 we engaged in a process to better understand the impact that our suppliers - who are generally transportation, logistics and materials sorting, bulking and processing organisations - have on nature over the short, medium and long-term. Due to that fact that over 70% of our suppliers are small and medium sized businesses (SMEs) we encountered additional complexity, making data collection more challenging. Following the DMA, we reviewed and refreshed our sustainability strategy, and we have implemented a climate and nature strategy. We use the following time horizons to classify climate and nature-related opportunities and risks aligned to our strategy and business plans: ● **Short term - 0 to 3 years:** Risks and opportunities deemed material to our three-year business and financial planning cycle are viewed as short-term.. ● **Medium term - 3 to 10 years:** Risks and opportunities deemed material to our 2030 ambitions are viewed as medium-term. 2030 is also the established timeline in the Global Biodiversity Framework (GBF) at a policy level for 'halting and reversing nature loss'. ● **Long term >10 years:** aligned with SBTi guidance and longer timeframe in the GBF of 'living in harmony with nature by 2050'.

Impacts, risk and opportunities management	We have a robust and strategic risk management process led and owned by a Board member. We recognise climate change and nature degradation as a global emergency. The ensuing, existing and future risks and opportunities posed are identified and assessed. A risk register is maintained, and our process is to review management controls at least annually. Climate risks and opportunities are included in our Enterprise Risk Management system and is managed by the compliance and risk team.
Our Science-Based Targets and KPIs	We have set a range of KPIs and ambitious targets. In December 2023 our carbon reduction targets for Scope 1,2 and 3 were validated by the SBTi. We aim to be Net Zero by 2040, 10 years ahead of the UK Government 2050 target.
Overall Net Zero Target	Reconomy commits to reach Net Zero Green House Gas (GHG) emissions across the value chain by 2040.
Near Term Targets	Reconomy commits to reduce absolute Scope 1 and 2 GHG emissions 33.6% by 2028 from a 2021 base year. Reconomy also commits to increase active annual sourcing of renewable electricity from 86% in 2021 to 100% by 2028. Reconomy further commits to reduce Scope 3 GHG emissions 44% per USD *value added within the same timeframe.
Long Term Net Zero Targets	Reconomy commits to reduce absolute Scope 1 and 2 GHG emissions 90% by 2040 from a 2021 base year. Reconomy also commits to reduce Scope 3 GHG emissions 97% per USD *value added within the same timeframe.

*Gross profit

Governance Arrangements

To assess and manage climate and nature-related risks and opportunities Reconomy has put in place the following governance arrangements.

The Board has overall accountability for the management of all business risks and opportunities and provides oversight of our sustainability strategy, ensuring that climate and nature-related risk management is integral to our business strategy and planning.

The business has grown significantly year-on-year, both organically and by acquisition. The Group Sustainability Director has a responsibility to facilitate and consolidate the risks and opportunities to the organisation relating to climate and nature change. A working group, including a Main Board Director, has met since 2021 to identify and consider the risks and opportunities relating to climate and nature change. The ongoing activities and any follow-on actions are managed by the Group Sustainability Committee. This group meets quarterly and consists of business and function Directors, Board Director responsible for Sustainability and the Group Sustainability Director.

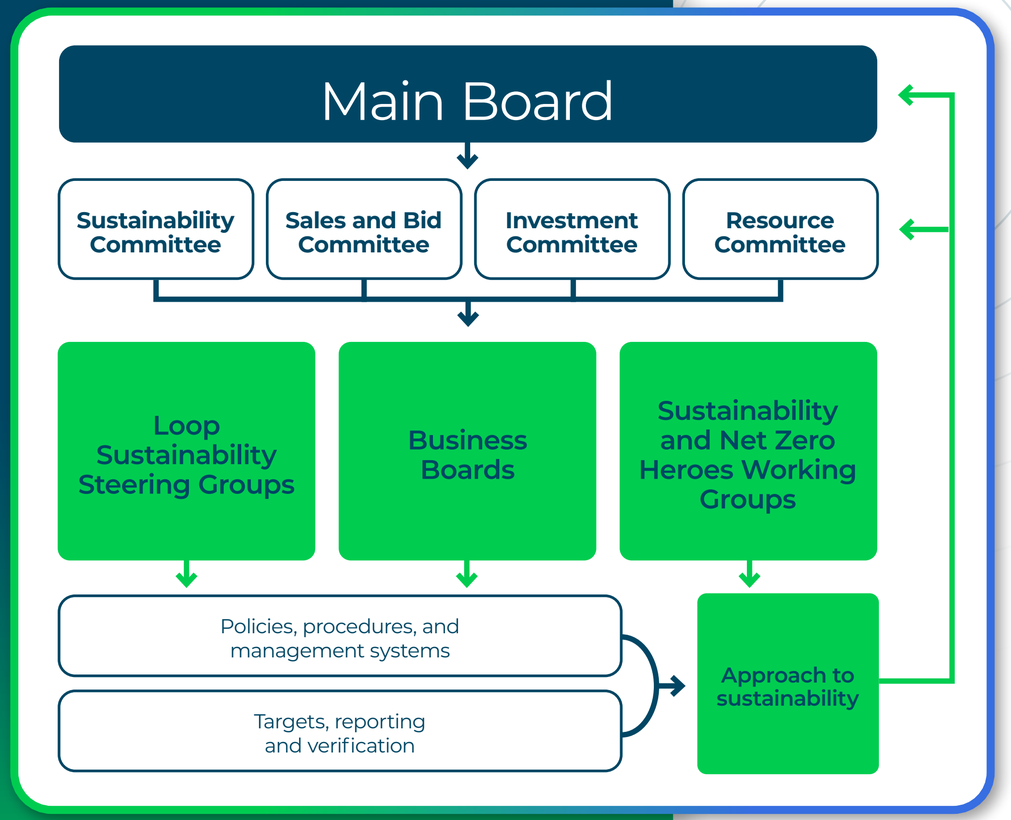
In addition, the Investment Committee reviews and, where viable, approves large investments and acquisitions to ensure they align with our purpose. The Sales and Bids Committee ensures alignment with our business and sustainability strategy. Our Resource Committee approves the location planning and the resources needed whilst managing future risk by taking climate and the geopolitical landscape into account.

The Sustainability Leads in each operational area of the business meet monthly to review progress with strategy and policy implementation and target achievement. We have quarterly and annual reporting of Sustainability targets and KPIs.

The overall responsibility for managing and accessing nature-related risks remains with the group sustainability function and is managed through procurement and our location strategy and plan. Sustainability leads at each location complete a biodiversity assessment. The relevant nature dependencies and impacts, risks and opportunities are communicated to the relevant local operations and functions.

Reconomy has a Human Rights policy, is a member of the UN Global Compact and annually our Chief Executive submits our Communication of Progress. Community engagement plans are implemented for the locations we operate from and we do not have operations or locations that impact indigenous peoples. From our DMA it was clear that Reconomy has limited direct impact on communities. The next step is to fully assess the potential impact from our value chain.

We have invested in an ESG software platform (Novisto), and carbon accounting platform (Minimum). We appointed Interface to audit our carbon reporting to ISO 14064. In addition, we have a financial auditor, KPMG, who also reviews our annual carbon reports.



Assessment and management of climate and nature-related risks and opportunity

Risks and opportunities have been assessed at group level by Board Directors. It is also assessed at brand and/or division level, with this information being fed through at annual reviews where the risks and opportunities are reviewed and refreshed.

Sustainability risk is assessed and reported to the Board. In 2024 we carried out two workshops with a cross section of Finance Directors and other senior operational and risk managers in the team to fully integrate financial climate risk into our enterprise risk management process. The short list of impacts, risks and opportunities were reviewed and agreed with the Group Sustainability Committee.

We have undertaken a nature and biodiversity assessment at each of our direct locations and none are in sensitive areas. During our DMA in 2024, using GIST Impact, two locations - Leicester in the UK where we have material sorting facilities and Birkerød in Denmark were we have an owned office - were deemed high risk. This was due to urban land change, water demand and water stress. In 2025, we extended this evaluation to include other nature dependencies and also to evaluate the value chain.

Reconomy worked with GIST Impact to understand our nature dependencies, impacts, risks and opportunities. It was also important to understand our nature footprint and the potential supply chain impacts.

The aim of working with GIST was to take a data-first approach to enable us to operationalise nature insights across our sites and supply chain in 2026.

Due to the nature of our business model GIST enabled us to further understand our potential positive impacts as well as climate risk.

The analysis showed that overall Reconomy does not have a 'high' or 'very high' dependency on any ecosystem services. It did make clear that the Reconomy Recycle Loop has 'medium' dependency across five key ecosystem services: water flow regulation, air filtration, flood control, rainfall pattern regulation, and water supply.

Where recycling and other waste management facilities are in or near communities it identifies the potential external impact of facilities such as odour and dust.

Using Mean Species Abundance[13] (MSA) we identified the state of nature surrounding Reconomy and key supplier sites. The aim here is to identify where is the greatest potential to directly preserve nature, or restore it.

Overall, Reconomy does not operate in areas of 'high' or 'very high' state of nature. In general, operations are centred in urban areas that have already been largely transformed from their natural state. The analysis has identified that some sites present a relatively higher opportunity to protect nature (high MSA) or restore nature (low MSA). Our aim here is to encourage and support suppliers that have the opportunity to protect or restore nature near their operations.

We also wanted to assess the impact on nature through 'Natural Capital Impact'[14] and 'Biodiversity Footprint'[15] from Reconomy's direct operations and operational supply chain. This analysis showed that for both direct operations and supply chain operations have a relatively low impact and that the primary impacts are greenhouse gas emissions (GHG).

Physical Risk Baseline & Scenario Risk Assessments were used to assess Reconomy Assets and supplier locations.

This approach, across 9 physical risk layers and 4 distinct scenarios[16] utilised the Composite Risk Index (CRI)[17] to prioritize financial and operational urgency and Hazard Risk Indicators (HRI)[18] to pinpoint specific drivers like heat, flood, or drought.

This gave some key insights:

- India, Chile, China, Mexico, and select North America locations showed the highest asset-level CRI scores, driven primarily by extreme water scarcity, exposure to drought, and rising temperatures
- Flood risk (riverine) becomes material for certain UK supplier locations
- Water stress is material for India, Chile, China, Mexico, and select North America based suppliers assets, highlighting localised acute hazard sensitivity alongside chronic water stress in India
- Scenario[19] modelling over time to 2050 shows progressive intensification of water stress, extreme heat, and precipitation risks for both assets and suppliers, increasing long-term operational exposure.

Overall, water-related hazards dominate Reconomy's physical climate risk profile, underscoring the need for water-risk mitigation, supplier engagement, and site-level resilience strategies.

Reconomy follow up actions

During 2026 we will:

- Hold nature and climate workshops with Loop procurement teams
- Identify the key / top suppliers to work with in each Loop
- Agree and support implementation of actions with suppliers
- Implement biodiversity checklist with new Reconomy acquisitions
- Identify water risk mitigation

[13] MSA is a measure of the average abundance of species in a given area relative to their abundance in an undisturbed ecosystem. MSA values range from 1 (pristine state) to 0 (complete biodiversity loss)

[14] 'Natural Capital Impact' identifies how environmental changes impact natural capital and society (measured in £)

[15] 'Biodiversity Footprint' outlines how changes to the environment impacts species richness, measured in potentially disappeared fraction of Species, and shown as Land Conversion Equivalence (LCE).

[16] Risk assessment across 9 physical risk layers and 4 distinct scenarios (Baseline plus 3 forward-looking SSP pathways).

[17] Composite Risk Index (CRI) used to prioritize financial and operational urgency

[18] Hazard Risk Indicators (HRI) pinpoints specific drivers like heat, flood, or drought.

[19] Scenario modelling (2030 & 2050, SSP2-4.5 and SSP5-8.5)

Processes for identifying, assessing, and managing climate and nature-related risk

Our processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in our direct operations is outlined below. We have also explained our approach to managing climate and nature-related risks and how they are integrated into the overall risk management process in the company. This has been further assessed across the value chain during 2025.

Since 2021 we have used the TCFD recommendations and guidance to work through a process for understanding the current and future potential cost and impact of climate change to our business. Senior management conducted a comprehensive climate change risk and opportunity assessment. We have assessed the transition risks, physical risks and opportunities.

This was done by analysing climate change related data such as energy use and carbon emissions, water use, land use, location and any current spend on mitigation.

The aim was to identify the climate change risks (short, mid, long-term) for the business and supply chain and use this to assess the financial risks of the business.

Wherever possible climate and nature risk was integrated into the Enterprise risk management and review process for the group and for individual brands. We also set up additional working groups facilitated by our Group Sustainability Director to include Finance Directors along with our Sustainability Leads and Operational Heads.

Our Climate and Nature Strategy implements the Reconomy Environment Programme (REAP) and aims to support the achievement of our Near Term (2028) and Net Zero (2040) science-based carbon targets along with our actions and activities to support nature recovery.

REAP aims to outline a process for understanding nature dependency risk and opportunities directly and in the value chain. This work has commenced and will continue in 2026. Reconomy has undertaken a biodiversity checklist to understand direct and indirect impacts at each significant location. Following this assessment, where appropriate, actions to support biodiversity locally have been implemented. Reconomy, as a member of the UK Biodiversity and Business Forum, has signed up to the Nature Positive Pledge. Reconomy has invested in projects with the Wildlife Trust that has the dual goal of carbon 'stores' and nature recovery.

Case record, page 39.

Scenario analysis

The Intergovernmental Panel on Climate Change (IPCC) has identified potential future scenarios with respect to climate change. Each scenario describes a potential trajectory for future levels of greenhouse gases and other air pollutants. From these scenarios, we have considered those that can be mapped to the following temperature rises by 2100 and levels of economy-wide mitigations required:

- 2°C (strong mitigation); and
- 4°C (no further mitigation).

Identifying time and temperature-based risk and opportunities

Despite the uncertainties, scenario modelling helps us to understand the potential physical outcomes (temperature, water stress, extreme weather etc) related to the amounts of GHG in the atmosphere and the associated global warming. We have used two scenarios for a '2oC' temperature increase (Paris agreement[20] and global action taken to transition to a low carbon economy and reduce CO2e) and a '4oC' temperature increase leading to severe and catastrophic impacts which scientists almost unanimously agree will happen by the end of the century if no significant policy changes or actions are undertaken.

Using scenario planning we looked at the short, medium and long-term under a '2oC' and '4oC' scenario by the end of century, 2100. These 2 scenarios enabled us to assess the risk and opportunities based on our existing business model of mainly outsourced resource management, compliance schemes and returns. The assessment was completed during a series of workshops and was also informed by the double materiality review undertaken in 2024. The financial impacts of the climate-related risks and opportunities were identified. The existing risks, before any mitigation and the residual risk after control measures were considered.

[20] The Paris agreement sets out a global framework to avoid dangerous climate change by limiting global warming to well below 2°C and pursuing efforts to limit it to 1.5°C. Emissions need to be reduced by 45% by 2030 and reach Net Zero by 2050

Climate-related transition and physical risks and opportunities

Transition: covers the projected costs of policy action related to limiting greenhouse gas emissions and projected profits from green revenues arising from the development of new technologies across the market.

Physical: covers the financial impact from extreme weather events (acute) (e.g. flood, wind, storm and tropical cyclones) and those associated with longer-term shifts in climate patterns (chronic effects such as sea level rise). Although we recognise that the most extreme physical effects are most likely to be felt in the second half of the century, extreme weather events attributed to climate change are already occurring and impacts may be greater and sooner than expected as Earth's systems react to temperature rises. Ecosystem service degradation is most closely correlated with physical risk and connected with climate change as a driver of nature loss as global climate regulation is an important ecosystem service.

The potential physical risks considered under a '4oC' scenario are assessed to have a medium/high residual risk to our people, operations and facilities in the UK, Europe and globally. Given the amount of carbon already in the atmosphere, we understand that there is already an increase in extreme weather events, long-term changes in temperature, and rainfall patterns, and this will continue to have an impact on our business and supply chain.

Under the '2oC' scenario we assess that these impacts will be of a lesser magnitude compared to the '4oC' scenario and would have a lower impact on our people, operations and facilities. To ensure that we remain resilient to any extreme weather our business continuity planning covers business disruption from extreme weather events. Potential businesses that may be acquired are assessed on the basis of location risk and potential for adaptation.

Overall, due to the continuing estimation uncertainties around climate scenario analysis, it is critical to continue to build resilience against climate-related risks, and take advantage of opportunities, through effective decision-making, engagement and risk management.

Climate-related physical risks '4ºC' scenario

Is likely to result in acute impacts, such as increases in the severity of extreme weather events, and chronic impacts, such as long-term climatic shift.

Impact	Description	Timescale	Reconomy residual financial risk	Mitigation
Employees	Increased direct and indirect cost due to impact on health and safety Increase costs of heating and cooling	S/M/L	Low	Change in work patterns and contingency planning such as working from home to reduce impact during extreme weather including where there are local wildfire or tornado risks. Warehousing and sorting facilities would need enhanced cooling systems. In some facilities only certain areas would need to be sufficiently cooled so that essential equipment does not overheat. The main potential impact due to location and presence are considered to be UK, Germany, North America – Minnesota, and Toronto. Investment in renewable energy, energy efficiency and effective insulation. In our main areas of high energy use, 5% of energy requirements would be from solar and where we own our buildings or have long-term leases and can get DNO permission.
Operational disruption	Reduction in revenue due to disruption	M/L	Med	Increased frequency of extreme weather events may require implementation of the business continuity plan to reduce disruption and ensure business critical operations are maintained. This includes back up routing for rail and road along with an additional potential network of suppliers if disruption occurs. Higher temperatures could exacerbate fire risks for example at anaerobic digester and material recycling facilities.
Property / Infrastructure damage	Increased cost of physical damage, increased insurance cost and potential for property to be uninsurable in high-risk locations	M/L	Med	Assess location risks and understand potential exposure. Ensure new business acquisitions are assessed during due diligence. Business critical locations assessed for climate adaption investment. Plan and prepare for disruption to operation, leading to reduced service offering and revenue. New facilities subject to planning for climate resilience.

Transition risks

The key transition risks to our business under the '2oC' scenario is due to policy, taxation and legislation changes, market and societal shifts. Our existing business model and sustainability strategy to 2030 addresses the risks identified. 2030 is also the established timeline in the Global Biodiversity Framework at a policy level for 'halting and reversing nature loss'. Whilst there is waste, resource and outsourcing specific elements to these risks, those that relate to transport and emissions impact all sectors that use transport and its associated emissions.

Nature alignment of market and non-market driving forces is most closely correlated with transition risk and connected with actions to address climate change.

Impact from policy and legislation changes

Impact	Description	Timescale	Reconomy residual financial risk	Mitigation
Increased cost from legislation	Increased pricing of GHG emissions – will increase costs throughout the value chain	S/M/L	Low	SBTi targets validated and group wide, carbon reduction plan in place including: · Fully electric car fleet by 2028 · Full use of renewable electricity by 2028 · Use of alternative fuels and route efficiency for HGV fleet. Challenges exist due to current EV infrastructure in some countries where we operate, for example Romania and India. In addition, some counties are still reliant on fossil fuels to generate electricity. Over 95% of our electricity is from renewable sources and the intention would be to purchase REGOs for remaining amounts. Our aim would be to move away from gas for heating to alternatives such as ground or air source heat pumps. Our property strategy prioritises locations that are not managed by a third party as we have little control over the energy supply and supplier used. Carbon tax will increase operational costs, however accelerating our transition to a low carbon operation will most likely provide an opportunity to reduce this risk and cost corporately and for customers. The [21]EU Emissions Trading System II applies to fuel suppliers, however the additional carbon costs will be passed on through higher transport, recycling and facility service charges. As our services depend on logistics networks and accredited recycling partners, this could increase our operating and therefore service costs. To mitigate, our aim is to work with lower-carbon logistics partners and embed carbon cost considerations into our procurement decisions.
Cost and operational impact	Mandates on and regulation of existing products and services	S/M	Low	Continue to engage with regulators and policy makers to ensure a watchful eye on legislative changes. Reconomy has been able to positively respond to changes for example for EPR and DRS. A shift in the requirement for recycled content also provides a business opportunity, as well as durability requirements for products which promote recommerce and repair services. For example, the ban of cross border waste transport and processing[22] could be a potential barrier but is an opportunity to leverage our in-country recycling infrastructure. Reconomy has a Regulatory Affairs Group to 'horizon scan' for global changes in legal frameworks.

[21] The EU Emissions Trading System II (ETS II) is expected to become fully operational in 2027, covering emissions from fuel combustion in road transport and building heating

[22] EU Regulation on shipments of waste 2024 (EU) 2024/1157 of the European Parliament

Impact from technology changes

Impact	Description	Timescale	Reconomy residual financial risk	Mitigation
Cost of low carbon transition	Substitution of existing products and services with lower emission options	S/M	Low	Capital investments with lower ongoing costs. Procurement and investment in renewable technologies. Reconomy continues to invest in EV charging at our locations. Across the business we are investing in the tracking of transportation to understand emissions and efficiencies in supply chain fleets.
	Unsuccessful investment in new technologies	S/M	Low	Careful investment so we can take advantage of new technologies. We work with suppliers, customers and receivers to find effective new solutions for implementation. Collaboration with suppliers on achieving technological advantages. Scope 3 targets to encourage and influence suppliers to set and action carbon reduction targets. We are actively increasing the number of sustainability assessments being undertaken across our supply chain.

Impact from market changes

Impact	Description	Timescale	Reconomy residual financial risk	Mitigation
Change in demand for services	Consumer and customer behaviour change and expectations	S/M/L	Low	Business diversity and a global presence protects from reduced revenue and from decreased demand for products. We will also monitor market and consumer preferences closely. Regulations change often results in a shift in behaviour. We aim to anticipate and monitor any impacts while informing customers and the industry. Appropriate investment in innovative recycling and reuse infrastructure. The resource management area of the business will take advantage and respond to opportunities for increased customer awareness and for more sustainable circular solutions, which are both seen as an opportunity. For example, we have invested in a textile solution using our business-wide capability and 'ReDress' was launched in 2024. There is risk in internal investment to support customers in regulation compliance if governments delay or retreat from implementing policy or legislation. Investment has been secured to increase our unique sorting capacity in the UK in 2025/26 increasing the recycling infrastructure. We continue our research and development projects including recycling solutions to avoid incineration and recycling solutions for packaging. Casepak is leading innovation, including its partnership with Polytag, to deliver real-time packaging traceability data, enabling customers to improve recyclability and reduce compliance costs under pEPR. We are actively transitioning services away from incineration and towards closed-loop recycling systems with initiatives such as the RePen scheme, which enables hard-to-recycle pharmaceutical packaging to be collected and reprocessed into new products.

Climate-related opportunities

Our business and sustainability strategy enables us to realise several opportunities that will result from transitioning to a low carbon and more circular economy. These opportunities include changes in resource efficiency, increased reliance on renewable energy, business diversification, societal and market shifts resulting in increased demand for recycling services, and low carbon and recycled content materials.

Impact	Description	Timescale	Reconomy Residual Financial Risk	Mitigation
Resource efficiency	Exposure to carbon emission pricing and low emission zones reduced. Reduced operating costs for facilities and distribution/ collection fleet	S/M	Med	Use of more efficient modes of transport, sorting and distribution. Potential that some capital costs are increased but running costs will be lower. We have technical systems in place across the business to ensure that we are using the most efficient modes and routing of transport. ASC are also exploring HGV under chassis aerodynamic efficiency to reduce MPG and optimise their fleet. Aerodynamics offer a robust method to cut operational CO2e emissions and improve compliance positioning as regulatory pressure increases. ASC has also improved the fill rates of air freight to increase efficiency. Rebound have made changes too, by reducing shipping frequencies, increasing shipment fill rates and introducing calculator tools to identify transport modes with the least emissions and therefore reduce the carbon intensity of returns. For our sorting operation we have invested in UK infrastructure at our Eurokey operation enabling processing in the UK, therefore reducing transportation to the continent. RLG Canada has increased the capacity of its audit facility and invested in its own fleet to ensure maximum loads and efficient routing. Reduced exposure to future fossil fuel price increases as well as GHG emissions, and therefore less sensitivity to changes in cost of carbon. Our SBTi targets and actions support the transition to a low carbon fleet. Investment is in energy efficient buildings and sorting facilities to increase UK recycling capacity. Carbon reduction reduces liability to potential future carbon tax.
Energy Source	Use of energy efficient technology and increase in renewables	S/M	Low	Invest in generating our own energy such as through solar and alternatives to natural gas, where viable, on our estate. Policy to upgrade operational equipment for long-term energy efficiency, providing a cost benefit.
Products and Services	Increased revenue from customer requirement for low carbon services	S/M	Med	Our carbon reduction plan, with milestones to 2040, develops and delivers on the expansion of low emission services. Through research and development innovation we will invest in circular economy solutions. For example, Eurokey has invested in a sortation process so that previously non-recyclable 'soft plastic' packaging can now be recycled at scale.
Markets	Access to new markets and increased revenue due as requirement for low carbon services and materials increases	S/M	High	We will continue to monitor and invest in divergent but complementary markets. For example, ASC are investigating their role in the clothing rental market. Future revenues will come from access to new and emerging markets. For example, textiles, EPR and DRS in 2025.
Resilience	Reduce operating costs and increase operational efficiency Market diversification and solutions to meet customer needs	S/M	Med	Targets are in place to adopt energy-efficiency measures. Support the market in resource substitutes and diversification. Business strategy to meet customers sustainability objectives. Stated goal is to collaborate in our value chain on low carbon and circular solutions. For example, RLG supports customers on meeting their products' end-of-life collection and recycling targets. RLG has also launched 'Scope 3 Insights' product to enable customers to understand the emissions associated with the end-of-life management of their products. The EU ESPR[23] requires that unsold and returned goods cannot be destructed. This provides a further opportunity for Reconomy to facilitate circular solutions. Our Mergers and Acquisition strategy is to increase our capability for providing sustainable services, products and solutions.

[23] Circular Economy Act includes a package of regulations and directives including the EU Ecodesign for Sustainable Products Regulation (ESPR) that aims to improve the sustainability of products placed on the EU market by improving their circularity, energy performance, recyclability and durability

GRI Index

Reconomy has reported the information cited in this GRI content index for the period starting January 1st, 2025 and ending December 31st, 2025 with reference to the GRI Standards.

GRI 2: General disclosures FY2025

GRI 2 - General Disclosures		
GRI Standard	**Disclosure**	**Location** (page number or external reference) **and additional information**
GRI2-1 Organisational details	Legal name of the organization	OS Phoenix Bidco Limited
	Nature of ownership and legal form	Privately owned, Limited company
	Location of headquarters	London, UK
	List countries of operation	*Page 10*
GRI 2-2	Entities included in the organization's sustainability reporting	The entities included trade as these brands: Reconomy / OS Phoenix Topco Ltd , Reconomy Connect - Telford, London, Bristol & Newark, AWS Nationwide, Ecofficiency, Circle Waste, Eurokey, Casepak, Webbs Training, Noventiz, Combineering, Valpak, RLG, Sudamin Rohstoff, Lincoln Waste, ARXG (Vermillion), Complete Solutions, Advanced Supply Chain, ReBound.
GRI 2-3 Reporting period, frequency and contact point	Reporting period, frequency and contact point	Annual, 12-months, *contactus@reconomy.com*
	Reporting period-Start Date	2025-01-01
	Reporting period-End Date	2025-12-31
	Publication date of the report or reported information	2025-05-21
	If sustainability reporting period does not align with financial reporting period, explain the reason here	Aligns
	Contact point for questions regarding the report	Diane Crowe, Group Sustainability Director, *diane.crowe@reconomy.com*
	Reporting cycle	Annual
	Changes in the list of material topic and topic boundaries	There has been no change in boundaries or material topics since our last report.
	Changes in the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable)	The same standards have been used and we continue to measure carbon emissions with high quality data calculated in line with the GHG protocol. We continue to move away from spend to activity data, however our North America businesses have made a significant contribution to our overall upstream transportation, we aim to move this from spend in 2026.
GRI 2-4 Restatements of information	Restatements of information	Due to acquisitions, our emissions baseline and subsequent years have been reassesed and restated on *Page 78.*
	How we manage it / Whos responsible?	The Group Finance Director and Group Sustainability Director have overall responsibility and manage the relationship with external audit organisations.

GRI 2 - General Disclosures

GRI Standard	Disclosure	Location (page number or external reference) and additional information
GRI 2-5 External assurance	External assurance	Reconomy annual financial accounts are externally audited in addition the organisations Scope 1,2 and 3 carbon emissions are also audited annually and certified to ISO14064.
	Description of the organization's current practice with regard to seeking external assurance for the report	Reconomys aim is to move towards external assurance of their 2026 Annual Sustainability Report.
	Description of the relationship between the organization and the assurance provider	Our 2025 emissions were independently verified by Interface-NRM, an ISO14064-1 accredited verification and certification body.
	Description of the highest governance body or senior executives involved in seeking external assurance for the organization's sustainability report	The Group Finance Director and Group Sustainability Director have overall responsibility and manage the relationship with external audit organisations.
	Description of what has been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process	The GHG inventory was verified to a limited level of assurance, in compliance with the ISO14064-3:2019 standard.
GRI 2-6 Activities, value chain and other business relationships	Activities, value chain and other business relationships	*Page 76*
	Description of the organization's activities	*Page 12*
	Sector in which the company is active	Recycling, waste management, compliance schemes, returns, logistics and warehousing
	List of stakeholder groups	Stakeholder groups identified are: Customers, Investor (owner), Supply Chain Partners, Employees, Government and Regulators, Communities, Trade Bodies, and NGOs.
	Description of the organization's supply chain, such as its main elements as they relate to the organization's activities, primary brands, products, and services.	*Page 62*
	Significant changes to the organization and its supply chain	No significant changes
GRI 2-7 Employees	Total number of employees (Average headcount)	4202
	Total female employees (RE57 TOMS)	1987
	Total male employees	2175
	Percentage of female employees	47.29%
	Percentage of male employees	51.76%
	Percentage of local employees	52.3%
	Region	Global
	Describe significant fluctuations in the number of employees during the reporting period and between reporting periods	Increase in numbers employed was mainly as a result of business acquisition in 2025.
GRI 2-8 Workers who are not employees	Total number of workers who are not employees and whose work is controlled by the organization	157 seasonal workers
GRI 2-9 Governance structure and composition	Number of Board committees that have ESG oversight in their charters	4
	Percentage of Board committees that have ESG oversight in their charters	80.00 %
	Total number of board members	7
	Percentage of female employees on the board	0 %
	Percentage of board members that are LGBTQ/ part of under represented groups	0%
	Number of board members with industry experience	7
	Average Board tenure	7.70 y
	Tenure range	between 3 and 8 years

GRI 2 - General Disclosures

GRI Standard	Disclosure	Location (page number or external reference) and additional information
GRI 2-11 Chair of the highest governance body	Chair of the highest governance body	Guy Wakeley, Chief Executive, guy.wakeley@reconomy.com
GRI 2-12 Role of the highest governance body in overseeing the management of impacts	Role of the highest governance body in overseeing the management of impacts	The sustainability committee meets quarterly - Page 88
	Identifying and managing economic, environmental, and social impacts	Page 15
	How does the highest governance body consider the outcomes of these processes	Page 66
	Consulting stakeholders on economic, environmental, and social topics	Page 76
	Total number of instances of non-compliance associated with the environment	0
	Total number of non-monetary sanctions	0
	Total number of instances for which fines were incurred	0
	Total monetary value of significant fines	0.00 GBP
GRI 2-28 Membership associations	Memberships and associations	CDP, Science-Based Targets iniative, UN Global Compact, UK Business & Biodiversity Forum (UKBBF), EcoVadis , Ellen MacArthur Foundation, SECR (Streamlined Energy & Carbon Reporting). Page 68
GRI 2-29 Approach to stakeholder engagement	Approach to stakeholder engagement	Page 75

GRI 3 - Material Topics

GRI 3-1 Process to determine material topics	Defining report content and topic boundaries	In 2024, Reconomy undertook a double materiality assessment to understand what matters most and this along with an assessment of the most relevant SDG's has influenced the Sustainability Strategy, policies, objectives, targets and KPIs.
	Specify the stakeholders and experts whose views have informed the process of determining its material topics	Page 71
GRI 3-2 List of material topics	List of material topics	Climate adaptation, resource use and the circular economy, Our own workforce, Workers in the value chain, Consumers and end users, Business conduct Page 72

GRI 204 - Procurement Practices

GRI 204-1 Proportion of spending on local suppliers	£ Total Spend	423,574,808.59
	% of total spending or procurement budget by Region	Page 15
	Definition used for 'local supplier'	Same as location postcode or 20 miles radius

GRI 205 - Anti-corruption

GRI Standard	Disclosure	Location (page number or external reference) and additional information
GRI 205-1 Operations assessed for risks related to corruption	Percentage of operations assessed for risks related to corruption	90% of operations covered by a risk register
	Significant risks related to corruption identified through the risk assessment	Geographical risk, sectoral risk and use of business partners
GRI 205-2 Communication and training about anti-corruption policies and procedures	Communicated to	All (100%) governance body members and employees receive communication on our Code of Conduct and other Anti-bribery and corruption materials as appropriate to their role and function, and all (100%) receive regular mandatory training annually on ABC. All suppliers receive information on our expectations to ensure awareness and understanding of Anti-bribery and corruption requirements
	Region	Global (all regions)
	Total number that the organization's anti-corruption policies and procedures have been communicated to	100%
	Do you have an anti-corruption training?	Yes
	Is this training given to parts the supply chain?	No
	How often is such training provided?	Annually
	What is the content of the training?	Equity, diversity and inclusion, GDPR, Anti-bribery and corruption, business ethics and modern slavery
	Who received the training?	All employees
	For this group, where does the training take place?	E-Learning
	For this group, what percent of the current group received the training?	90%
GRI 205-3 Confirmed incidents of corruption and actions taken	Total number of confirmed incidents in which employees were dismissed or disciplined for corruption	0
	Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption	0
	Number of public legal cases regarding corruption brought against the organization or its employees during the reporting period	0
	Total number of confirmed incidents of corruption	0

GRI 2 GRI 302

GRI 302-1 Energy consumption within the organisation	Total energy consumed	56,034,000.17 kWh
	Total non-renewable energy consumed	41,548,000.43 kWh
	Percentage of energy consumed that is non-renewable	74%
	Total energy consumed from grid electricity	15,074,457.61 kWh
	Percentage of total energy consumed that is grid electricity	27%
	Standards, methodologies, assumptions, and/or calculation tools used	94.5% renewable electricity, 26% renewable energy - 14,485,000.74 kWh is from renewable sources. 9% of Gas is RGGO backed
	Total energy from renewable sources	14,485,000.74 kWh
	Percentage of renewable energy	26%
	Total energy produced that is renewable	62,276 kWh estimated based on two locations
GRI 302-3 Energy intensity	Energy intensity (kWh/£ annual gross profit) - Includes Webbs energy consumption	0.13
GRI 302-4 Reduction of energy consumption	Total amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives	*Page 44*

GRI 303 - Water & Effluents

GRI Standard	Disclosure	**Location** (page number or external reference) **and additional information**
GRI 303-1 Interactions with water as a shared resource	Interactions with water as a shared resource	Whilst we have a management approach for water use in our offices and on our three sites, we consume relatively small volumes for offices, sanitation and vehicle washing on 2 sites. Waste sorting is in a dry environment; no washing of materials takes place, for instance. We also have no operations in water-stressed environments.
	Description of the approach used to identify water-related impacts	We continue to review risk and opportunity related to water in our Group at all sites, we are aware of tools to evaluate and assess related impacts in the value chain.
	Description of how water-related impacts are addressed	We continue to monitor risks as part of our risk management protocols. We also provide water data directly to EcoVadis as part of their rating process.
GRI 303-5 Water Consumption	Total water consumption	31,716 m3
	Total water consumption from all areas with water stress	640 m3

GRI 305 - Emissions

GRI 305-1 Direct (Scope 1) GHG emissions	Total direct (Scope 1) GHG emissions - Includes Webbs emissions	9,531 tCo2e
	Biogenic CO2 emissions	0
	Gases included in the calculation, whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all	CO2e
	Base year for the calculation, if applicable, including: the rationale for choosing it, emissions in the base year, and the context for any significant changes in emissions that triggered recalculations of base year emissions	Base year is 2021 see *Page 78*
	Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source	ISO14064 carbon management system uses the most relevant country based emission factors.
	Consolidation approach for emissions	Direct emissions/Supplier-based.
	Standards, methodologies, assumptions, and/or calculation tools used	*Page 78*
305-2 Energy indirect (Scope 2) GHG emissions	Energy indirect (Scope 2) GHG Emissions (location-based)	3,010 tCo2e
	Energy indirect (Scope 2) GHG emissions (market-based)	239 tCo2e
	Gases included in the calculation, whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all	CO2e
	Consolidation approach for emissions	Market-based
	Standards, methodologies, assumptions, and/or calculation tools used	We report in both market and location based but use market based to take account of the renewable energy purchased
GRI 305-3 Other indirect (Scope 3) GHG emissions	Total indirect (Scope 3) GHG emissions	286,517.00
	Gases included in the calculation, whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all	CO2e
	Consolidation approach for emissions	Direct emissions/Supplier-based.
GRI 305-4 GHG emissions intensity	Scope 1 and 2 GHG emissions intensity (tCO2e/£ annual gross profit)	23
	Scope 3 emissions intensity ratio (tCO2e/£ annual gross profit)	675
	Types of GHG emissions included in the intensity ratio; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3).	Scope 3 reduction target is an intensity target
	Gases included in the calculation, whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all	CO2e

GRI 306 - Waste

GRI Standard	Disclosure	Location (page number or external reference) and additional information
GRI 306-1 Waste generation and significant waste-related impacts	Waste generation and management of significant waste-related impacts	We continue to reduce and manage the waste generated across our mainly office estate in alignment with the waste hierarchy. By ensuring effective segregation we achieve high reuse and recycling rates.
GRI 306-2 Management of significant waste-related impacts	Actions, including circularity measures, taken to prevent waste generation in the organization's own activities and upstream and downstream in its value chain, and to manage significant impacts from waste generated	Page 23 - we aim to consistently manage waste across our estate using the waste hierarchy and consistent recycling systems
GRI 306-3 Waste generated	Total waste generated (hazardous and non-hazardous waste)	All waste 4,769.34 t, Hazardous waste 4.87 t
GRI 306-4 Waste diverted from disposal	Waste recovered	366.64
	Waste recycled	4,322.94
	Waste reused	6.74
	Total weight of waste diverted from disposal	4,696.32
	Percentage of total waste diverted from disposal	98.9%
GRI 306-5 Waste directed to disposal	Waste directed to disposal (landfill)	48.41 t
	Type of disposal method	Recycled, Incineration (with energy recovery), Landfilling
	Type of waste	All waste

GRI 401 - Employment

GRI 401-1 New employee hires and employee turnover	Total number of employee hires	1048
	Rate of new employee	25%
	Employee turnover number	992
	Employee turnover rate in percentage	24%
GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Paid leave, Life Insurance, Pensions/Retirement provision, Employee Help Line, Healthcare, Parental leave

GRI 403 - Occupational Health and Safety

GRI Standard	Disclosure	Location (page number or external reference) and additional information
GRI 403-1 Occupational health and safety management system	General Narrative	Reconomy places significant value on our health and safety duties under the Health and Safety at Work act. 1974, the Management of Health and Safety Regulations 1999 and accompanying protective legislation, and our Chief Executive, Guy Wakeley, recognises that he has a responsibility to ensure that all reasonable precautions are taken to provide and maintain working conditions which are safe, healthy and comply with all statutory requirements and codes of practice
	Why it matters	Within Reconomy, ultimate responsibility for health and safety rests with our Chief Executive, Guy Wakeley. Brands have Compliance and H&S Managers who are tasked with day-to-day management of health and safety.
	How we manage it / who's responsible	At Reconomy, we continually assess the Health and Safety of our organisation and Supply Chain and aim to continuously improve processes and procedures – within our own company facilities and at customers' and suppliers' sites
	Our commitments	We routinely review health and safety across our operations and supply chain and strive for continual improvement - both within our own sites and when working at customer and supplier locations. This commitment helps ensure customers can rely on H&S being central to how we deliver services, aligned to their expectations.
	Our performance	As part of our HSG65 model of H&S systems, our Plan, Do, Check, Act, approach ensures preventative and corrective action is undertaken throughout all areas of the business and throughout our contracts. Preventative Risk Assessments and Method Statements (RAMS) are drawn up for every new process where there are potential hazards. Further prevention, in the form of Safe Systems of Work (SSoW), are put place for any potentially high-risk situation that has been identified.
	Has the organization implemented an occupational health and safety management system?	Yes at some locations this is to ISO45001
GRI 403-6 Promotion of worker health	Time spent on mental health awareness, support and wellbeing	505
	Number of employees that have been provided access for at least 12 months to comprehensive and multidimensional wellbeing programmes	1637
	Description of workers' access to non-occupational medical and healthcare services, and the scope of access provided	*Page 56*
GRI 403-9 Work-related injuries	Total number of hours worked by all employees	6,538,000 h
	Description of the scope of workers, activities, and workplaces covered by the occupational health and safety management system, and an explanation of whether and, if so, why any workers, activities, or workplaces are not covered	Our entire Health and Safety (H&S) management system is reviewed continuously and during our annual H&S audit, or more often if there is an incident, a change in legislation or change in practice. Any changes are communicated to all employees and suppliers. Any incidents or legislative / practice changes that may require alterations or improvements to our H&S system and discussed and reviewed at our bi-annual H&S Forum meetings. *Page 57*
	Total number of work-related fatalities	0
	Rate of fatalities as a result of work-related injury	0
	Type of injury	Violence and other injuries by persons or animals, Transportation incidents, Fires and explosions, Falls, slips, trips, Exposure to harmful substances or environments, Contact with objects and equipments, Overexertion and bodily reaction, Other, please specify
	Percentage of occurence	3.00 %, 4.00 %, 5.00 %, 13.00 %, 2.00 %, 61.00 %, 10.00 %, 2.00 %
	Number of high consequence work related injuries	12
	Rate of high consequence work related injuries	1.77
	Number of recordable work related injuries	9
	Total recordable injury frequency rate	0.82
	Lost time injury rate (LTI) for direct workforce	4.22 (Lost time injury frequency)

GRI 404 - Training & Education

GRI Standard	Disclosure	**Location** (page number or external reference) **and additional information**
GRI 404-1 Average hours of training per year per employee	Total number of training hours delivered	23,072
	Average hours of training per year per employee	5.4

GRI 405 - Diversity and Equal Opportunity

GRI 405-1 Diversity of governance bodies and employees	Percentage of female employees	47.29
	Percentage of male employees	51.76
	Percentage of female employees in management	46.9
	Percentage of male employees in management	53.1
	Percentage of employees under the age of 30	27%
	Percentage of employees between the ages of 30 and 50	53%
	Percentage of employees over the age of 50	19%
GRI 405-2 Ratio of basic salary and remuneration of women to men	Ratio of basic salary and remuneration of women to men (RG)	25.3% Average gender pay gap

GRI 413 - Local Communities

GRI 413-1 Operations with local community engagement, impact assessments, and development programs	Percentage of operations with local community engagement, impact assessments, and/or development programs	All (100%) operate a community engagement programme

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