



SUMMARY OF CARBON REDUCE CERTIFICATION ⁱ

FOR Reconomy



Summary for 01 January 2023 to 31 December 2023

CARBON REDUCE ORGANISATION CERTIFIED: RECONOMY

Carbon Reduce certified means committing to ongoing reductions while achieving annual measurement for at least the Toitū mandatoryⁱⁱ emissions.



Measured emissions to **ISO 14064-1:2018** and Programme requirements



Managing and reducing against Programme requirements

This report provides a summary of the annual greenhouse gas (GHG) emissions inventory and management report for Reconomy as part of the annual work to achieve Carbon Reduce certification. Additional details of the annual achievements, commitments, and verification are available on request from Reconomy.

This is a carbon footprint report for 2023. In line with our strategy and policy Reconomy has reduced its carbon reported over the last 3 years. In line with SBTi and the carbon reduce programme we are moving away from spend to improve supplier data. This accounts for the majority of the reductions and we will follow the methodology when advised by SBTi that this has been developed. We have set science-based targets that have now been validated and our aim is to be Net Zero across our value chain by 2040. We have used the e-manage carbon reduce programme to better track and consolidate our carbon reporting as the business grows and develops. We will also be further developing our upstream and downstream scope 3 and mapping against the 15 GHG categories. Following validation of our carbon targets by SBTi we have further developed our carbon reduction plans in line with those scope 1,2,3 targets these will be further implemented along with carbon mitigation.

ACHIEVEMENTS

These achievements have been verified in line with ISO 14064-3:2019 and Carbon Reduce Programme Technical Requirements for the 01 January 2023 to 31 December 2023 measurement period.

EMISSIONS MEASUREMENT

Reconomy's greenhouse gas emissions for this year (01 January 2023 to 31 December 2023) were 193,070.21 tCO₂e. Reconomy has measured the emissions resulting from its operational activities, purchased energy, and selected impacts from its value chain activities, including business travel, freight, and waste sent to landfill.

The annual inventory is detailed in the following table. Emissions and reductions are reported using a location-based methodology.ⁱⁱⁱ

Category (ISO 14064-1:2018)	Scopes (GHG Protocol)	GHG emissions (tCO ₂ e)		
		Base Year 2021	Previous Year 2022	Current Year 2023
Category 1: Direct emissions	Scope 1	7,928.17	10,878.87	10,555.70
Category 2: Indirect emissions from imported energy (location-based method*)	Scope 2	2,577.65	2,706.39	3,519.38
Category 3: Indirect emissions from transportation	Scope 3	291,802.07	299,394.19	168,620.52
Category 4: Indirect emissions from products used by organisation		11,208.88	9,339.09	10,312.98
Category 5: Indirect emissions associated with the use of products from the organisation		147.24	147.15	61.64
Category 6: Indirect emissions from other sources		0.00	0.00	0.00
Total gross emissions*		313,664.01	322,465.69	193,070.21
Category 1 direct removals		0.00	0.00	0.00
Total net emissions		313,664.01	322,465.69	193,070.21

*Gross and net emissions are reported using a location-based methodology. Contact Reconomy for full details.

The operational GHG emission sources included in this inventory are shown in Figure 1 below.

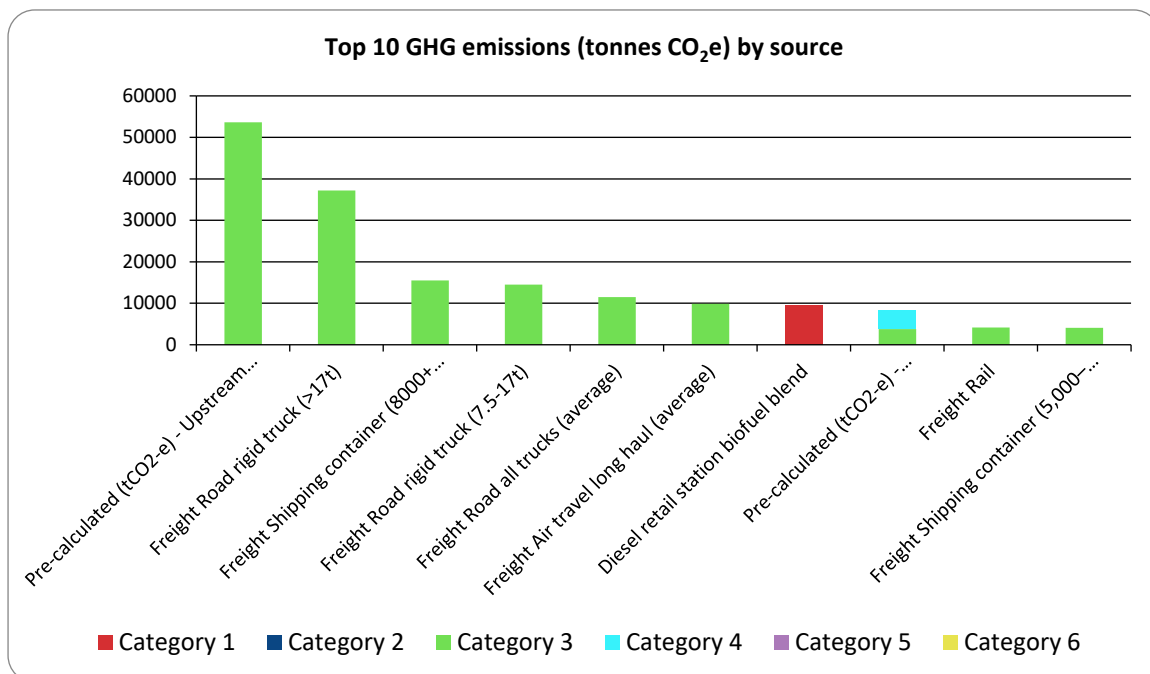


Figure 1: Top 10 GHG emissions (tonnes CO₂e) by source

SCOPE OF MEASURED INVENTORY

CONSOLIDATION APPROACH

An operational control consolidation approach was used to account for emissions. Organisational boundaries were set with reference to the methodology described in the GHG Protocol and ISO 14064-1:2018 standards. ^{iv}

This consolidation approach was selected because it aligns to our intended uses. In particular, it is considered to be most effective at reflecting our carbon risk exposure across the organisation loops and brands. It also aligns to our existing financial accounting consolidation methods.

The criteria used by Reconomy to define organisational boundaries consisted of mapping an organisation chart to show legal structure of all entities. The chart was further supplemented with physical sites in order to give a complete picture of the substance of the organisation.

BOUNDARIES

In 2023 Reconomy Group rebranded as Reconomy. Reconomy has 3 main business activities waste and recycling, compliance and logistics and returns. Mainly based in the UK along with 4 businesses based in Germany, Netherlands and Denmark one of which, RLG, has hubs in around 24 countries. Prismm Ltd is a brand that is integrated into Reconomy UK Ltd. Webbs Training (Kingscote Ltd) offers face to face training from 2 UK training hubs. Casepak trades as Ocela and GAE Smith, TSB is ReBound and towards the end of 2022 Cyclon was rebranded as ReBound NL as both businesses have a similar operation and synergies. All businesses will measure and record their scope 1,2 and full 3 emissions however, due to the nature of the RLG business the focus here is scope 1,2, and limited scope 3 for all the specified RLG hubs, including HQ: Germany, Fida and Schuch Austria, Hungary, Poland, Romania, India, U.S, Latam (Colombia, Chile, Argentina, Peru, Mexico) Canada and RENE. In 2023 RLG developed a new methodology to capture a full scope 3 and Italy has piloted and reported on this however as the trial only represented 30% of their revenue this amount will not be included in 2023. RLG Switzerland is excluded as there are no activities taking place and RLG Healthcare is also excluded and being discussed internally.

In 2023 Reconomy acquired 3 new businesses all in the Recycle division (Feb 23) Combineering based in Denmark is an asset light waste solutions development company. Novati(UK) (May 23) is a managed waste services business and Ecoefficiency (UK) (June 23) also offers managed waste services and specialises in soil testing and materials management.

A chart outlining the growth of the business and the organisation structure is included in the shared folder for audit.

Enabling the circular economy

Reconomy is an international circular economy specialist that combines technology, skills and incredible people to build sustainability 'loops' that create circular opportunities for business.



Figure 2: Organisational structure showing business units included and excluded

All Reconomy businesses are included with the exception of RLG Healthcare and RLG Switzerland (legal address with any activity managed from HQ). In addition RLG will measure a limited scope 3 at all the specified RLG hubs, including HQ: Germany, Hungary, Poland, Romania, India, U.S, Latam (Colombia, Chile, Argentina, Peru, Mexico). Italy has trialled and included a full scope 3, aim is to roll this out across RLG in 2024.. Excluded emissions do not exceed 5% of the total footprint within the organisation boundary stated.

Managing and reducing

This is the third year of reporting under the Toitū carbonreduce programme. An absolute increase in Category 1 and 2 emissions of 2,216.53 tCO₂e has occurred against base year. A reduction in emissions intensity (for Category 1, 2 and mandatory Category 3 and 4 emissions) of 53.53 tCO₂e/£M has been achieved based upon a 3-year rolling average, adjusted for inflation.

Emissions Reduction - Absolute metric	5-year Rolling Average vs. Base Year
tCO ₂ e absolute	21.10 increase
Reduction Performance - Intensity metric	5-year Rolling Average vs. Base Year
tCO ₂ e intensity	17.45 reduction

COMMITMENTS

Reduction targets

Reconomy is committed to managing and reducing its emissions. Reconomy's commitments, including GHG emissions reduction targets and plans, have been reviewed and are in line with Toitū Carbon Reduce programme requirements.

In 2022 targets were set for Reconomy using the SBTi tools and templates and have been submitted to SBTi - these were validated in Dec 2023.

Looking ahead, Reconomy is currently focused on the following projects.

Objective	Project	Responsibility	Completion date	Potential co-benefits	Potential unintended consequences	Actions to minimise unintended consequence
Transition direct fleet to low carbon alternative fuels	Company car fleet transition to hybrid and then fully electric by 2028	Sheridan Jaundrell Fleet Manager	31/12/2028	Potential business opportunity for recycling EV batteries	Understand impact on infrastructure and grid. Options for recycling EV batteries at end of life. Potentially scarcity of raw materials	Maintain watchful eye
	Van fleet to transition to electric vehicles by 2028	Fida & Schultz Fleet Manager (Leonor De Toro)	31/12/2028	Potential business opportunity for recycling EV batteries	Understand impact on infrastructure and grid. Options for recycling EV batteries at end of life. Potentially scarcity of raw materials	Maintain watchful eye
	HGV fleet to use alternative fuel such as HVO by 2028	Casepak and ASC Fleet Manager	31/12/2028		Potential impact on biodiversity from biofuels	Maintain watchful eye
	HGV fleet to move to EV / hydrogen by 2031	Casepak and ASC Fleet Manager	31/12/2031	Potential business opportunity for recycling EV batteries	Understand impact on infrastructure and grid. Options for recycling EV batteries at end of life. Potentially scarcity of raw materials	Maintain watchful eye
Use and generate renewable energy	Use 100% renewable energy across UK and EU	Andrew Smith/ Diane Crowe - Renewable Hub	31/12/2028	Reduced carbon footprint - encourages renewables market	None anticipated	n/a
	Use 100% renewable energy outside UK & EU	Diane Crowe - Renewable Hub	31/12/2028	Reduced carbon footprint - encourages renewables market	None anticipated	n/a
	Generate renewable energy (solar, CHP) where viable across Group	Sheridan Jaundrell / Diane Crowe - Renewable Hub	31/12/2028	Generate own energy, contribute to grid, reduced energy bills	Recycling equipment at end of life	Support market development, avoid waste to energy

Objective	Project	Responsibility	Completion date	Potential co-benefits	Potential unintended consequences	Actions to minimise unintended consequence
Reduce the indirect emissions from transportation	Reduce emissions by 55% through influencing suppliers for route optimisation, low carbon transition and alternative fuels	Transportation Managers from each business	31/12/2031	Reduces use of fossil fuels across the transport industry - supports the market	Other than infrastructure - none anticipated	n/a
	Reduce emissions to net zero through influencing suppliers low carbon transition to alternative fuels EV / hydrogen	Transportation Managers from each business	1/01/2040	Eliminates use of fossil fuels across the transport industry - supports the market	Other than infrastructure - none anticipated	n/a
Reduce emissions from the processing of sold products						
	Work with processors / select processors with the most efficient processing equipment	Casepak and Eurokey Operations Director	1/01/2040	Supports the market to renewables across the recycling / processing industry -	Other than infrastructure - none anticipated	n/a
	Invest in UK recycling infrastructure (eg Kettering)	Board Directors	31/12/2031	Boosts the UK recycling infrastructure and reduces need for overseas processing	due diligence for sound investment - none anticipated	n/a

CERTIFICATE DETAILS

Certification status:	Carbon Reduce certified organisation
Certificate number:	2022042J, Year 3 of 3 year certificate period
Valid until:	28 March 2025
Measurement period:	01 January 2023 to 31 December 2023
Base year:	01 January 2021 to 31 December 2021
Audited by:	Achilles Assessment Services (UK)
Level of assurance:	Limited

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Disclaimer: This Certification Summary Statement is a summary of the information (validated and verified for relevant components of the certification) considered for certification and the certification decision. It should not be taken to represent the full submission for certification. Whilst every effort has been made to ensure that the information in this Statement is accurate and complete, Enviro-Mark Solutions Limited (trading as Toitū Envirocare) does not, to the maximum extent permitted by law, give any warranty or guarantee relating to the accuracy or reliability of the information.

ⁱⁱ The mandatory sources that must be included in any Carbon Reduce Programme inventory include:

- All direct emissions from the activities of the organisation, or the part of the organisation being certified. Direct emissions come from assets owned or controlled by the organisation, such as emissions from fleet vehicles, boilers, generators and HVAC systems.
- All emissions from imported energy (electricity, heat and steam)
- Emissions from business travel and freight paid for by the organisation
- Emissions associated with waste disposed of by the organisation, as well as the transmission and distribution of electricity, and natural gas

ⁱⁱⁱ All purchased and generated energy emissions are dual reported using both the location-based method and market-based method in the certified Inventory Report and appendices. This summary document presents the information using the location-based method. Note that reductions and any required compensation are assessed using that method. Dual reporting illustrates the role of supplier choice, onsite renewable energy generation and contractual instruments in managing indirect emissions from energy alongside any ongoing energy efficiency and reduction efforts. This dual reporting aligns with ISO 14064-1:2018 and the GHG Protocol. Please contact this organisation for the dual reporting details applicable to this inventory.

^{iv} Control: the organisation accounts for all GHG emissions and/or removals from facilities over which it has financial or operational control. Equity share: the organisation accounts for its portion of GHG emissions and/or removals from respective facilities.