



Reconomy

Sustainability Report 2024

Think *circular*

Introduction

Welcome to Reconomy's 2024 Sustainability Report.

Through our tech-enabled, people-powered solutions, we're driving the circular economy forward.

We help customers transform their resource management, minimise waste, and create circular supply chains. By doing so, we are helping to close what is known as 'the circularity gap' – the disparity between the volume of materials entering the global economy and the proportion being reused annually.

Our goal is to realise a world where one organisation's waste becomes another's resource, discarded items find new homes, and sustainability drives growth without depleting natural resources.

About this report

This report details the latest progress against our sustainability targets. We have structured it around our circularity approach and the three fundamental strategic principles propelling us towards a waste-free world:

- **Environmental value**
- **Social value**
- **Business value**

We track and report progress against these principles in alignment with EcoVadis, the Global Reporting Initiative (GRI), the Task Force on Climate-related Financial Disclosures (TCFD), the Science Based Targets initiative (SBTi), and the Carbon Disclosure Project (CDP). As of 2024, we also align our reporting with the principles of the Taskforce on Nature-related Financial Disclosures (TNFD). Unless otherwise noted, the information presented reflects our international operations during 2024.

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Welcome from our Chief Executive

We are pleased to welcome you to our 2024 Sustainability Report. This year has been a pivotal one for Reconomy, as we have made significant strides in advancing our data-driven solutions, improving resource recovery for our customers, and expanding our reach through newly acquired businesses – all while deepening our commitment to a more sustainable future.

The circularity challenge

The global economy is currently less than 10% circular, meaning over 90% of natural resources are being wasted rather than reused, repaired, or repurposed. Through our [#CloseTheGap](#) campaign we are aiming to make the circular economy more accessible and engaging by showing that circularity is an opportunity, not a cost. And that it can enable businesses to achieve economic growth by integrating circular economy practices into their operations. By closing the circularity gap, we can enable long-term growth and economic prosperity through smarter resource use.

Measuring what matters

In 2024, we used the power of data to track more business metrics than ever before, and we're proud to have measured the overall circularity of our own business operations for the first time – giving us a clearer picture of our impact.

We also identified our own circularity gap – representing how far we are from being circular – of 55%, which we're now actively working to reduce through improved processes and service models. Gaining such data insights equips us to drive greater circularity progress. For example, in 2024, we physically managed 3.7 million tonnes of material, including returns, and virtually managed materials such as packaging and batteries, with 45% going to closed loop recycling. This informed developments in 2025 as we continued to enhance our impact.

A key part of measuring our impact is tracking the Earth Overshoot Day – the point at which global resource consumption exceeds Earth's ability to regenerate those resources. Earth Overshoot Day fell on 1 August in 2024. By increasing circularity, we can help to push this date back. During 2024, we measured that our 2023 activities contributed to a 10-minute shift, and with more closed-loop initiatives, we expect this positive impact to grow significantly in the coming years.



By making circularity more practical, we help businesses embed it into their day-to-day practices – in turn, translating their sustainability commitments into real progress.

Growing our reach

Expansion plays a significant role in scaling this impact. In the past year, we acquired five businesses – three in North America, one in Germany, and one in England – enhancing our ability to support more companies on their sustainability journeys. This builds on the 2023 launch of RecoTek, our tech development centre in Bucharest, Romania, to drive innovation in circular solutions.

Leading by example

In 2024, we adopted the TNFD framework. This move is a key part of our commitment to becoming nature positive, helping us measure, manage, and disclose nature-related risks and opportunities more transparently.

In addition to this, we introduced sustainability-linked pay arrangements for our executives. This means that the performance of our leaders is directly tied to the achievement of measurable sustainability targets, ensuring that environmental and social impact is always prioritised in our growth. Together, these initiatives help hold us accountable and demonstrate that sustainability is not just a goal but is a core driver of our business strategy.

Closing the gap together

By making circularity more practical, Reconomy is helping businesses embed it into their day-to-day practices – in turn, translating sustainability commitments into real progress. This journey requires collaboration across industries and supply chains. Together, we can close the gap, conserve resources, minimise waste, and achieve truly sustainable growth.

Guy Wakeley - Chief Executive

Awards and achievements

Throughout 2024, we drove positive change through innovation and sustainability, always striving to make a meaningful impact. We are honoured that our efforts have been recognised with several sustainability rankings and prestigious awards.

Certifications and memberships



EcoVadis

This assessment places Reconomy brands¹ in the top 5% of companies globally for sustainability management. Our Platinum score is only awarded to 1% of firms. It highlights the depth and substance of our commitment to sustainable business practices².



United Nations Global Compact

Reconomy regularly submits its United Nations Global Compact (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 Science Based Targets initiative (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 greenhouse gas (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 2024 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.

¹ Key Reconomy brands include Reconomy (UK) Ltd, Combineering, Valpak, RLG, Advanced Supply Chain, ReBound.

² <https://resources.ecovadis.com/blog/ecovadis-medals-and-badges>

Awards



Lloyds Bank British Business Excellence Awards – Sustainable Business of the Year

As the UK’s largest business awards programme, these awards celebrate industry leaders who excel in sustainability, diversity, and innovation while exceeding expectations throughout the year.



City AM Dragon Awards – Impact Business of the Year

These prestigious awards, overseen by the Lord Mayor of London for nearly 40 years, honour businesses, charities, and organisations making a significant social impact within the business community.



Acquisition International's Global Excellence Awards – Best International Circular Economy Specialist

Established in 2018, these awards celebrate innovative companies, teams, and individuals driving change and demonstrating excellence across the corporate landscape.



British Private Equity & Venture Capital Association (BVCA) Excellence in Environmental, Social, and Governance (ESG) Award 2024 – Recognised as the Top Portfolio Company

The BVCA awards honour top private capital firms for performance and responsible investment. The Excellence in ESG Awards recognise companies with exceptional commitment to ESG principles.



2024 International Green Apple Environment Awards – Gold Winner, Environmental Best Practice (Manufacturing) – Waste Management (BHID Group and Reconomy Connect)

Recognising excellence in environmental best practices, these prestigious awards celebrate companies making a significant contribution to waste reduction and sustainable resource management.



2024 National Recycling Awards – Winner, Campaign of the Year (Under £10,000) (Azzurri Group and Reconomy Connect)

Celebrating the best in the recycling industry, these awards recognise campaigns that drive awareness and action towards sustainable practices with a focus on impactful results.



2024 Global Good Awards – One to Watch, Behaviour Change Campaign of the Year (Renewi and Valpak)

These awards honour campaigns that inspire and deliver positive behavioural change in the environment and society, highlighting those making a measurable impact.



2024 Supply Chain Excellence Awards – Winner, Geek+ Supply Chain Visibility Award (Advanced Supply Chain)

These awards recognise outstanding achievements in supply chain management, celebrating innovations in technology, visibility, and efficiency.



2024 Retail Technology Innovation Hub (RTIH) Awards – Winner, Editor's Choice Award (ReBound)

These awards highlight the best innovations in retail technology, with the Editor's Choice Award celebrating groundbreaking solutions that drive efficiency and sustainability in the retail sector.



2024 FDI Insider Awards – Winner, Reverse Logistics Company of the Year, Global (ReBound)

Celebrating excellence in reverse logistics, these awards recognise the global leaders who excel in managing returns, recycling, and reusing goods in a sustainable manner.

Our performance and highlights

We continued to take meaningful steps forward in 2024, making progress and taking each learning as an opportunity to improve and grow. Building on the insights gained from the past year, we will continue working towards a more circular future.



Our commitment to climate and nature: **Environmental value**



6.3%

absolute (market based) decrease Scope 1 and 2 combined emissions from 2021 baseline - an absolute CO₂e decrease of 13.9% from 2023



65.7%

CO₂e intensity decrease from baseline and 1% from 2023



36.2%

increase in electric vehicles (EVs) in the Reconomy fleet from 2023 to 2024



95.6%

of electricity from renewable sources



98.5%

of all waste managed diverted from landfill³



Creating a shared vision: **Social value**



16.6%

of colleagues volunteered in 2024, a total of 2,305 hours



0.6%

profit (before tax) committed to community investment



27

internships and 15 apprenticeships started



£5.3m

social value generated since 2018 (£1.5m in 2024)⁵



12,681

hours of training provided to colleagues



68.7%

of employees completed sustainability engagement and training



Innovating for a better business: **Business value**



+66

customer satisfaction net promoter score (NPS) - excellent category



74.5%

of supplier spend allocated to local and/or small and medium-sized enterprises (SMEs) suppliers⁴



1.23%

of voluntary, community, and social enterprises (VCSEs) in our preferred supplier list



891

suppliers assessed during 2,067 supplier site visits



14,285

customer site visits

³ UK recycle outsourced. ⁴ SME Calculation of SME uses UK Gov definition: less than 250 employees and under £50m turnover.

⁵ Social Value calculated using the UK National TOMS 2023 (themes, outcomes and measures)

Where others see waste, or unwanted resources, we see opportunity. At Reconomy, we provide technology and data-driven circular economy services to customers worldwide. By partnering with businesses, we help foster a more sustainable economy – one that conserves finite resources and maximises the reuse and value of waste materials.

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01 | who we are

The Reconomy Promise

We aspire to be at the forefront of the global circular economy, driven by a shared *vision*, *purpose*, and *mission*.

Together with our core values, these principles form the foundation of the Reconomy Promise.

The Reconomy Promise guides the steps we will take to achieve our sustainability goals and the core principles that will support our actions. It directs us in our efforts to repurpose materials, reimagine supply chains, lower energy inputs, reduce pollution, and foster effective partnerships. By doing this, we aim to operate within a system where natural resource management respects the welfare of both ecosystems and society.



Vision

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



Purpose

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



Mission

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

Our culture is driven by who we are and [what we value](#), which collectively forms part of our company-wide identity. For more information on our values, please visit [Our vision](#) web page.

Our company

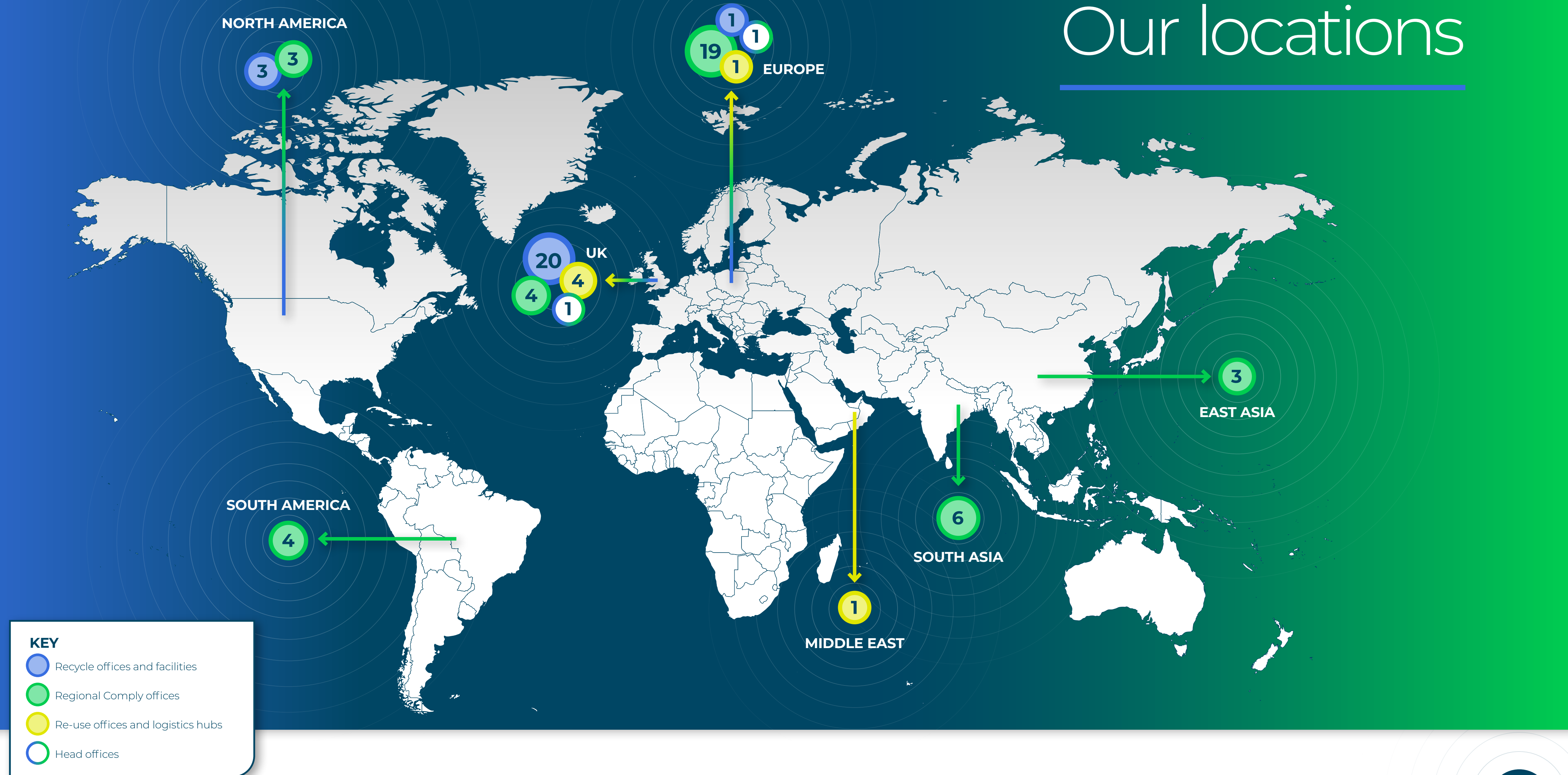
Reconomy is an international circular economy specialist. With brands operating in over 150 countries, we serve more than 23,000 diverse international customers.

Our passionate workforce of over 4,000 colleagues supports businesses to embrace the circular economy, helping preserve the inherent value of resources and materials.

Our approach is delivered through a unified model, offering services that are grouped together within three services areas: Recycle, Comply, and Re-use. We call these service areas 'loops'. We cater to industries including retail fashion and apparel, online market places, consumer electronics, grocery, facilities management (FM), hospitality and leisure, transport and logistics, manufacturing and construction.

While some of Reconomy's services are available as standard offerings, the majority are bespoke, carefully designed, and tailored to meet the unique challenges of our customers.

Our locations



Inside our operations



4,000
colleagues



23,000+
customers



150+
countries
served



£186m
social and local
economic value



Expanded into
10 new
markets



241m
spent procuring
from SMEs



Diversification into
three new markets

Group revenue
in 2024
>£1.32 billion

UK
50%

EU
25%

North
America
20%

Rest of the
World
5%

Our business and brands

Recycle Loop brands



Comply Loop brands



Re-use Loop brands



Businesses acquired in 2024

In 2024, we acquired five new businesses. These were Sudamin Rohstoff, Circle Waste, Lincoln Waste Solutions LLC, Vermillion Holdings and Waste Focus⁶.



We are thrilled to continue our rapid growth trajectory to take advantage of the opportunities in the international waste management sector. The US market has long been of strategic importance to us and our recent acquisitions will enable us to accelerate our growth plans in this region and expand our international footprint to pursue our mission of enabling the circular economy.

US expansion

Reconomy has experienced rapid expansion in recent years, fuelled by a combination of strong organic growth and the successful acquisition of industry-leading brands. Recently, we expanded into the US, marking a huge opportunity to create impact.

Currently, much of the US is characterised by a linear mode of consumption, with limited recycling facilities in many areas that results in low recycling rates and high volumes of waste going to landfill. However, the wider landscape is shifting – with three packaging regulations coming into force in the US in 2025 – and Reconomy is already supporting businesses to prepare for this.

This presents Reconomy with a significant opportunity to enable meaningful change and provide customers with options they didn't previously have. As part of our strategy, we plan to replicate our UK and EU business model in the US through strategic acquisitions and a gradual roll-out of our service provisions to accelerate progress towards a circular economy in North America.

In 2024, we acquired Lincoln Waste Solutions LLC, a leading US-based waste and recycling management and consulting firm. This is Reconomy's first US-based acquisition. As we expand our US operations, we know there will be challenges that come with operating in a traditionally landfill-based waste system. The transition to increased recycling and reuse will require significant infrastructure improvements, and we will leverage our experience from the UK and EU to support this shift. This expansion will impact our data, particularly global recycling rates, with 2025 reporting reflecting these changes and the progress made in the new region.

Mike Benton
Managing Director
of Reconomy's Recycle Loop



⁶ Data from these recent acquisitions is not included within the figures presented in this report.

Streamlining our services to deliver growth

To harness our potential scale, we are expanding our central sales and business development function, providing a unified, cross-business approach to sales and account management. This will help ensure customers receive consistently excellent service through a single point of contact. It also allows us to offer greater value by facilitating easier access to complementary services across Reconomy's loops, creating more holistic solutions for our customers.

In 2024, we also introduced a new change and transformation function, which will combine expertise and capabilities across Reconomy's brands. The function aims to enhance collaboration and improve interconnectedness, focused on:

- Overseeing the delivery of transformation projects across the organisation
- Developing an enhanced framework for integrating acquisitions
- Delivering an operating structure to standardise technologies, platforms and, processes across support functions such as finance, technology, and people.

It will create more consistency in change management programmes and help build internal intellectual capital to drive the future direction of the business. It will also help maximise the value of our brands by enabling them to combine their deep local knowledge with the resources of the international Group.



Reconomy Connect consolidates many of our UK waste and resource management capabilities into a single, market-leading offering. Combining several top-performing Reconomy brands and service providers that previously operated independently, it leverages our scale, technology, data-driven insights, and expertise to help customers maximise material use and move towards zero waste.

With over 700 employees, Reconomy Connect serves more than 13,000 customers across a wide range of services. These services include skip and container hire, scheduled trade waste services, and plant and tool hire. We offer comprehensive account-based waste and resource management solutions for single and multi-site businesses, along with spillage and emergency response services, aggregate and tipping solutions, and waste handling equipment provision.

The launch of Reconomy Connect strengthens our position in the market and enhances our ability to deliver comprehensive, sustainable solutions. As part of Reconomy's Recycle Loop, Reconomy Connect operates in close synergy with many of our other outsourced waste and resource management brands, including AWS Nationwide, Evolution, Ecoefficiency, Circle Waste, and AMA, as well as Lincoln Waste Solutions in the US.

Andy Butler - Managing Director, Waste & Resource



The launch of Reconomy Connect is a clear statement of our success to date and reflects the depth of our capabilities in this market. It signifies a new chapter in our journey to integrate more brands across our division as we double down on our commitment to help our customers make the best possible use of their materials and achieve their sustainability goals.

Simplifying circularity for real-world impact

We need to make the circular economy more accessible – something people can understand and engage with. By tailoring our approach to be practical and simple, we help our customers see that a circular economy is achievable in their day-to-day operations.

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 and minimise waste.



Recycle loop

Our Recycle Loop has long been recognised for enabling daily waste and resource management. Today, it has evolved to incorporate advanced technology, data, and expertise, helping customers maximise material use and drive sustainability.

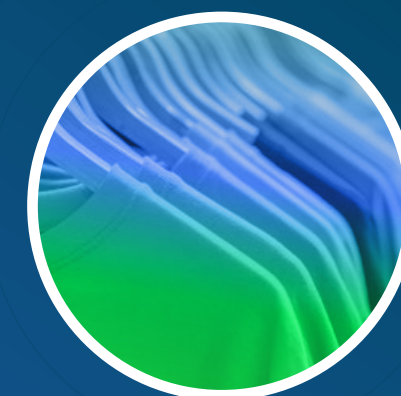
By using data-driven insights and expert strategies, we empower businesses to automate processes, enable closed-loop recycling, and develop proprietary technologies to reuse discarded materials. Additionally, we support customers with policy development, zero waste services, training, and specialist recycling equipment. Of the resources we process by working with our customers, we divert 98.5% of this waste from landfill; in 2024, 68.3% of this was recycled.



Comply loop

Our Comply Loop helps businesses navigate complex environmental regulations by combining expert knowledge, data management, and compliance solutions. We coordinate take-back systems and collaborate with over 40 producer responsibility organisations (PROs) worldwide to manage waste from batteries, electronics, packaging, and textiles.

We support businesses in meeting extended producer responsibility (EPR) regulations, which require producers to handle the collection, recycling, and disposal of their products. With a global presence, we monitor regulatory changes such as EPR and deposit return systems (DRSs), providing services such as horizon scanning, data oversight, and consultancy to keep businesses compliant and prepared.



Re-use loop


Through our Re-use Loop, we handle over 132 million returns annually, with data-driven solutions that optimise online returns management for large retailers. We offer intelligent technology platforms and agile delivery models, covering everything from pre-retail and logistics to product returns, fulfilment, and processing.

Specialising in omnichannel returns management, we support international consumer brands in sectors such as fashion and electronics, enhancing customer experience and driving retail product reuse. With a global network of over 270 return carrier services, we streamline international returns and provide options for product rework, preparing items for local resale and sustainable dispositioning.

How we create value

Key inputs and enablers	Our business model	Value we create (outputs)	Our impact long term (outcomes) linked to SDGs
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We are a tech-enabled, people-powered engine of the global circular economy. Where others see waste, or unwanted resources and materials, we see opportunity – and it's our mission to empower our customers to harness the full and inherent value of their resources.

<p>Our people, 4000+ globally, skilled and talented colleagues</p>		<p>Social value - local employment 2,386 / 63.6%, community engagement and 2,305 volunteering hours, long term and local charity partnership with the National House Project, £136,320 worth of in kind donations</p>	<p>Equitable employment - promote a fair and diverse workplace with motivated and engaged colleagues. Health, safety and well being is a priority</p>
<p>Social capital - Social value = £1.5m, Social and economic value = £186m, Apprenticeships = 15, interns = 27</p>		<p>Our people strategy, motivated, knowledgeable and skilled teams, health, safety and well being prioritised, management gender split - male 51.43% / female 48.57% and all gender split - male 53.92% / female 46.08% , training hours 12,680.6 and improved engagement score 76% (inclusivity score)</p>	<p>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</p>
<p>Financial resources Revenue total £1.3bn which breaks down regionally as: UK 50%, EU 25% North America 20%, Rest of World 5% with 224% growth in North America (23v24)*</p>		<p>Environment value - reduced waste by 10%, increase options for the circular economy, mitigate and adapt to climate change, carbon intensity reduction 65.7% from 2021, protect nature and natural resources</p>	<p>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</p>
<p>Technology - advancing our technology and investment of key products such as data insights, omnichannel returns, £30m investment</p>		<p>Business value Customers NPS score +66, support customers sustainability objectives, protection of reputation through compliance, solutions for difficult recycling needs. Circular awards demonstrate collaboration on solutions</p>	
<p>Natural capital - reliant on ecosystems services with 95.6% of 12,898,026.78 kWh of electricity used from renewable sources. 31ml water used</p>		<p>Supply partners - supplier sustainability charter, sustainable procurement and responsible sourcing</p>	
<p>Supply partners - transportation, materials recycling logistics. Spend with SME 74.51%, spend VCSE 1.23%, number that are SME 82.37%</p>		<p>Investors - strong balance sheet, annual climate and sustainability reporting, a resilient business for the long term</p>	
<p>Customers - 23,000+ customers globally across key sectors such as retail, construction, automotive</p>	<p>Responsible sourcing - partnering with our extensive global supply chain to support customer needs</p>		

We are at the forefront of change, driven by our commitment to shaping a waste-free world. By aligning innovation with regulatory and societal needs, we believe the circular economy can play a vital role in reducing environmental impact and building long-term economic resilience.



In this section

Delivering impactful circular solutions

Fostering change through partnerships and knowledge sharing



What we've challenged ourselves with this year is to genuinely answer the question: Are we making our customers more sustainable and are we making them more circular? We've embraced a more self-critical, data-driven approach to assess our sustainability impact, striving to do better and contribute positively to the planet's circularity, knowing that each step forward is an opportunity for growth.

Guy Wakeley
Chief Executive



Think circular

02

Delivering impactful circular solutions

We support our customers to reduce waste and optimise resource efficiency with solutions that are at the forefront of circular, data-driven innovation. Through our solutions, we enable our customers to become more efficient and deliver on their commitments to environmental sustainability.

Our approach to delivering circularity for our customers

We help our customers stay ahead of the curve by implementing innovative solutions that address recycling and reuse challenges and navigate evolving compliance requirements to increasingly robust legislation. Our end-to-end solutions across Recycle, Comply, and Re-use help businesses bridge circularity gaps, enabling them to make meaningful progress towards their sustainability goals.

To learn more about our approach to circularity, please visit [A Circularity Model for Reconomy Recycling](#).

Tracking circularity through Earth Overshoot Day

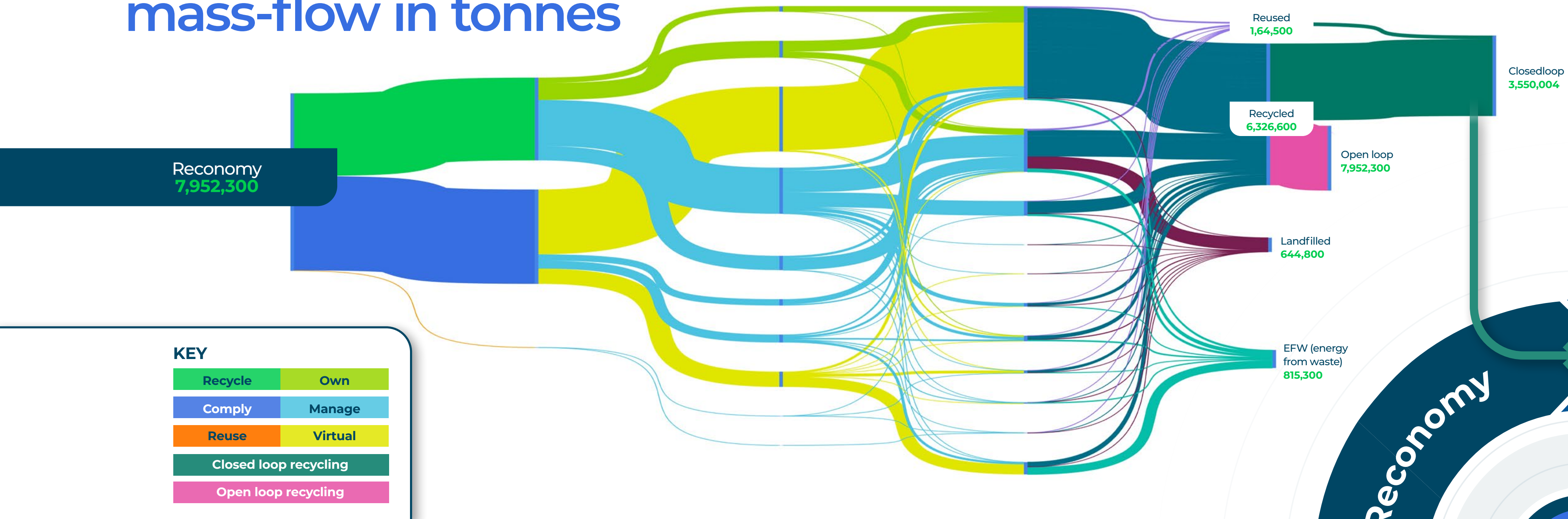
At Reconomy, we're making a real, measurable impact on global circularity, and a valuable way to track this is by looking at the Earth Overshoot Day – the date when humanity's demand for ecological resources exceeds what the Earth can regenerate in a year. Our 2024 full-year [mass-flow analyses](#), which track the movement and usage of materials through our business, show that our activities helped push this date back. Our calculation is based on the impact of circular economy practices on preserving global biodiversity and reducing and avoiding carbon emissions.

To better understand how our business contributes to delaying Earth Overshoot Day, we used the Reconomy circularity scorecard (developed with Metabolic consulting as a basis. This approach looks at key factors, including:

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

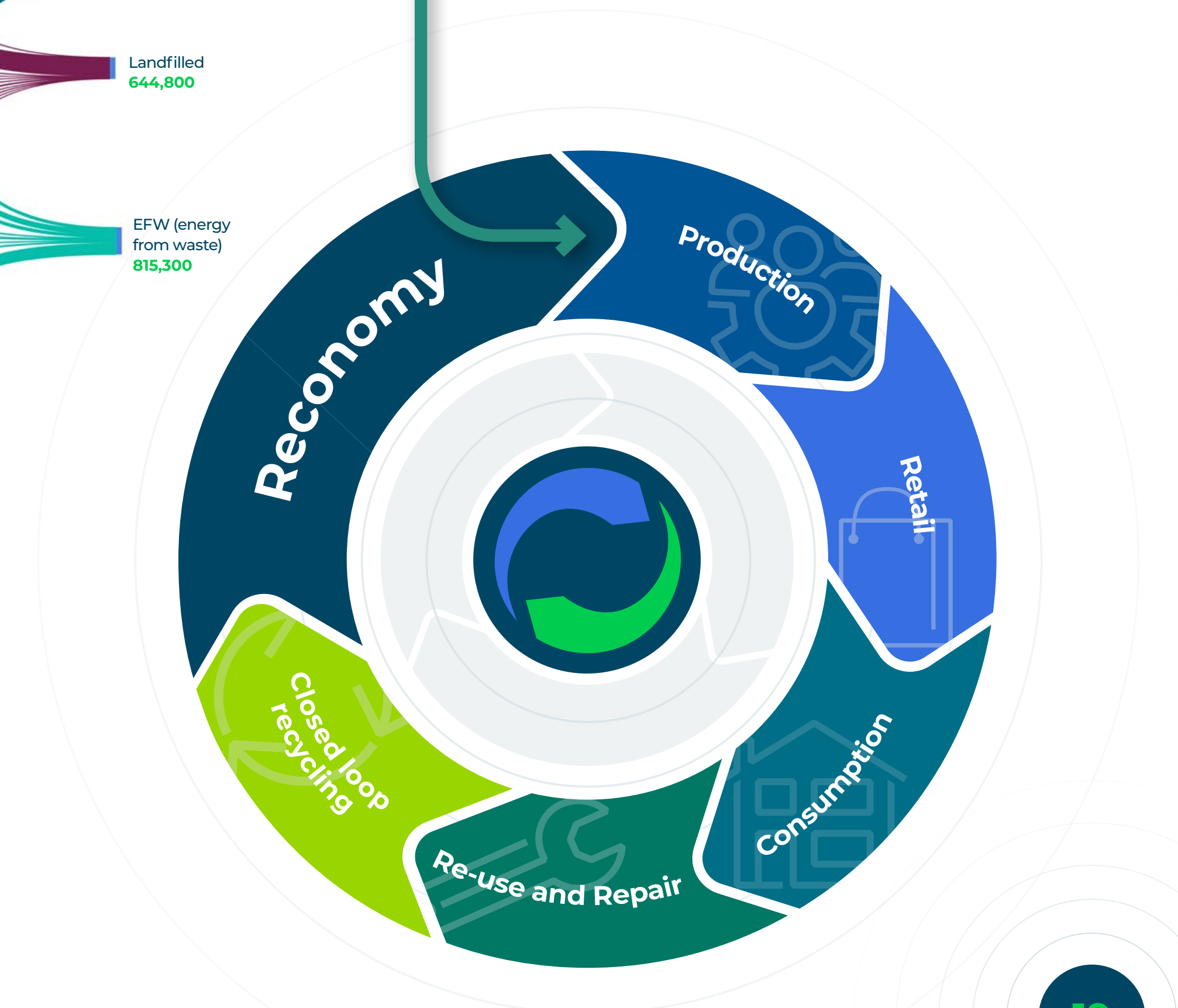


Reconomy materials mass-flow in tonnes



Reconomy circularity gap: 55%

2023 v 2024 improvement:



By advancing circularity, we estimate our impact will push the Earth Overshoot Day back by 12 minutes in 2024, aiming to surpass 15 minutes in 2025 through continued growth and closed-loop activity⁷.

These insights show how small steps taken by many companies can add up to create a significant global impact. At Reconomy, we recognise the importance of contributing to this broader change. That's why we're proposing that the Earth Overshoot Day shift becomes a key circularity metric for our business and we will aim to increase the push year-on-year. It gives us a tangible way to measure how our efforts are making a difference and helps us stay accountable in driving positive change.

A new hub for sustainability innovation

Tying in with our efforts to increase our positive impact annually, in 2025 we are launching CircuLab, a sustainability research hub located in Bucharest. CircuLab will serve as an innovation centre for Reconomy's best thinkers in sustainability, focusing on building specialist capabilities to strengthen our leading role in the circular economy. The lab will allow us to explore new technologies, leverage data analytics and share best practices. This new development identifies cost savings for our customers, but also directly supports our work to push back Earth Overshoot Day.

Advancing textile sustainability and EPR compliance

In 2024, we launched a tech-enabled service designed to support businesses in meeting the growing demands of textile EPR. Textile EPR regulations intend to drive the market towards more reusable, recyclable materials, offering significant benefits for design, materials, and manufacturing industries. To support this transition, we are committed to helping organisations track and manage the life cycle of textiles – from initial sale to end-of-life disposal – ensuring they remain compliant in a rapidly evolving regulatory landscape.

Our service provides an innovative and comprehensive solution, incorporating consultancy, horizon scanning, digital product passports, data management, environmental compliance, take-back, repair, and recycling services. To support customers in diverting textile waste, we leverage our Re-use Loop to manage textile stock effectively and retrieve weight data from across warehousing, pre-retailing, or product returns. This data is then fed to our Comply Loop where it helps brands identify potential compliance obligations and budget accordingly. From there, we connect our customers to the right circularity options such as recommerce, repair, donation, or recycling.



⁷ This was calculated using the same methodology as our 2023 analyses. The methodology used to estimate the delay of Earth Overshoot Day, based on the Reconomy circularity scorecard, is currently undergoing external evaluation by an accredited university. This evaluation follows recognised international standards to ensure scientific rigor, transparency, and reliability.

Expanding EPR across Europe

We have also established our first producer responsibility organisation (PRO) in Italy named ReDress, and we are excited to roll out our go-to-market (GTM) strategy into Germany, Poland, Austria, Romania, and the UK. Initially focused on textile extended producer responsibility (EPR), our PROs are dedicated to supporting clients in efficiently meeting upcoming textile EPR obligations.

As textile EPR legislation comes into effect, organisations will have the opportunity to comply by joining a PRO, establishing their own, or managing compliance individually, depending on EU regulations. Our PROs foster awareness and collaboration across the supply chain, ensuring effective management of textile products and encouraging organisations to prepare for future regulatory requirements. Looking ahead, we plan to extend our PROs to other sectors, amplifying our positive impact across industries. We are also proud to be part of Euratex's Textile PRO Forum, a voluntary initiative focused on harmonising EPR for textiles.

Uncertainty around commencement dates for textile EPR legislation presents challenges. Nonetheless, we are leading the way and launching new solutions and services to help organisations prepare for incoming legislation, supported by our local expertise and global presence.



Driving transparency and circularity in the textile industry through Digital Product Passports

Textile producers in the EU will soon be required to integrate Digital Product Passports (DPP) into their operations, with these passports becoming mandatory for product categories such as batteries and textiles. To help businesses prepare, we partnered with DPP solution provider Fabacus in 2024 to offer a comprehensive DPP solution for our textile customers.

DPPs digitally record essential product life-cycle information, including material composition, weight, volume, manufacturing location, carbon footprint, maintenance, ownership, care instructions, and compliance documentation. Through our collaboration, we are helping customers stay ahead of EU requirements, optimise material use, reduce waste, and support the transition to a more circular economy.

New product and service innovations

Uruguay deposit return scheme project

Reconomy brand, Reverse Logistics Group (RLG) is supporting the implementation of Uruguay's first Deposit Return and Refund System (DRS). The programme incentivises the return of recyclable materials, covering a wide array of packaging types, including PET plastics, aluminium cans, glass bottles, and carton beverages.

RLG will act as the project's primary technology provider. The company will deploy an end-to-end DRS IT solution that integrates all system stakeholders and ensures the secure management of data and financial flows. Additionally, RLG's operations and logistics management solution will support the Consortium in optimising collection routes and tracking materials from collection to their final processing destinations.

This pioneering project positions Uruguay as the first Latin American nation to adopt DRS, setting a precedent for efficient recycling and waste management in the region.

Insulin pen recycling initiative

Every year, 1.5 thousand tonnes of disposable insulin pen waste ends up in UK landfills. Representing a game-changer for sustainability in healthcare, Reconomy Connect is working with a leading provider of disposable insulin pens, creating a 100% recycling solution.

Insulin pen users simply request a prepaid return envelope, fill it with up to 12 used pens, and send it back for free. At the recycling centre, materials like glass, metal, and plastics are all separated and transformed into new products, with no residual waste sent to landfill or for incineration, delivering exceptional circularity.

Scope 3 insights

Reverse Logistics Group (RLG) has launched Scope 3 Insights, a powerful product designed to help businesses manage their Scope 3 carbon emissions with real-time, transaction-based data. Unlike traditional estimations, Scope 3 Insights calculates emissions based on actual logistics movements, enabling businesses to take immediate action and measure the impact of their sustainability efforts.

Given full access to logistics data or direct management of the reverse supply chain, RLG can unlock real-time tracking, providing businesses with unparalleled accuracy and deeper insights to optimise sustainability strategies. Companies looking to enhance their carbon transparency and drive sustainability progress can now access Scope 3 Insights through RLG's platform.

ReBound Circularity Network

The launch by Reconomy brand, ReBound, of its Circularity Network provides easy access to circularity services and solutions for a wide range of returned product streams, such as faulty production, warranty claims, overstock, pre-consumer materials, and end-of-life materials.

This network offers services such as sorting, second-hand resell, rental, repair, donation and recycling, all providing the means to extend the lifecycle of products. By selecting the best service providers and leveraging its diverse network, ReBound ensures the right match for each requirement, maintaining high-quality standards and flexibility.

Think
circular
AWARD

Shining a light on circularity

At Reconomy, we not only support innovation within our organisation but also among our customers. Reconomy's 'Think Circular Award' seeks to showcase the achievements of organisations that are making proactive, innovative strides towards a more sustainable future. Each month, Reconomy representatives nominate customers who have demonstrated dedication and progress towards circularity. Recent examples include the implementation of closed-loop take-back systems for toner cartridges and uPVC (unplasticized polyvinyl chloride) windows and doors, and achieving zero waste to landfill, drastically cutting emissions associated with waste vehicle movements. Learn more about [the awards and the 2024 winners](#).

Fostering change through partnerships and knowledge sharing



A framework for transforming waste and resource management

It's estimated that the full benefits of a circular economy could boost the UK economy by £82 billion (gross value added) and create up to 284,000 jobs in London alone by 2030⁸.

We have combined our expertise with that of key partners to help support the UK Government in restructuring the waste industry, seeking to drive economic growth and address climate change. In collaboration with sustainability consultancy Sancroft, we developed a framework to address the UK's waste and resource management challenges, as part of a wider roadmap to a zero waste economy.

During the consultation process, we engaged waste experts as well as public and private sector organisations. The resulting framework seeks to create a consistent regulatory market, helping businesses manage waste and reduce associated environmental impacts. With 10 business-friendly principles, it simplifies the waste system and encourages higher recycling rates and better resource management. Adopting this framework will encourage businesses to align with the UK's climate goals and unlock substantial economic benefits. Find out more about the [framework](#).

Transitioning to a circular economy requires a **collective approach and global knowledge sharing through events, research, and partnerships. Reconomy is committed to advocating for change throughout our industry and the locations where we operate.**



**Think
circular
LIVE!**

Think Circular Live 2024: navigating global circular challenges

In 2024, Reconomy hosted Think Circular Live, a new events concept focused on key issues shaping the future of the circular economy and designed to educate and share knowledge with our brands and their customers.

During these events, we explored the potential impact of negotiations for a Global Plastics Treaty and examined the UK's delay in implementing the DRS. We delved into the complexities of navigating EPR regulations across Europe, where implementation varies significantly between countries, as well as the emerging focus on EPR for textiles, highlighting its potential as the next frontier of circularity. We also took a deep dive into the potential impacts of California's Plastic Pollution Prevention and Packaging Producer Responsibility Act (SB 54), which mandates 100% recyclability or compostability of packaging by 2032, and new EPR laws in states such as Colorado, Maine, Oregon, New Jersey, Minnesota, and Washington.

These events were incredibly valuable, bringing our brands and customers together in one space to exchange knowledge and share solutions to the most urgent circular economy challenges. The events provided an opportunity to reflect on our impact and get inspired by success stories from across the circular economy.

⁸ [A framework to enable the circular economy, 2024.](#)

Transforming the landscape of paper cup recycling

With around 3.2 billion paper cups used across the UK each year, improving recycling in the foodservice sector remains a critical challenge. While a proposed mandatory take-back scheme for cups was ultimately withdrawn, the need for sustainable, scalable recycling solutions is stronger than ever.

In anticipation of regulatory changes, Reconomy, through its leading UK brand Valpak, partnered with Footprint Intelligence to [publish a report](#) offering comprehensive insights into the future of paper cup recycling. The report brought together voices from industry, Non Governmental Organisations, and policy to equip foodservice operators with the knowledge and practical steps needed to enhance cup collection and recycling systems. This work forms part of Reconomy's continued commitment to supporting businesses in building accessible and effective take-back infrastructure. Beyond regulatory drivers, it reflects a broader push toward a circular economy in which packaging materials are recovered and reused at scale.

In 2024, Valpak's National Cup Recycling Scheme expanded its reach across new sectors, and innovative initiatives like the Cupround project were launched, helping organisations increase cup capture in workplaces and even at home.



Case study

Advancing circular economy in cities

Around 2.2 million tonnes of packaging is used and thrown away in London every year, equivalent to almost 250kg per person. To address the growing challenge of packaging waste in cities, Valpak partnered with WRAP and ReLondon to produce the [ReLondon Packaging Footprint Report](#). The report thoroughly assesses and maps London's packaging footprint, with a particular focus on material usage and carbon emissions.

By identifying critical levers for change, including promoting reusable packaging, improving waste management services, and increasing market demand for recycled content, the report highlights how we can move towards more sustainable and circular cities.



Sustainability is at the heart of our business strategy, influencing everything we do. We are committed to leading by example, integrating sustainable practices across our operations, and actively supporting our customers in achieving their own sustainability goals.

In this section

Mapping our material topics and priorities

Our sustainability strategy

Sustainability targets and progress

Stakeholder engagement



This year, we've continued to embed circularity and sustainability across our own business as we strive to walk the walk. In particular, we've refreshed our sustainability strategy and strengthened our reporting. We also completed a double materiality assessment, a major step in making sure that we are focused on the topics most important to our business.

Diane Crowe
Group Sustainability Director

Mapping our material topics and priorities

Reconomy's sustainability approach is guided by our materiality assessment, focusing on the issues that matter most to our organisation and stakeholders.

We first conducted a materiality assessment in 2022 to identify our most material topics over a three-year period. As we come to the end of that strategic period, we're looking ahead to ensure the topics we report on are still the most relevant to our business. We've also been actively preparing for the Corporate Sustainability Reporting Directive (CSRD) by enhancing our internal systems and processes to meet requirements. This includes refining our data collection methods to ensure accurate and transparent sustainability reporting. By aligning our reporting with the CSRD framework, we are not only ensuring compliance but also future-proofing our business and reinforcing our commitment to sustainability.

Our double materiality assessment

As part of our CSRD preparation, we conducted our first double materiality assessment 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

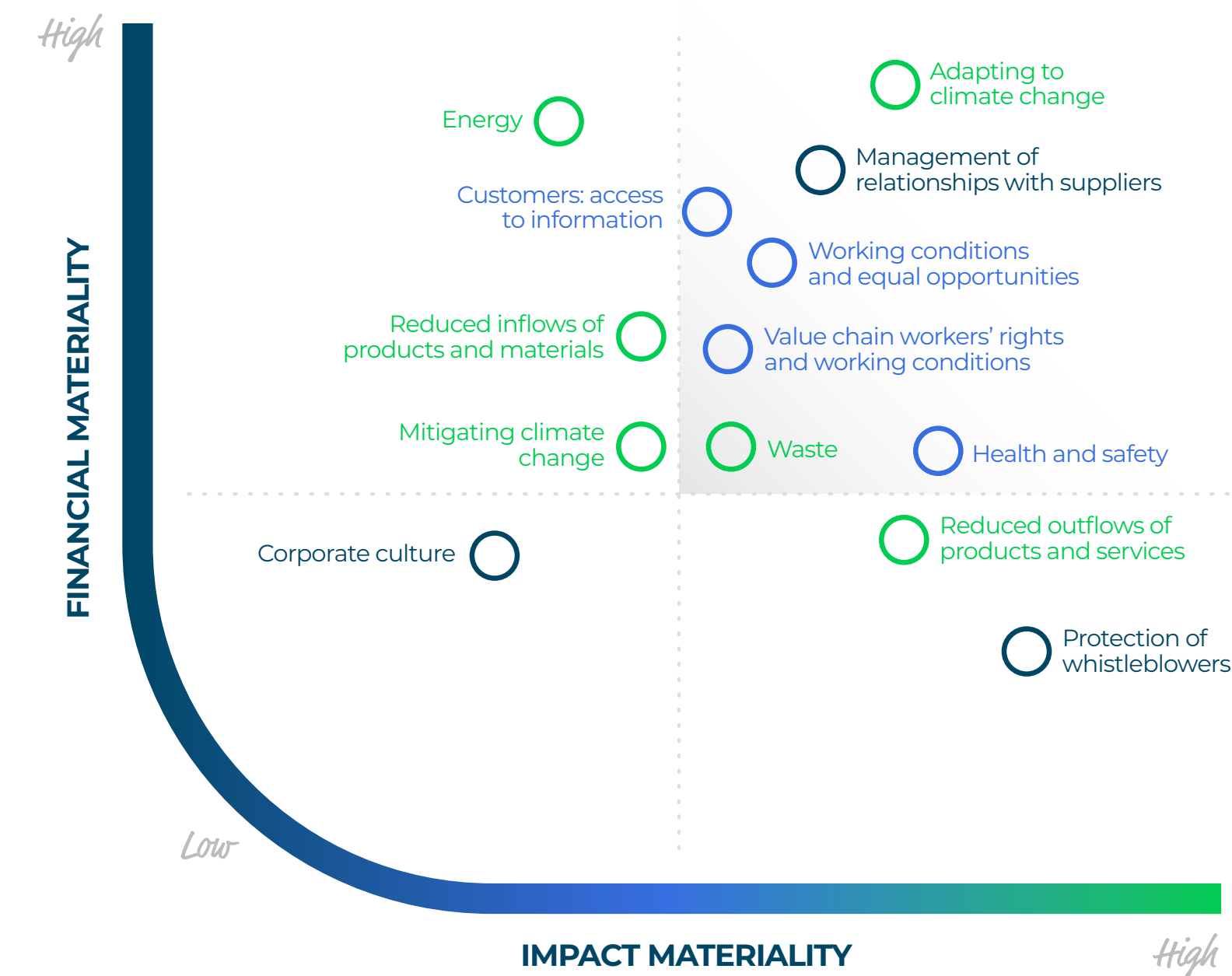
2

Data and insights – 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 own operation double materiality matrix

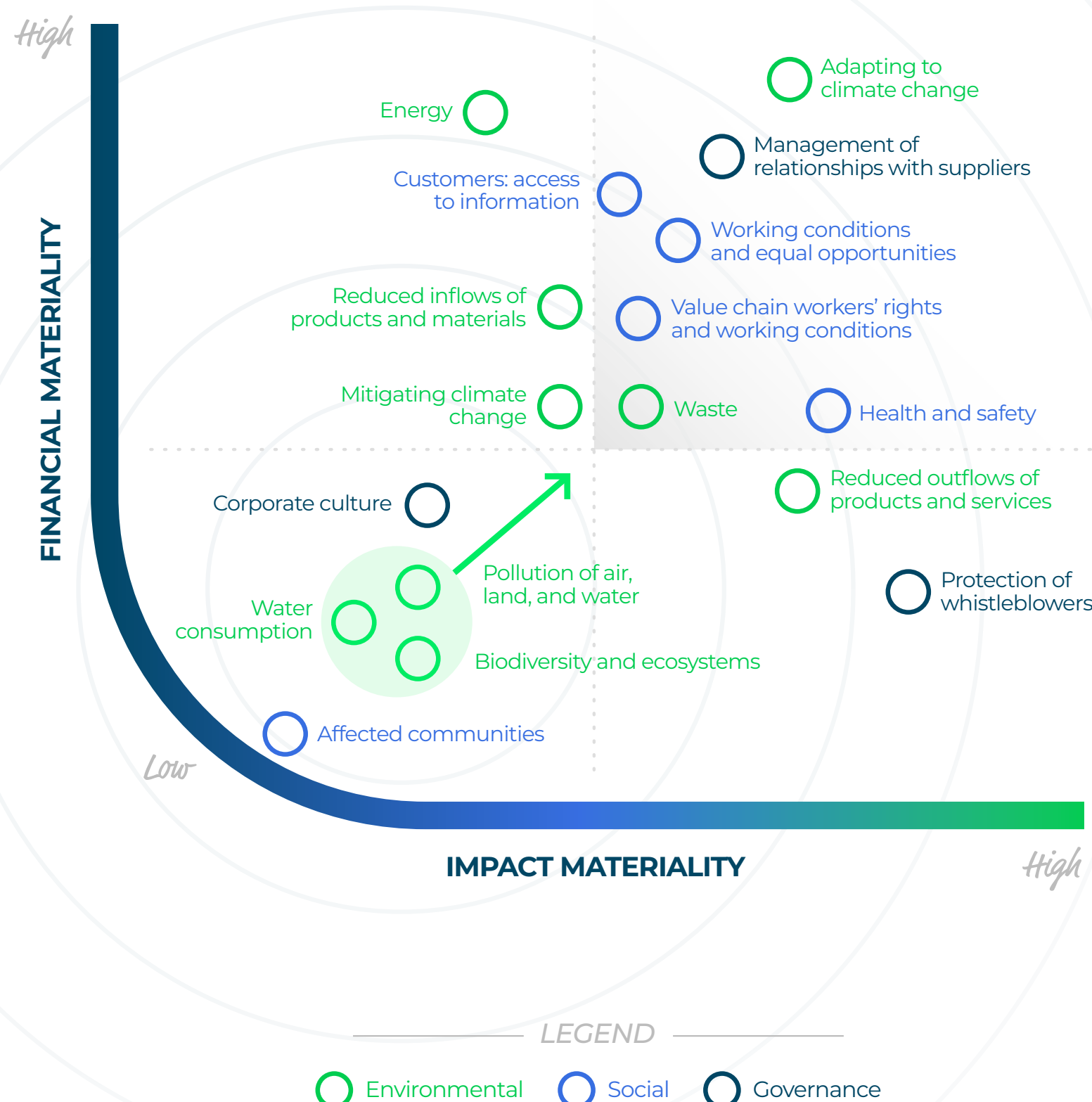


LEGEND

Environmental Social Governance

These topics are integral to our strategy, and we are committed to addressing them to ensure long-term sustainability and positive impact. In 2025, we will review our targets, KPIs, and data points to align with our evolving focus, ensuring we continue to drive meaningful change and measurable progress.

Reconomy's value chain double materiality matrix



We also set up a cross-functional CSRD Steering Committee, identified executive sponsors for each European Sustainability Reporting Standards (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.



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 legislation 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.

Our sustainability strategy

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

Our approach is centred around purpose, thoughtful planning, and long-term vision. It seeks 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 plan to reassess our goals and targets in line with our new double materiality assessment and refreshed strategy to ensure they continue to align with our direction as a business.



Guiding our approach


Our sustainability strategy serves as our guide to creating value across environmental, social, and responsible business dimensions. It directs our efforts in helping customers meet their sustainability goals, protecting the well-being of our people, and driving the industry towards a more inclusive, low-carbon, and nature-positive circular economy.

Contributing to Sustainable Development Goals

Reconomy’s sustainability strategy is aligned with the United Nations Sustainable Development Goals (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 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.



SDG	SDG targets	Why it matters	Activities
<div><p>Responsible Consumption and Production</p></div>	<p>12.2 By 2030, achieve the sustainable management and efficient use of natural resources.</p> <p>12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.</p>	<p>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.</p>	<p>We have significantly reduced our waste generated, increasing the amount of materials that are reused and recycled. We are developing and facilitating the circular economy. We are also committed to further developing our network of social enterprises and charities that we work with to increase reuse, repurposing, and recycling.</p>
<div><p>Climate Action</p></div>	<p>13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.</p>	<p>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.</p>	<p>We are focusing on reducing our operational carbon, having set, submitted, and had validated SBTi targets. We have measured our Scope 3 emissions and are taking action to reduce carbon across our supply chain.</p>



Good Health and Well-being



Reduced Inequalities



Gender Equality



Life Below Water



Decent Work and Economic Growth



Life on Land



Targets and progress - Environmental

Environment								
Material topic	Aim	Objective	Target	2023 progress	2024 progress	Narrative	Goal year	Target status
GHG emissions Circular economy and materials use Natural resource management	Tackling climate change Reconomy commits to reach net zero GHG emissions across the value chain by 2040	Measure and reduce our Scope 1 and 2 carbon emissions	Reconomy commits to reduce absolute Scope 1 and 2 GHG emissions to 33.6% by 2028, from a 2021 base year	Market-based Scope 1 and 2 intensity reduction 37.1% Scope 1 and 2 absolute increase 8.1%	Scope 1 and 2 absolute decrease 6.3%	SBTi targets validated and making good progress in decarbonisation. Around 30 HGVs are no longer in use, our car fleet has more energy efficient hybrids and EVs and we've achieved a 5% reduction in energy consumption (kWh).	2028	On track
		Reduce direct carbon from 2021 baseline in the near term (2028)	Reconomy also commits to increase active annual sourcing of renewable electricity from 86% in 2021 to 100% by 2028	95.4%	95.6%	We use a market-based approach, with a growing reliance on renewable electricity, reaching 99.7% in the UK. We've achieved a 5% reduction in energy use, with 78.5% of our gas and electricity now sourced from renewables, total energy (inc fuel) sourced is 23.2%.	2028	On track
	Net positive impact	Measure, report, and reduce full Scope 1, 2, and 3 carbon	Reconomy further commits to reduce Scope 3 GHG emissions to 44% per USD value added within the same timeframe	Targets set and submitted to SBTi – validation May 2023 Full Scope 3 intensity 50.6% reduction Full Scope 3 absolute decrease 42%	Full Scope 3 intensity 66.2% reduction Full Scope 3 absolute 37.8% decrease (against baseline)	Absolute and intensity reduced against the 2021 baseline. Full Scope 3 intensity (against gross profit) increased compared to 2023 due to factors such as the global inclusion of full Scope 3 for RLC, higher capital spend, a new software platform, inclusion of well-to-wheel factors, and a shift from spend-based data. A revised carbon reduction plan aligned with the 1.5°C target was implemented in 2024.	2028	On track

Continued on next page...



Targets and progress - Environmental

Environment								
Material topic	Aim	Objective	Target	2023 progress	2024 progress	Narrative	Goal year	Target status
		Aim for net positive environment	Implement Climate and Nature Positive Strategy, each brand to have a Reconomy Environmental Action Plan (REAP) in place	60.9%	100%	Aim to fully implement plans with new acquisitions. Target to be reviewed in 2025.	2024	Achieved
		Move industry towards the circular economy	Quantify Reconomy's impact of the circular economy, improve scorecard from a measured baseline	15.2% reuse	13.05%	This is an indicative measure for the Recycle Loop , with the aim to systematically consolidate and improve measurement. Good progress has been made.	2025	On track
		Continue to work towards zero waste and reduce recovery rates	As above	22.4% recovered	17.15%	This is an indicative measure for the Recycle Loop. The aim is to consolidate and improve measurement systematically.	2025	On track
		Work with customers and suppliers to reduce materials used (minimise waste)	Tonnes waste avoided vs turnover (to normalise)	39,454 tonnes reduced vs £130m (2023) 0.01	277,578 tonnes reduced vs £124m (2024) 0.009	Between 2021 and 2022, there was a 210k tonne (50%) reduction, largely due to the COVID-19 effect. The reduction from 2022 to 2023 was 9.5%, and from 2023 to 2024 it was 10%.	2025	On track



Targets and progress - Social

Social								
Material topic	Aim	Objective	Target	2023 progress	2024 progress	Narrative	Goal year	Target status
Fair employment Diversity, equity and inclusion (DEI) Health, safety, and wellbeing Social value	Addressing the skills gap and supporting employment	Maintain an effective intern / work-experience programme	Promote opportunities to fill ringfenced-funded apprenticeships and intern positions for care leavers and opportunities for hard-to-reach groups	24 apprenticeships, 27 internships	15 apprenticeships, 27 internships, 5% of which were care experienced	These are total numbers for young people joining Reconomy – the commitment to young adults leaving care and those from hard to reach remains. Aim to make the offer easier to access.	2025	On track
		Help break down barriers to employment, focus on care leavers and hard-to-reach groups	Generate at least £0.5m pure social value annually	£3.8m since 2018, diversity £1.3m social value in 2023	£5.3m since 2018 £1.5m social value in 2024	Social value target has been achieved. The Group Sustainability Committee reviewed and set new annual target.	2024	Achieved
		Promote diversity, inclusion, and fairness	Undertake a business-wide inclusion and diversity survey and implement priority actions	Plan developed and actions taken to attract and retain women	DEI strategy developed for implementation in 2025	Actions taken on priority areas related to the gender pay gap, retention, and attraction of women. Survey planned for 2025.	2025	On track
	Building community relationships	Involve all employees in our volunteering programme – at least one day paid per year	20% of colleagues volunteering	17% volunteered (1,470 hours)	16.6% volunteered (2,305 hours)	This is an absolute amount and does not reflect the 57% increase in volunteering hours as new brands join the business and our headcount increases.	2025	Off track
		Total value of community investment – cash, volunteer hours, and materials/ services	Aim for 1% of profit before tax	0.5%	0.6%	Ambition is for 1% of profit before tax to be invested in the community.	2025	Off track



Targets and progress - Business

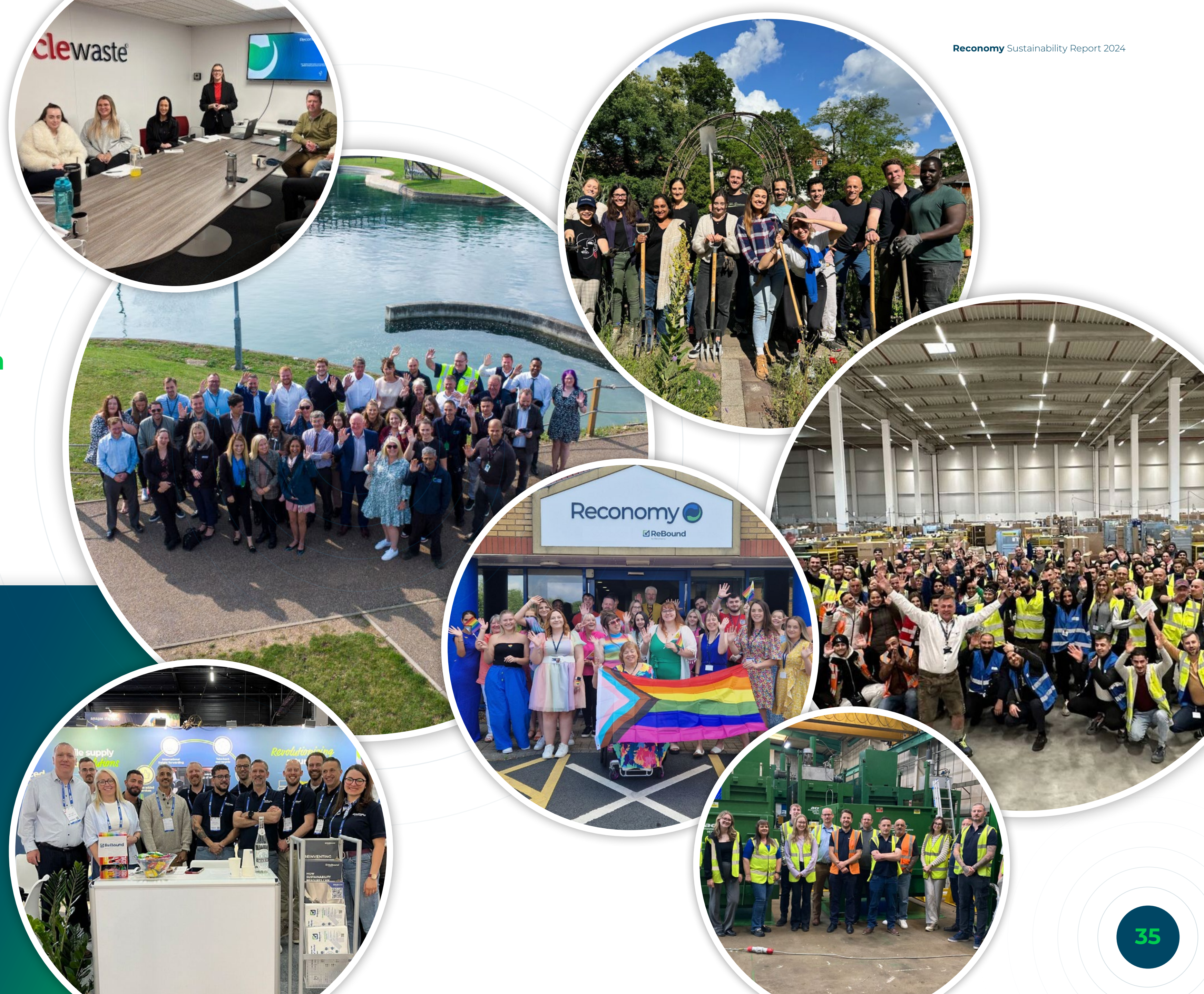
Business								
Material topic	Aim	Objective	Target	2023 progress	2024 progress	Narrative	Goal year	Target status
Ethical business	Improve the customer experience	Increase customer satisfaction scores (i.e. NPS)	Achieve average NPS score of +66 across Reconomy	66	66	Relates to the entire global business.	2025	On track
		Have an employee sustainability engagement and training programme	75% of people to complete at least one training module	53.9%	68.7%	Sustainability training continued in 2024 through face-to-face and Teams sessions. Supply Chain Sustainability School (SCSS) learning pathways were made available to all new starters via a business-wide platform.	2025	On track
	Developing our supply chain	Implement the Sustainable Procurement Policy (based on ISO 20400)	Full integration of sustainability across procurement	71.4%	93.75%	Development of a business-wide procurement function has accelerated sustainable procurement implementation.	2025	On track
		Monitor the percentage of our supply chain that are SMEs and measure spend	80% of supply chain to be SME	90.1% Recycle Loop and 71.92% group-wide	86.3% Recycle Loop and 82.4% group-wide	Historically tracked in the Recycle Loop, now extended across the business with strong local and SME supplier engagement in the supply chain.	2025	On track
		Identify and increase the number of voluntary, community, and social enterprises in our supply chain	2% of preferred suppliers to be VCSEs	0.96%	1.23%	Programmes and plans have increased the number of social enterprises across Reconomy. Reconomy Social Enterprise launched.	2025	Off track
	Governance and ethics	Benchmark our sustainability strategy	Continuous improvement of EcoVadis assessment score	Gold	Gold	One new business assessed, two achieved platinum. Aim to maintain and improve.	2025	On track

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	<ul style="list-style-type: none">• New product development for new and existing clients (Scope 3 insights)• Extensions to existing services; often developed in response to new regulation, e.g. EU CBAM• Partnership agreements with value additive solutions, product and service (Vana/Fabacus)• Consortium approach to address macro-level circular economy challenges, such as our implementation of a landmark DRS in Uruguay
Key topics raised	<ul style="list-style-type: none">• Revitalising the stagnant recycling rates and modernising the waste management infrastructure across the UK to drive efficient management of resources• Defining a forward strategy for the management of textile waste in anticipation of textiles EPR• Preparing for the launch of the UK Simpler Recycling Legislation in 2025
How we responded	<ul style="list-style-type: none">• Strategic partnership with Sancroft authored two reports:<ul style="list-style-type: none">- A framework 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- A second strategic review of the textiles industry (2025)• Introduced a consistent and sustainable approach to recycling as part of our business-as-usual waste management service provision

Our suppliers	
How we engaged with them	<ul style="list-style-type: none">• Engaged with suppliers at a brand and loop level. For example, partnership reviews and compliance assessments to ensure standards of procurement and customer service is maintained.
Key topics raised	<ul style="list-style-type: none">• Legal compliance with existing and preparation for new legislation• Services available and sustainability innovations developed
How we responded	<ul style="list-style-type: none">• 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	<ul style="list-style-type: none">• Annual MyVoice engagement survey and pulse survey• Quarterly communications forum• Quarterly colleague business briefing
Key topics raised	<ul style="list-style-type: none">• Diversity and inclusion• Enhanced parental leave• Improved collaboration• Support and development for managers
How we responded	<ul style="list-style-type: none">• Developed a DEI strategy• Introduced 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

Our local communities and NGOs	
How we engaged with them	<ul style="list-style-type: none">• Meetings between communities and charities such as the National House Project (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 Environmental Management and Assessment (IEMA)
Key topics raised	<ul style="list-style-type: none">• 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
How we responded	<ul style="list-style-type: none">• Delivered National House Project (NHP) mentoring sessions with senior management• Reconomy Community Interest Company (CIC) benefited NHP welcome boxes and white goods• Improved internal systems and customer support• Provided useful industry-sector input and guidance

Government and regulators	
How we engaged with them	<ul style="list-style-type: none">• Ongoing conversations about implementation of our 10 circular economy principles• Single-use cups report for the UK, sponsored by Reconomy and Valpak, and researched by Footprint Media• Engaged with US state regulators on hazardous household waste as part of setting up PRO• Collaborated with Circular Materials Ontario for the Common Collections Scheme in Canada• Engaged with the Environmental Ministry in Italy and participated in Euratex's Textiles PRO Forum, focussed on EPR
Key topics raised	<ul style="list-style-type: none">• Advocating for the creation of a regulatory framework that incentivises the circular economy in the UK• 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	<ul style="list-style-type: none">• Continued advocating for our 10 circular economy principles• Launched the single-use cups report at an in-person event in the fourth quarter (Q4) of 2024, with key producers and industry colleagues• Assisted the PRO to find sustainable methods and responsible systems• Provided an operating system that ensures 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	<ul style="list-style-type: none">• Quarterly briefings on maintaining profitability and responsibility
Key topics raised	<ul style="list-style-type: none">• Ensuring Reconomy remains a diverse, equal, and inclusive organisation• Increasing accuracy and transparency in carbon and other ESG reporting• ESG investment
How we responded	<ul style="list-style-type: none">• Developed a DEI strategy to implement in 2025• Reviewed reporting to improve accuracy and disclosure of our carbon reporting• Completed ESG investor questionnaires



Environmental value

We believe in nature's intrinsic value and the importance of protecting the ecosystem services it provides – from carbon mitigation to climate regulation. Conserving environmental resources is at the core of Reconomy's mission.

In this section

Our approach to environmental value

Carbon reduction: Reaching net zero

Managing our impact and GHG emissions

Becoming nature positive



In 2024, we continued to drive towards our ambitions for the environment. The publication of the Reconomy Environmental Action Plan represents another important milestone in the delivery of our ambitious Climate and Nature Positive Strategy. Alongside adopting the TNFD, it demonstrates Reconomy's commitment to transparently plotting our way towards near-term environmental ambitions and our net zero carbon science-based targets. We now have a clear and achievable timeline – combining a range of local and wider international activity – for achieving our ambitions and leading the way towards a more circular economy.

Diane Crowe
Group Sustainability Director

Our commitment
to climate and
nature

04



Our approach to environmental value

We believe every business has a duty to protect resources, boost recycling efforts, and optimise energy use. Across all our brands, we are committed to lowering our 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 outlines our commitment to cross-business sustainability. It supports our vision of a waste-free world and reinforces our purpose of enabling the circular economy for our customers.

The challenges of climate change, material scarcity, and biodiversity loss pose both risks and opportunities for our operations. Through the implementation of our strategy, we aim to mitigate these risks while seizing the opportunities the circular economy offers, benefiting our customers and wider society. At the start of 2024, our executive team undertook sustainability and climate risk training to support the strategy roll-out and strengthen our company-wide approach to becoming climate and nature positive.

The Reconomy Environmental Action Plan

To support the implementation of our Climate and Nature Positive Strategy, we rolled out the Reconomy Environmental Action Plan (REAP). Designed to address the climate and biodiversity emergencies in every location where we operate, REAP is key to achieving our science-based 2028 carbon targets and our 2040 net zero goal.

As reaching net zero is dependent on nature recovery and progress towards a circular economy, REAP guides Reconomy in targeting, investing, disclosing, and taking action across five interconnected focus areas:

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

In 2024, a key focus was embedding REAP throughout our business operations and launching the initiative externally to share our progress. REAP not only provides a programme to reduce Reconomy's impact but also supports the sustainability objectives of our customers and suppliers, creating greater efficiencies and circularity. Find out more in [our REAP report](#).

TCFD and TNFD alignment

Since 2021, Reconomy has used Task Force on Climate-related Financial Disclosures (TCFD) recommendations and guidance to work through a process for understanding potential current and future costs and impacts of climate change. This allows us to inform investors and other key stakeholders of the climate-related risks and opportunities that may impact the business. Using this framework enables us to outline our process for responding to climate change in a comparable way.

In 2024, we also aligned our reporting with the Taskforce on Nature-related Financial Disclosures (TNFD) – the first UK-based company in our sector to do so – marking significant nature-positive progress for Reconomy. Adopting the TNFD helps us understand systemic nature-related risks and integrate them with our climate risks and impacts. We were proud to be recognised as an early adopter of TNFD at the 2024 Biodiversity COP29 in Baku, Azerbaijan. To read more about our progress towards the TNFD-aligned reporting please see [page 72](#).



Science-based targets: Our commitment to a sustainable future

Our commitment to sustainability is underpinned by science-based targets in line with the Science Based Targets initiative (SBTi). These targets were approved by the SBTi at the end of 2023 and guide our efforts to reduce carbon emissions and drive meaningful climate action across our operations. Our focus in 2024 has been to implement internal processes and initiatives to make progress towards these goals, such as developing a carbon reduction plan for each Reconomy brand and ensuring we have policies in place to reduce our energy and to generate and use renewable energy.



Reconomy climate action SBTi-approved goals	
Overall net zero target	Reconomy commits to reach net zero GHG emissions across the value chain by 2040
Near-term Scope 1 (direct control)	
Absolute target	Reconomy commits to reduce absolute Scope 1 and 2 GHG emissions by 33.6% by 2028 from a 2021 base year
	Reconomy commits to increase active annual sourcing of renewable electricity from 86% in 2021 to 100% by 2028
Intensity target	Reconomy commits to reduce Scope 3 GHG emissions by 44% per USD ⁹ value added within the same timeframe
Long-term net zero targets (indirect)	
Absolute target	Reconomy commits to reduce absolute Scope 1 and 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 within the same timeframe

Enhancing performance and reporting

In 2024, we were proud to achieve an overall EcoVadis gold for Reconomy, including two platinum scores for individual Reconomy brands. As we continue to improve our sustainability performance, we report in line with best practice voluntary standards and assessments such as CDP, where we scored a B.

⁹ Gross profit.

Carbon reduction: Reaching net zero



PHASE 1

2023 to 2025

Phase 1 of our Carbon Reduction Plan focuses 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. In this phase, we are also laying the groundwork for significant Scope 3 emissions reductions by engaging with suppliers on their net zero progress and implementing a Sustainable Procurement Policy.

PHASE 2

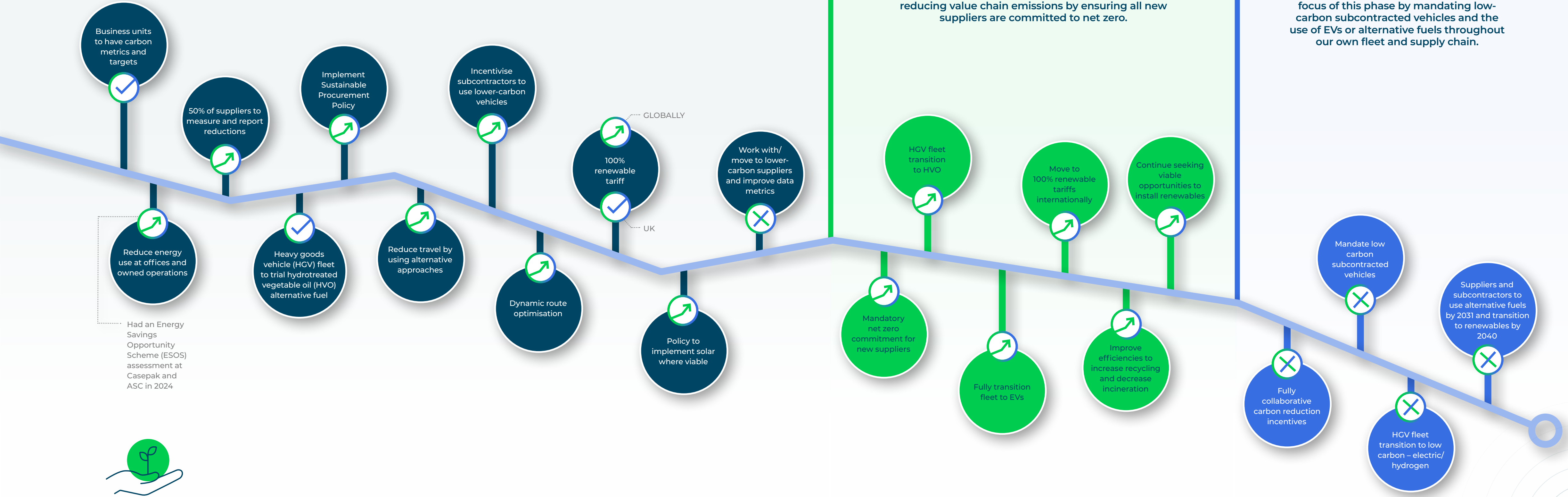
2026 to 2028

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 net zero.

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.

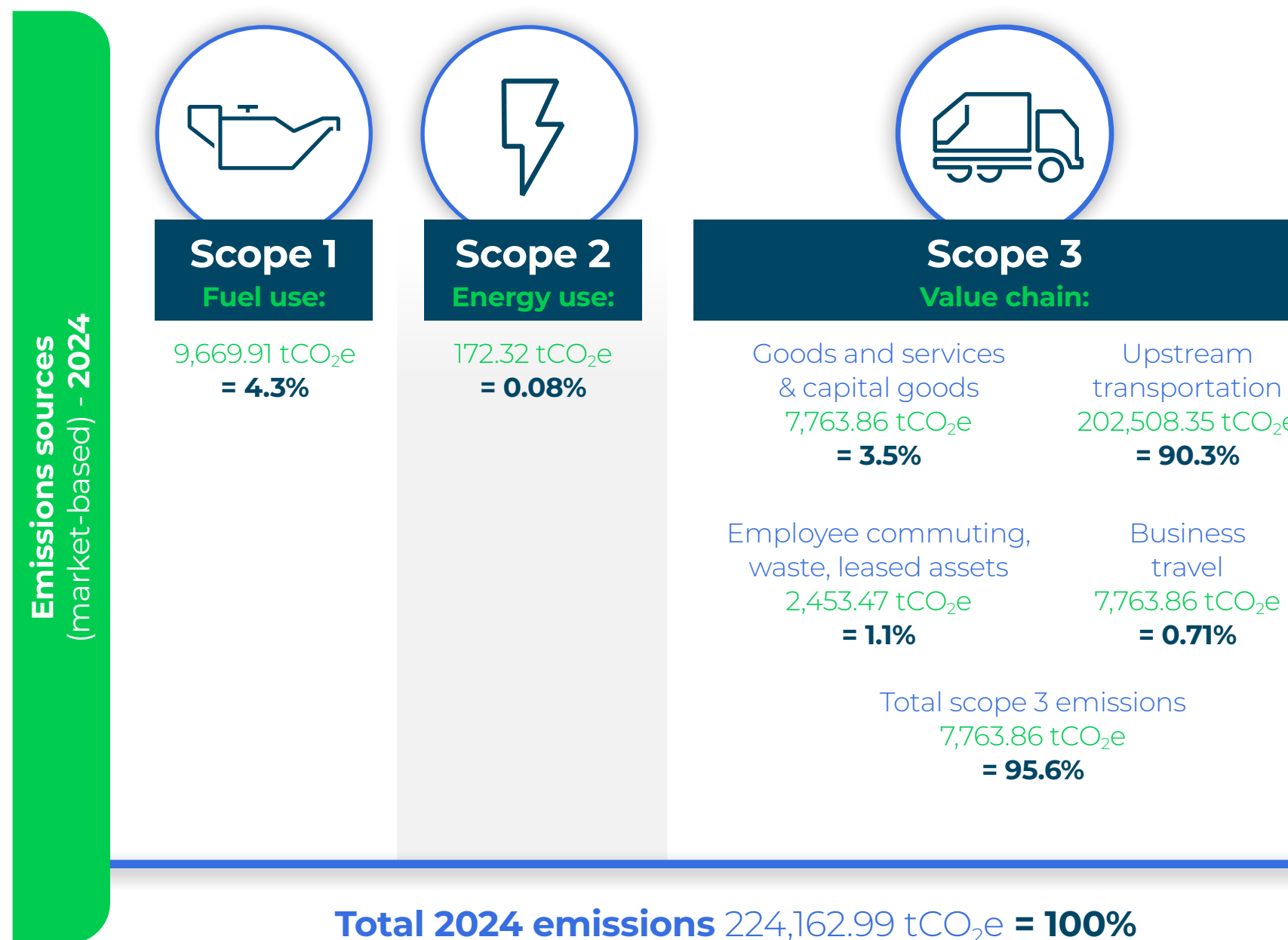
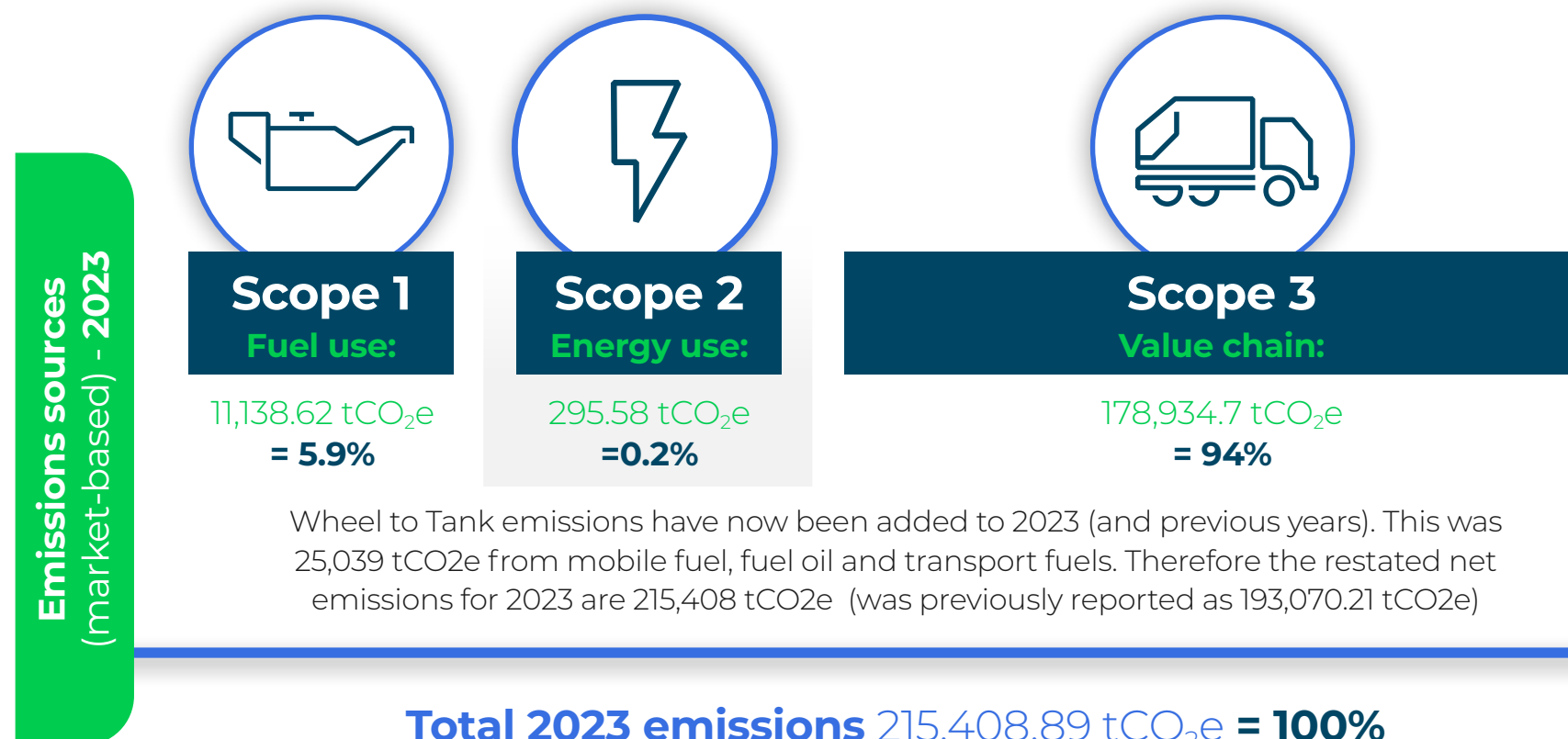


Managing our impact and GHG emissions

For Reconomy, environmental responsibility is a commitment that goes beyond compliance. We are dedicated to being a leader in sustainability and influencing positive change in our sector. We continue to innovate across our operations and, in collaboration with our value chain partners, reduce our emissions impact.



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 SBTi goals. To ensure accuracy and compliance, our 2024 Scope 1, 2, and 3 emissions were independently verified by Interface-NRM, an accredited certification body, in line with ISO 14064-1:2018 and ISO 14064-3:2019 standards. Our verified carbon emissions data for 2024 shows that 95.6% (market-based) of our emissions are Scope 3, with the majority originating from operational supply chain transportation, capital spend, and purchase of goods and services.

Scope 1 emissions have fallen as more of our fleet has switched to electric vehicles, now reaching 23% EV and 96% are EV or hybrid. Additionally, our heavy goods vehicles used in ASC run on 25% HVO, and our use of renewable energy has increased globally.

Scope 3 emissions have risen compared to 2023, mainly due to now including the entire RLG business and adopting well-to-wheel factors – a method that measures emissions from fuel production through to vehicle use – to align with the GHG Protocol.

In compliance with ISO 14064-1:2018 requirements, the Scope 1, 2, and 3 emissions of the 2024 GHG Inventory were verified to a limited level of assurance by Interface-NRM, an ISO 14064-1 accredited verification and certification body. The third-party verification was conducted in compliance with the ISO 14064-3:2019 standard.

Optimising efficient operations



65.7%

reduction (market-based / gross profit) in Scope 1, 2, and 3 intensity from 2021 baseline

Energy use and efficiency

Reconomy is a relatively low-energy consumption business, given our asset-light operating model. At the end of 2024, 78.5% of all energy procured (gas and electric) across our business was from renewable sources. Of that 95.6% of electricity was from renewable sources against a business-wide target of 100% renewable electricity by the end of 2028.

Of the operations we do directly manage, our sorting and warehouse facilities (operated by Casepak, Eurokey, and ASC) represent our highest energy users. To reduce their environmental impact, all three now source renewable energy.

In 2024, we worked with Adalta Energy to launch a collaboration with UK electricity supplier Bryt Energy to provide 100% renewable, zero carbon electricity across our UK business. In 2025, our focus will be on expanding global renewable energy opportunities, exploring alternatives to natural gas, and increasing the use of renewable energy at viable locations.

We also had an ESOS audit for our higher energy use companies that identified some energy efficiency savings. Throughout the year, we took steps to drive greater efficiency in energy use across our business.



100%

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



Reconomy's in-country recycling initiatives

Eurokey, part of Reconomy's family of brands and sitting within our Recycle Loop, adds important capabilities for us as we work to address our own waste impact across the business. In 2024, Eurokey introduced a new all-electric plastic shredder. This enabled the overall tonnage handled to increase, but the mileage per ton was reduced as more material stayed in the UK.

Zero waste

In pursuit of our ambitions for a circular economy, it is vitally important that we focus on reducing waste across our own business.

We have introduced clear guidance for waste segregation and recycling across the business to ensure consistency in our efforts. A single-use plastics policy has been implemented, including a switch from bottled to canned water and replacing plastic milk bottles with glass or milk dispensers in the office. Additionally, we have focused on reducing office consumables such as paper, printer ink, and office supplies, helping to minimise the amount of waste generated.

In 2024 the ReBound team launched the Circularity Network to help Reconomy brands deliver zero waste solutions across the product life cycle. This network offers services such as reuse, repair, donation, rental, and recycling, extending the life of products.

We provide solutions for returned products, faulty production, warranty claims, overstock, pre-consumer, and end-of-life materials. By selecting the best service providers and leveraging our diverse network, we ensure the right match for each requirement, maintaining high-quality standards and flexibility.

We also work with the Turing Trust to donate redundant IT equipment to those who lack access to technology. In 2024, we donated over £8,500 worth of IT equipment to support education in Malawi. This donation allows beneficiaries to improve their digital literacy while contributing to the circular economy by repurposing previously unused materials.

Transport and logistics

We aim to have a low-carbon transport fleet by 2040, convert our entire car fleet to EVs by 2028, and, in the meantime, transition our transportation truck fleet to alternative fuels.

Where we have influence over our transport partners, we encourage them to use lower-carbon transport and apply efficient logistics routing techniques.



In 2024, **ReBound** and **ASC** took significant steps towards sustainable transport, trialling and integrating alternative fuels and low-emission delivery solutions. A key initiative was ASC's trial of HVO fuel, a renewable alternative to fossil diesel. Following the trial's success, HVO fuel was adopted across both ReBound and ASC operations, contributing to lower transport-related carbon emissions. Today, 16% of all ReBound linehauls run on HVO, achieving a 91% reduction in emissions compared to fossil diesel for those routes.



ReBound has also introduced electric delivery vehicles, further reducing our reliance on traditional fuels. And, to cut emissions even further, ReBound and ASC have expanded multimodal transportation, with almost 27% of linehaul operations now completed by rail. These and other actions have resulted in the average kg CO₂ per/parcel reduced by 12% (2023 to 2024).



25% of HGV vehicles in the ASC fleet use HVO fuel

Employee action for sustainability

Our Net Zero Heroes are an international team of ambassadors who champion environmental best practice across our teams and facilities. They work collaboratively to drive responsible practices within their workplaces, such as recycling practices and the development of innovative waste solutions, strengthening customer relationships, and celebrating global awareness events.

In 2024, we refocused our efforts through quarterly awareness weeks run by the Net Zero Heroes across all brands and loops, driving collective action on key sustainability initiatives and increasing colleague engagement.

During these weeks, we encouraged employees to take part in various volunteering opportunities, local community projects, and internal environmental initiatives.

In the first quarter of the year, we marked World Wildlife Week with litter picks, bird box building, and biodiversity volunteering. The second quarter (Q2) saw us support World Environment Day with a Biodiversity Volunteering Project at RLG Germany. During the third quarter's (Q3) Second Hand September, we donated and swapped over 495kg of clothing, shoes, and books – doubling 2023's engagement. Finally, in the fourth quarter's (Q4) Season of Sustainability, we raised awareness of recycling practices, waste, and consumption reduction, and supported environmental and winter wildlife initiatives during the festive season.



36.2% ↑ increase in EVs in the Reconomy fleet from 2023–2024

88% ↓ reduction in petrol and diesel vehicles



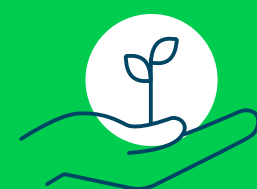
12% ↓ reduction in average kg CO₂ per/parcel 2023–2024

Case study

Green Week: Inspiring employee actions

As part of Green Week, Valpak attended an event in Stratford-upon-Avon to raise awareness about the importance of protecting river and water health, with a particular focus on the SafeAvon project. This initiative is committed to monitoring and improving the quality of the River Avon, a vital waterway that supports local ecosystems, wildlife, and communities. Clean and healthy rivers are essential for maintaining biodiversity, supporting agriculture, and providing safe water for local residents.

During the event, volunteers took part in sampling the river at 30 different locations between Tewkesbury and Warwick, testing for key pollution indicators such as nitrate, phosphate, and electrical conductivity. These indicators help identify levels of pollution and the overall health of the river. The data collected was then carefully analysed to develop a clearer understanding of the river's current condition. At the launch event, the team shared their findings with attendees and discussed the next steps for improving water quality, highlighting the importance of ongoing action and community involvement.



Supporting our customers to reduce waste



Alongside managing our own operations, we're committed to helping our customers reduce waste through the services we provide, aiming to make a broader impact on waste reduction. One key tool in this effort is the Zero Waste Index (ZWi), a tool we offer to help businesses track their progress toward zero waste. It provides a detailed analysis of waste management efforts, offering actionable insights to improve sustainability efficiently.

The ZWi benchmarks waste performance, guiding businesses in reducing waste and improving cost efficiency. By using the tool, customers can focus on their specific waste challenges, driving continuous improvement through data-driven insights.

For example, in 2024, Extra MSA used the ZWi to reduce costs by 5% per kilogram of waste, demonstrating how this tool can lead to both operational improvements and cost savings.

Case study

Improving customer recycling efforts with Azzuri Group

Our work with Azzuri Group on an innovative recycling campaign earned us the National Recycling Awards 'Campaign of the Year'.

The campaign included a waste audit to understand the composition of Azzuri Group's waste and identified the common barriers to waste segregation. The campaign launched with engagement days for area managers to highlight how improved recycling directly increases profits. Azzuri Group also created a series of impactful training videos to educate staff on waste segregation, which have been watched by around 2,000 employees.

As a result of this increased awareness and engagement, the company exceeded its recycling targets, achieving an impressive 85% recycling rate by the end of 2023 – significantly higher than most in the hospitality sector¹⁰. Waste recovery reached 15.27% while waste to landfill dropped to just 0.12%. The campaign also delivered financial benefits, reducing the waste budget for ASK Italian by 4.8% and Zizzi by 4.3%. To create and implement this campaign, Azzuri Group spent less than £5,000, proving that effective waste management doesn't need to be costly.

¹⁰ Source: [WRAP overview of waste in the hospitality and food service sector](#).

Case study

Transforming waste management for sustainability

Neville Johnson Ltd, part of the BHID Group, needed to transition from a fragmented waste disposal service to an integrated system that prioritised resource recovery, aligned with the company's environmental values, and provided a sustainable long-term solution.

Through Reconomy Connect's Greener Path Programme, a continuous improvement process focused on addressing climate change and reducing costs through zero waste outcomes, Reconomy Connect implemented a comprehensive new system that segregates waste into 10 economically beneficial streams. This programme takes customers from their current waste management practices to where they should be through ongoing improvements.

As a result, waste collections dropped by 72%, significantly lowering associated carbon emissions. Recycling rates more than doubled, from 10% to 24%. In total, Neville Johnson's waste-related Scope 3 emissions dropped by 81% and the company has now achieved a zero waste to landfill – a major sustainability objective.

Our partnership demonstrates how a strategic waste management initiative can deliver measurable environmental, financial, and operations benefits. At the same time, Neville Johnson has also set a new benchmark for sustainability in the industry.



Green Apple Awards for sustainable waste management

For more than 20 years, the Green Apple Awards have recognised companies for their achievements in sustainable waste management. Reconomy Connect has proudly participated in these prestigious awards, celebrating the successes of businesses driving sustainability in the industry. Launched in 1994, these awards celebrate organisations that are leading the way in waste reduction and sustainable practices across industries. The 2024 winners have made remarkable strides in reducing waste and improving resource efficiency through their innovations and partnerships.



Case study

Driving sustainability in foodservice

Sysco is a company that is committed to leading the foodservice distribution industry to reduce emissions through large-scale waste solutions.



Reconomy Connect has been Sysco's waste management partner in the UK for over 15 years, supporting the training of over 8,500 employees, and introducing sustainability ambassadors to empower their colleagues.

Using a range of Reconomy Connect's EcoTec equipment, Sysco has reduced its waste per £m turnover by 15%. Furthermore, 90% of the material Reconomy Connect collected in 2024 was recycled or reused. By meeting its zero waste to landfill commitments, Sysco has avoided 700 tonnes of material becoming waste.



Becoming nature positive

As biodiversity declines globally, it is crucial to support our planet's natural resources, prevent habitat degradation, and restore nature's balance. The circular economy is based on the principles of eliminating waste and circulating materials – processes which simultaneously help reduce impacts on the natural world.



We have committed 1% 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 Pledge and have taken steps to support local biodiversity at our key locations.



Environmental stewardship

At Reconomy, we are dedicated to being responsible stewards of the environment, focusing on protecting biodiversity and using resources responsibly to minimise our environmental impact and support long-term sustainability. We use minimal water across our offices and warehouses, with our main water usage occurring at RLG, where water is used to clean equipment for reuse. To reduce consumption, we are introducing a water recycling system at this facility.

As part of our broader sustainability efforts, in 2024, we conducted biodiversity assessments across our locations to evaluate nature-related risks, identify opportunities to enhance local biodiversity, and assess water scarcity impacts. These assessments confirmed a low risk for our direct operations. To ensure sustainability is embedded in our culture, we also introduced a biodiversity module into new employee training, reinforcing our Climate and Nature Positive Strategy.

In 2025, we plan to expand these efforts with a comprehensive environmental impact assessment across our supply chain.

Case study



Promoting biodiversity with the Shropshire Wildlife Trust

Following the results of our biodiversity assessments, and with advice from the Wildlife Trust, we are now managing the outside space at our office in Telford. We are aiming to transform the space into meadow land as it connects to other local nature reserves and will provide habitat for butterflies.

Additionally, in 2024, we partnered with Shropshire Wildlife Trust and Clee Hill landowners' group to create a dormouse highway. We planted trees and hedges at the site to create habitat for the dormice, a key indicator species of overall ecosystem health. This will give employees the opportunity to volunteer by assisting the National Hazel Dormouse Monitoring Programme, support measurable carbon sequestration, and increase biodiversity as well as protect the landscape character of the Shropshire Hills National Landscape.



Reporting on Nature

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

As the first of our UK-based peers to adopt the framework, we are committed to being ambitious and impactful leaders in this area and increasing biodiversity through a range of local and international initiatives. Our Climate and Nature Positive Strategy will guide these efforts, which we will share transparently through our TNFD disclosures.

Early adoption of this framework has also informed our CSRD process and methodology; through our double materiality assessment and a high-level review of our value chain we identified potential biodiversity risks in our supply chain. In 2025, we intend to extend and deepen this work by using tools such as ENCORE, which will help us further understand our dependencies and impacts on nature. Read more about our [TNFD disclosures](#).





Social value

For us, social value means creating safe and rewarding jobs for our colleagues, nurturing a supportive and inclusive workplace, respecting labour rights, and opening doors to educational opportunities. It's about using our operations and business model to make a lasting positive impact in the communities where we live and work.

In this section

Our people and culture

Diversity, equity and inclusion

Supporting physical and mental health

Community engagement and investment



Purpose is central to our business. It runs through everything we do, and our people continue to highlight it as significant driver of their engagement in our shared work. That's why we continue to provide opportunities, training, and a workplace culture that helps them drive circularity forwards.

Lyndsey Denning
Chief People Officer

Creating a shared vision

05

Our people and culture

Every person on our team plays a role in achieving our shared vision of a waste-free world. Through collaboration, engagement, and feedback, we support our teams to unlock their fullest potential. This means fostering a welcoming atmosphere and providing tailored opportunities that help our colleagues grow and thrive in their careers.



Our values and behaviours

Our culture is driven by who we are and what we value, which, collectively, forms our company-wide identity. We have continued to roll out and embed our company values and behaviours in 2024 to more closely align with our purpose. These values and behaviours act as our moral compass and we strive to uphold them in everything we do.

What we *are*



Real: We are rational, reasonable, and straightforward in our approach and believe that what you see should be what you get.



Inclusive: We are a welcoming, friendly, and positive team that respects each other's individuality and opinions through open cooperation.



Collaborative: Through our actions and our interactions, we treat each other equally, respectfully, and in a way that we would wish to be treated ourselves.



Inventive: We are constantly exploring new ways of working. Everyone contributes as we strive to do things better, search for better solutions, and make our world more sustainable.

What we *value*



Colleagues: As individuals, we collaborate and work together to find the best in ourselves and others. We all contribute towards supporting and challenging one another, believing in each other, sharing laughs, celebrating, listening, and learning, to help each other grow and get things done.



Customers: Enabling the circular economy for our customers and building strong relations are the most important things to us. We believe that close collaboration with customers creates awesome networks, generates great ideas, increases mutual trust, and makes innovation happen.



Community: Believing actions speak louder than words, we work to benefit everyone in our networks – colleagues, customers, and suppliers – together with the communities we support and the wider world.



Environment: We're serious about taking care of our planet, putting circularity into practice, and making sure we're not using up resources in a way that harms all our futures.

Our company values now play a more prominent role in our daily operations. They are highlighted during inductions, featured in our weekly internal newsletter The Circular, and displayed on wall graphics and digital screens across Reconomy offices. Additionally, some of our internal award categories are based on these values, reinforcing their importance throughout the business.

Powering sustainability from within

As a purpose-led organisation, we want our values to be led by our people. Through our Reconomy Promise, we commit to generously sharing our experiences, expertise, similarities, and differences, so we can all improve together. One way we do this is through our annual colleague engagement survey – also known as MyVoice. In 2024, MyVoice received a response rate of 78% (a 15% increase from 2023) and achieved a global engagement score of 69% (a 1% increase from the previous year).

Key survey insights

**77%** of our employees said that **purpose** is a key driver of engagement for them – our top scoring theme.

**87%** **alignment of own work to overall business success** scored 87%, highlighting the importance of a clear strategic narrative.

**76%** score for **diversity and inclusion**, which remains a key driver of engagement.

**56%** of colleagues believe action will be taken as a result of their feedback to our survey.



**55%** engagement score for **leadership**, highlighting that colleagues want more communication from their local leaders, more two-way face-to-face dialogue, and to consistently see leaders being champions and role models of our values and behaviours.

**54%** score for **reward and recognition** – the lowest scoring experience theme in the survey.

**68%** of **people managers** – (up 9%) feel equipped to support their respective team and feel positive about the support they receive. There is alignment between direct line management and engagement scores in this year’s survey.

**Our 2024 MyVoice survey received a 78% response rate – a 15% increase compared to 2023.**

78%

In response to the recognition score in our survey, we are focusing on establishing a global job framework, which will ensure clarity, consistency, equity, and fairness in job classifications across the workforce. It will also support salary benchmarking, career progression, and talent acquisition and retention.

We will also assess and benchmark benefits at a local level, raise awareness of existing offerings, and explore new initiatives to better meet employee needs.



Supporting meaningful careers

We support our colleagues to find purpose in their roles and pursue a fulfilling career path. We make efforts to hire internally, with more than 24% of vacancies filled via internal promotion in 2024. To further structure career progression, we have a framework of objectives, appraisals, needs analysis, and support that aligns with our business strategy.

In addition, we provide a range of learning opportunities, including content tailored to role-specific skills and compliance training. We continue to develop masterclasses for people managers, delivered in-house through both face-to-face and online sessions. Our Learn to Earn initiative also includes regular product showcase sessions, offering opportunities for colleagues to learn more about our products and services while engaging in cross-selling initiatives. We encourage colleagues to explore external learning opportunities to complement our internal offerings and support their professional development.



Training and education opportunities

To help people chart their own professional course, we deliver a series of training and development opportunities to advance knowledge in key areas.

Reconomy has partnered with the Supply Chain Sustainability School (SCSS) since 2018 to create bespoke sustainability learning pathways for colleagues. Training modules, including topics such as sustainable procurement and understanding customer sustainability objectives, encourage our colleagues to build the knowledge required to succeed in their roles.

We will continue training colleagues on the importance of environmental impact through the SCSS, delivering in-person sustainability inductions for all new starters and learning pathways tailored to specific roles. During 2024, we made this training available to all directly employed colleagues.



Strengthening our pipeline of leaders

Our Leadership Framework is built around the principle that “Leadership isn’t about title – it’s about actions”. Central to this framework is Conscious Leadership®, a progressive, human approach that empowers leaders at all levels to inspire and drive impact. Our Conscious Leadership programmes equip leaders with the mindset, skills, and awareness to foster meaningful change and collaboration throughout the business.

The Leadership Development programme, launched in 2024, is a key initiative designed to strengthen leadership skills, promote collaboration, and create a consistent employee experience. Over three months, participants engaged in a blended learning curriculum that included self-reflection, group coaching, and check-ins to support ongoing development. Feedback from the 2024 cohort will help shape the programme for 2025.

In addition to the core programme, we introduced several masterclasses. Over the year, more than 150 leaders and managers attended the Engagement Masterclass, developed following our first company-wide survey. We are also developing an Honest Conversations Masterclass, which will be rolled out in May 2025. These masterclasses, alongside regular coaching and feedback, provide a holistic approach to leadership development, supporting continuous growth and engagement across the business.



**12,681
hours**

Throughout 2024, we provided 12,681 hours of training for Reconomy colleagues, with 68.7% completing at least one sustainability training module.



Championing our colleagues

The 2024 'We Are Reconomy' awards acknowledged the outstanding contributions our colleagues made to Reconomy businesses over the last 12 months. Nominated by peers and voted on by the Communications Forum, this year's awards programme attracted more than 600 nominations across our brands. **We celebrated our colleagues across 10 categories:**

- **Business Growth Guru:** David Seal-Yates (Reconomy)
- **Customer Advocate:** Terry Wootton (Reconomy Connect)
- **Outstanding Newcomer:** Emma Humpage (Reconomy)
- **Technology Innovator:** Bob Sharman (Reconomy)
- **Health and Safety Supremo:** Joseph Jones (ASC)
- **Environmental Crusader:** Darpan Sharma (RLG India)
- **Community Campaigner:** Samantha Jones (Reconomy Connect)
- **Inspirational Leader:** Steve Gough (Valpak)
- **Long Service Legend:** Jo Whitby (Reconomy)
- **Colleague of the Year:** Giovanna Rodgers (ASC)



We Are Reconomy Awards

This year, we invited pupils from Severndale Academy in Shropshire to design and create the trophies for the awards, as part of our wider Reconomy Social Value Programme (RSVP). Using recycled materials, students created bespoke, sustainable trophies while simultaneously gaining valuable skills such as teamwork, time management, problem solving, and leadership. Learn more about Reconomy's [commitment to delivering meaningful social value to local communities](#).

Diversity, equity and inclusion

We are committed to creating a workplace where diversity is valued and every team member feels a true sense of belonging. By embracing different perspectives and fostering a culture of respect and inclusion, we strengthen our foundation for growth and success.

As part of our commitment, in 2024, we updated our values and behaviours to include 'Inclusive' as a core behaviour. To ensure a smooth roll-out, we developed a culture playbook and implementation guide, which clearly defines the behaviours that align with our business. In addition, we updated our [Diversity, equity and inclusion \(DEI\) strategy](#) to ensure it is aligned with our values and provides a clear framework for fostering an inclusive culture across all levels of the organisation.



Elevating people and culture at Reconomy

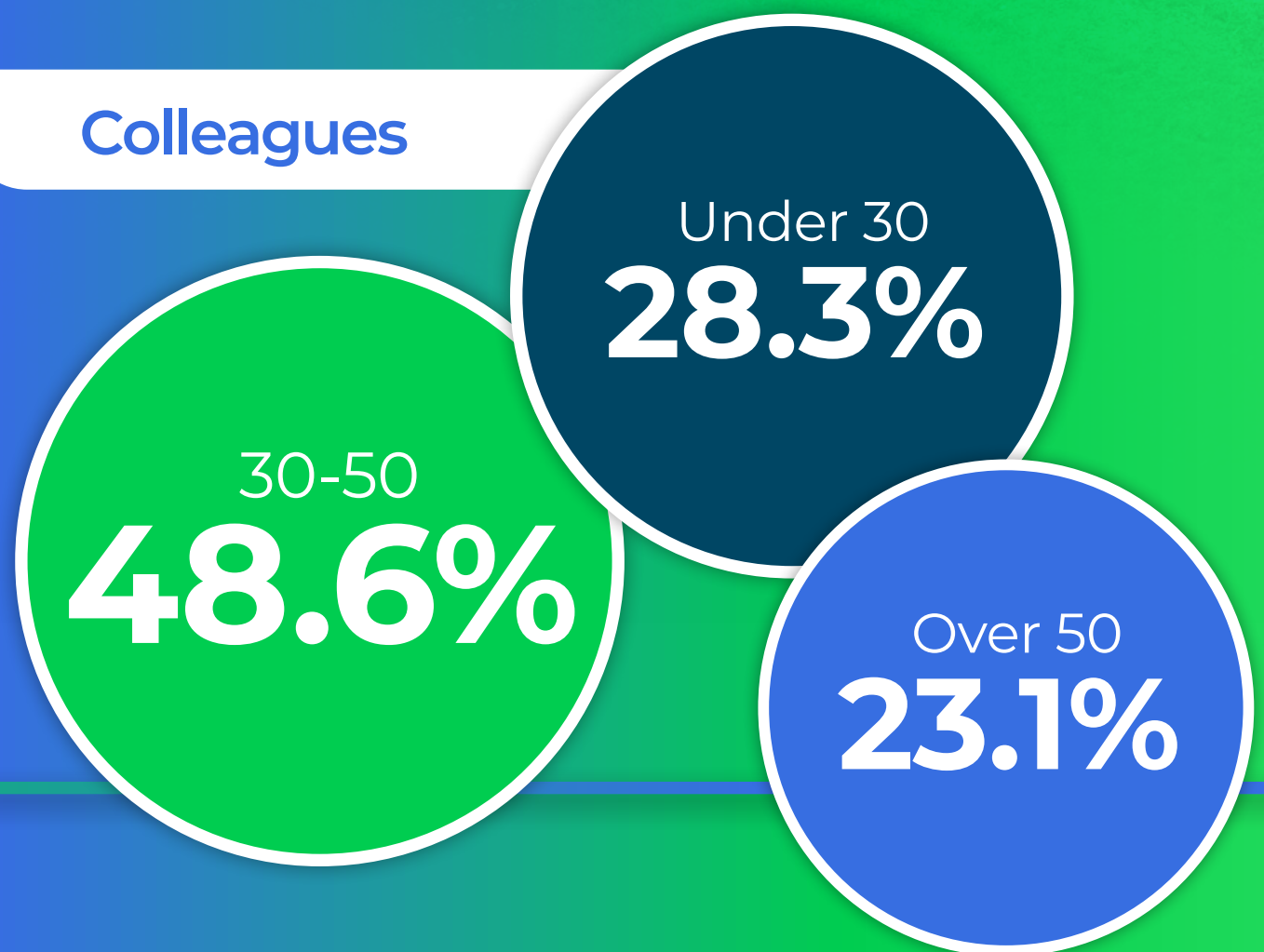
We have made significant strides in enhancing engagement and developing an inclusive culture within our organisation. During 2024, we started working with a new engagement survey supplier and implemented a global process to ensure consistency across all regions. As part of this, we expanded the number of inclusive and culture-related questions in the survey, allowing us to track and measure progress more effectively while also benchmarking our performance externally. This updated survey will provide valuable insights to guide our efforts in the future and ensure we are continuously improving our culture.

With our new DEI strategy in place, we are taking steps to understand our demographic data, which will further inform our approach. This guidance ensures leaders are well-equipped to foster an inclusive work environment and respond effectively to any challenges that may arise. As part of our comprehensive guidance to support managers through key transitions, we include resources to help them manage diverse teams and navigate sensitive topics related to inclusion and belonging.

Gender diversity

	All Colleagues	Management	Senior Management
Men	53.9%	51.4%	71.7%
Women	46.1%	48.6%	28.3%

Colleagues



Championing equality and building support networks

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

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.



Shaping the future: Supporting women and driving diversity

During 2024, we launched the Supporting Women in Reconomy programme, starting with an enhanced maternity and adoption leave policy, along with a menopause policy and supporting guidance for managers. We also piloted a new leadership development programme with a focus on female representation, ensuring around 50% of participants were women from talent pools across the business.

We continue to address gender pay gap reporting, working towards ensuring fair pay practices across all levels of the organisation. Our gender pay gap data covers three areas of our business: Reconomy UK, our legal entity that is made up primarily of our Recycle brands in the UK; Advanced Supply Chain; and Valpak. For Reconomy UK, the gap saw a 13.7% improvement to 32.8% in 2024. This improvement reflects our ongoing efforts to promote fairness in pay, career advancement, and support for women. For Advanced Supply Chain the gap was 0.68% an 8.6% improvement on 2023 and a result of driving positive change for gender equity. For Valpak, 2024 was the first year of reporting, with a gender pay gap of 15.6%. Through listening and investing in our people, we have taken some significant strides forward, becoming a Race at Work Charter signatory, as well as publishing our new DEI strategy and high-level commitments. We are establishing a robust job evaluation process and reward strategy that is free from gender bias.

Find out more in the gender pay gap reports for [Reconomy](#), [Valpak](#) and [ASC](#).



Creating local employment opportunities

As part of our RSVP programme, 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.



63.6% At a business-wide level, 63.6% of colleagues are employed locally¹¹.

Next steps

As we move forwards, we will work to finalise our DEI strategy, enhance paternity leave, and review people policies to better support our workforce. To gain deeper insights, we plan to engage an external provider to assess our workforce diversity data and recommend actions. Additionally, we will establish a steering committee to drive progress and ensure accountability across the organisation.

We are also working towards becoming a Disability Confident Employer by 2025, in line with the UK Government standard. By doing so, we aim not only to meet the requirements of the standard but to go further, rolling out Disability Confident Employer principles across the entire business to ensure a more inclusive and supportive environment for all.

¹¹ We define local as the site/office postcode or within a 20-mile radius.

Supporting physical and mental health

Our business thrives when our people are happy and healthy. By placing wellbeing at the heart of our approach, we strive to create a supportive environment that fosters resilience and cultivates a strong culture of care.

In 2024, we introduced a new wellbeing zone on our MyPerks platform, providing employees with a dedicated space to focus on their health and wellbeing. Through our online portals, employees can access initiatives including Cycle to Work, which offers discounts on cycling equipment, contact information for our BUPA (or equivalent provider) helpline, our Employee Assistance Programme (EAP), discounted gym memberships, and a wide range of resources designed to support mental and physical health and financial wellbeing.



Our wellbeing and mental health programmes

Our employees have 24/7 access to the BUPA Employee Assistance Programme and helpline (or equivalent provider), which provides health advice as well as support on financial management, consumer rights, landlord disputes, family matters, and career guidance. Additionally, the Reconomy Mental Health First Aiders programme operates across key business areas, offering vital support, particularly for our seasonal workers.



12,681 hours

In 2024, a total of 678 hours of training were dedicated to mental health awareness, wellbeing, and support, reinforcing our commitment to a healthier and more resilient workforce.



We will be training 30 Mental Health First Aiders (MHFAs) across the Recycle Loop in 2025. Every business brand will have at least one trained MHFA, and all colleagues – regardless of which brand they work for – will have access to mental health support. This is part of our commitment to creating a safe, supportive and inclusive workplace for everyone.

Our latest My Voice colleague survey showed that wellbeing is a key driver of engagement at Reconomy. We are pleased to report a 3% point increase in how colleagues rated their own wellbeing, reflecting the impact of our ongoing focus in this area.

In support of this, we will also be launching LinkedIn Learning across Reconomy. This platform will give colleagues access to a wide range of learning opportunities, and allow us to align specific training to individual and team needs. Mental health awareness will be a key focus area, helping us to build a culture where wellbeing is supported and prioritised.

Case study



RLG Canada: Recognised as one of the best places to work

In 2024, RLG Canada was recognised as one of the Best Places to Work by Canadian HR Reporter. This recognition acknowledges companies that excel in creating positive, supportive environments where employees are valued and can thrive.

According to Canadian HR Reporter, the Best Places to Work are distinguished by their commitment to enhancing work-life balance and fostering a culture where employees can flourish. RLG Canada stands out for its vibrant workplace culture, competitive compensation packages, and a focus on inclusion. The company also places great importance on creating a psychologically safe work environment where employees feel supported and valued. This recognition highlights RLG Canada's ongoing commitment to employee wellbeing and its dedication to being a leader in workplace excellence.



Occupational health and safety

We prioritise occupational health and safety, reflecting our genuine care for the wellbeing of our employees and everyone connected to our work.

To ensure a safe working environment, all employees receive the necessary training, equipment, and safety induction to carry out their roles without risk to themselves or others. This includes sharing our Standard Operational Procedures and conducting regular 'toolbox' talks to raise awareness, reinforce best practices, and maintain a culture of continuous 'safety sharing' across the organisation.

In 2024, Reconomy has seen significant improvements in health and safety performance, with key metrics showing encouraging reductions. The Accident Frequency Rate (AFR) decreased by 14%, reaching 1.8, while the Lost Time Injury Frequency Rate (LTIFR) dropped by 34%, to 3.25. The Lost Time Injury Severity Rate (LTISR) also saw a 21.8% decrease, bringing it to 28.93.



These improvements reflect our commitment to enhancing health and safety standards across the business. Our Chief Executive plays a pivotal role in leading these efforts, chairing the quarterly Health and Safety Forum and personally undertaking Institution of Occupational Safety and Health (IOSH) leadership qualifications, alongside the extended leadership team.

Reconomy continues to actively manage health and safety risks, especially within its operating facilities where the majority of lost time injuries occur. For example, in 2024 across ASC, most incidents were related to workplace transport, machinery, and equipment, such as forklifts, conveyors, and ladders. To address these risks, there has been a stronger focus on responsible warehouse practices, Safe Systems of Work, and increasing awareness of unsafe conditions and behaviours. We've also seen a reduction in cuts and sharps injuries, thanks to personal protective equipment (PPE) reviews, toolbox talks, and training. Our proactive approach includes focusing on repeat incidents, implementing preventative action plans, conducting scheduled area safety inspections, and using manual handling equipment and behavioural audits. The increase in near miss reporting highlights our commitment to a proactive safety culture, encouraging employees to report potential hazards before they lead to accidents.

Case study

Valpak achieves Thrive at Work Accreditation in 2024

In 2024, Valpak became an accredited Thrive at Work Employer, a certification programme run by the government in the West Midlands, UK. Thrive at Work focuses on employee health and wellbeing, addressing key organisational enablers such as attendance management, policies, and health areas, including mental, musculoskeletal, and physical health. In 2024, we trained our mental health champions and opened a wellbeing room for colleagues, providing a safe space for personal reflection, 1-2-1 meetings, and cultural needs. We now have 20 mental health champions running initiatives such as coffee chats, wellbeing walks, and 1-2-1 sessions. Additionally, a suite of resources, including EAPs, 24-hour GP access, wellness action plans, and health tips, are available on our intranet.

Next steps

Looking ahead, one of our key commitments for 2025 is to implement a comprehensive wellbeing strategy, further enhancing the support we offer.



Community engagement and investment

We believe in making a real impact through our actions. That's why we focus on delivering tangible benefits for our colleagues, communities, and the wider world. Through dedicated programmes, we create and support initiatives that drive meaningful social value wherever we operate.



Reconomy Social Enterprise

The Reconomy Social Enterprise Community Interest Company (CIC) serves as an umbrella organisation for various social enterprises and charities. These enterprises address challenges from managing hard-to-recycle materials to helping socially disadvantaged and vulnerable people access employment.

Building innovative partnerships

Through Reconomy Social Enterprise CIC, we create partnerships between the charities we work with and Reconomy customers to find new, innovative uses for waste or surplus materials.

This simultaneously drives circular practices, social value, and community connection. By building new material streams, we help businesses find uses for surplus materials, giving them a new life and diverting them from landfill.

Our customer Mears generously donated the value of aluminium scrap to the Reconomy Social Enterprise CIC. This year, we have collaborated with several organisations, including the Cycle of Good Charity, New Life Charity, and Community Wood CIC, to support Reconomy Connect customers. Since 2024, this initiative has generated £19,800 in revenue and facilitated 128 projects, furthering our commitment to social impact and sustainability.

Through work undertaken with customers operating in the facilities management sector, we have overseen the donation of surplus hand sanitizer to Cameroon in Central Africa to be used in the fight against the Monkey Pox outbreak. In Malawi, we are developing furniture take-back schemes to redistribute and reuse office furniture for use in schools. We have also developed partnerships between construction companies and community wood projects to repurpose waste construction materials.

Case study



McDonald's store refurbishments drive waste reduction and community support

In 2023, Reconomy facilitated the reuse of surplus furniture from a newly refurbished McDonald's restaurant in Lymm (Warrington). The furniture was donated to the YMCA, showcasing how commercial-grade restaurant furnishings can be repurposed instead of being discarded as waste.

Building on the success of this initiative, the project expanded in 2024, with surplus furniture from McDonald's Bromley and Droitwich locations also donated to community projects and charities. For example, stools from the Droitwich restaurant found a new home at One Vision School of Arts, where they are now used for rehearsals and performances, creating both circularity and social value.

The Reconomy Social Value Programme

The Reconomy Social Value Programme (RSVP) is our dedicated initiative for supporting voluntary services that promote community wellbeing. This includes activities such as school projects, local nature programmes, and employment support for individuals from hard-to-reach backgrounds. RSVP focuses on three key areas: breaking barriers, bridging gaps, and community engagement.

Breaking Barriers

We cast a wide net when searching for great talent to bring on board. This includes offering employment opportunities for members of underserved communities.

Our Breaking Barriers initiative aims to find employment opportunities for people from marginalised or vulnerable groups, such as prison leavers, ex-military personnel, and those in long-term unemployment. Through training, recruitment, risk assessments, and personal development, Breaking Barriers aims to help people achieve independent and fulfilling lives, while reducing re-offending rates among participating prison leavers.



National House Project partnership

Reconomy offers a paid intern programme in specific brands across the business, with placements ring-fenced for those leaving the care system through our partnership with National House Project (NHP).

We were NHP's first commercial partner in 2018 and have continued to support it since then in two local housing projects in Wolverhampton and Coventry. These projects offer individuals employability skills, internships, and apprenticeships. In addition to our direct involvement, one of our directors is now a trustee of the charity, and we also offer mentoring support to NHP's leadership team, further strengthening our partnership and commitment to making a positive impact.

Bridging Gaps

Through our partnership with the NHP, we offer practical support, training, and work experience opportunities to care-experienced young adults, helping them take their first career steps through internships, apprenticeships, or entry-level roles. We are also signatories to the Care Leavers Covenant, which posts jobs, apprenticeships, and other opportunities on its website. We have added our opportunities there, demonstrating our support for the care leavers community.



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In 2024, we recruited 27 interns and 15 apprentices. 5% of these were care experienced.



£5.3 million

in social value generated since 2018.



Community engagement

We contribute to a range of educational, sporting, and enterprise projects, many of which have a direct connection to recycling and waste.

Case study

Reconomy Runners: Building a community through charity and fitness

In 2023, Reconomy launched a colleague community called Reconomy Runners, aimed at bringing together people from across Reconomy's brands to fundraise for the NHP, while also supporting wellbeing and good physical and mental health.

So far, the group has raised over £3,500 for NHP, and in 2024 more than 15 of our people took part in the Chester Half Marathon.

As a growing community, Reconomy Runners will be taking part in the Great Birmingham Run in 2025, with 20 participants from across Reconomy, Valpak, Circle Waste, Ecoefficiency, ASC, and more, once again raising funds for NHP. The group is also running to support the Wolves Foundation, further amplifying their impact.



Reconomy
Runners



£29,645

In 2024, our colleagues fundraised £29,645.



£136,320

We contributed £136,320 worth of donations in kind in 2024.



2,305 hours

Our colleagues volunteered 2,305 hours.



Giving back with employee volunteering

We know our colleagues want to give back to their communities and we support that by offering everyone one day's paid leave for volunteering annually. During 2024, people from across our locations took this opportunity, giving back to a range of causes.

Some examples of this include:

- **Help the Homeless:** In January, Reconomy and Casepak colleagues collected over 20 men's second-hand coats for Leicester charity, Help the Homeless. These donations were given to those in need at the One Love project.
- **Doncaster Foodbank:** Ecoefficiency colleagues collected and donated 10 bags of food and non-food items to the Doncaster Foodbank, part of The Trussell Trust network, to support families and individuals experiencing hardship.
- **Sensory garden:** Ecoefficiency colleagues, alongside volunteers from Bam and Network Rail, spent two days building a sensory garden for North Huddersfield Trust School, creating a calming space to support sensory and cognitive development.
- **Volunteering with Valpak:** A team of colleagues volunteered at The Hygiene Bank in Leamington Spa, collecting 45kg of donations from local Boots stores and delivering them to community partners to ensure the products reached those in need.
- **Supporting nature:** Across our companies, colleagues are actively engaged in local environmental initiatives. For example, Combineering and ASC teams installed bird boxes in their communities, Valpak created bug hotels at their office and Novati colleagues planted cherry and apple trees in celebration of World Environment Day.



Business value

Leading with purpose is at the core of our processes. We operate with integrity, upholding service quality, customer experience, and ethical governance, while stewarding resources at local, national, and global levels. Our values guide how we interact with customers and deliver products and services across the markets we serve.

In this section

Technology and data driving circularity

Responsible procurement

Ethics and governance



I believe innovation, collaboration, and integrity are at the core of everything we do. Our commitment to fostering a culture of transparency and continuous improvement ensures we harness technology to not only drive business growth but also empower our teams to deliver exceptional value to our customers. By staying true to these values, we remain agile, responsive, and focused on building a sustainable future.

Jody Fullman
Chief Information Officer

Innovating for a
better business

06

Technology and data driving circularity

Our technology strategy focuses on creating global products that serve customers in one or more markets. These products are built on three key principles: dedicated service, technology enablement, and accurate data.

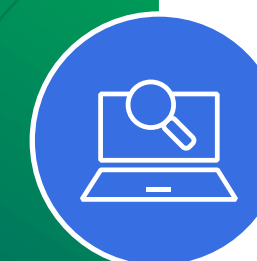


Investing in digitisation for efficiency and transparency



Across our service loops, we leverage cutting-edge technologies to drive internal efficiency and better meet our customers' needs. Between 2023 and 2026, we plan to invest over £30 million in digitising our business to harmonise operations, increase engagement across our brands, and provide risk management for long-term resilience.

In 2024, we launched several large programmes focused on consolidating multiple data and workflow orchestration platforms into single global platforms that serve each of our loops. This aligns our operating platforms and supports our move to a global product strategy, making our operations more effective, agile, and better equipped to support customers quickly. It also creates opportunities for expansion into new markets using our new global products.



Case study

Launching a unified single tenant for all of Reconomy

Reconomy's growth through acquisitions resulted in the use of multiple Microsoft tenancies and collaboration platforms, presenting a challenge for future scalability and collaboration. To address this, Reconomy embarked on a significant initiative in 2024 to migrate its 4,000+ colleagues to a single Microsoft tenancy. This move will enable smoother collaboration across different operational brands, enhancing the ability for teams to share data, work together on customer solutions, and plan events seamlessly.

By the end of 2024, Reconomy had completed the design and build of the new tenancy, successfully onboarding over 1,000 colleagues across more than 10 brands with the balance being onboarded through 2025. This unified platform not only facilitates better internal collaboration but also lays the groundwork for future enhancements, such as a unified intranet and IT service delivery experience for all colleagues, which will be key objectives in 2025.

AI and machine learning strategy

We are strategically integrating emerging technologies such as Artificial Intelligence (AI) and Machine Learning (ML) across our business to drive efficiency and improve service. Our global product developments are designed to be 'AI ready', allowing us to leverage AI/ML capabilities for faster, more accurate services while reducing manual or inefficient processes.

Our AI strategy focuses on applying generative AI technology across our brands in a controlled manner, ensuring compliance with security and legal requirements. Recent initiatives include using ML algorithms to automate packaging data grouping, launching AI-powered chatbots for improved service times, and applying generative AI tools to boost productivity in our back-office functions. We believe our AI strategy will enhance both customer and colleague experiences, significantly adding value to our business operations.



RecoTek

Accelerating product development

Launched in 2023, RecoTek is our technology scaling centre based in Romania, located at the LEED Platinum-certified Business Garden campus in Bucharest.

RecoTek serves as a hub for technology and product engineering operations, increasing efficiency and scalability. By consolidating operations under one roof and augmenting these resources with the great talent across Reconomy, we can ensure the right resources are available when needed to support product development and meet customer demands, while reducing business travel and the number of locations we operate in.

RecoTek has accelerated product development at Reconomy, driving continuous improvement across our products and services, and eliminating inefficiencies from previous models that relied on outsourcing. By the end of 2024, we scaled RecoTek to employ over 120 full-time employees and expanded its office space, doubling its footprint to support our 2025 strategy.

Key achievements from RecoTek include:

- Integrating our online returns product with our Re-use Loop, now used by major global retailers and e-commerce provider, Shopify.
- Launching a suite of Application Programming Interfaces (APIs) for our warehouse management product, Vector, improving customer and supply chain interactions.
- Developing and launching the EcoVend verification app as part of our portfolio to support retailers in implementing DRSS, preventing fraud and aiding the transition to a circular economy.
- Supporting operation of one of Germany's leading DRSS, providing the core technology platform that manages the logistics value chain.
- Onboarding numerous brands onto our salesforce and portal orchestration platforms that power our Recycle Loop.
- Launched many new customer facing features across our Recycle division's customer facing portal.
- Delivering key and strategic changes across Reconomy's Finance and CRM operating platforms, globally.

Driving digitisation for customers

We work closely with our customers to build digital solutions, increasing operational efficiencies and progress towards a circular economy.

Improving circularity with the ReBound Shopify App

ReBound's Shopify App enables ecommerce brands to integrate sustainability into their returns operations, seamlessly. Through a plug-and-play connection, Shopify stores gain instant access to ReBound's global returns network of local carriers and hubs, reducing unnecessary transportation and carbon emissions. By keeping returns local, brands benefit from faster refund lead times, lower operational costs, and a minimized environmental footprint.

But it doesn't stop there. The app also connects directly with ReBound's Circularity Network, enabling scalable solutions like repair, reuse, and responsible recycling. Returned items can be locally sorted, processed, and rerouted to the next best destination—whether resale, donation, or recycling—keeping them in use and out of landfill. It's a fully orchestrated solution supporting both commercial growth and environmental responsibility.



Preparing customer data for EPR

In the UK, we help customers of all sizes across various sectors track and analyse their materials data through an easy-access interface, enabling progress towards zero waste and net zero goals. Our Comply Loop supports this by ensuring compliance with upcoming legislation, providing the necessary data to meet tracking and extended producer responsibility (EPR) regulations.

In 2024, Reconomy launched the ComplyData project, a major multi-year initiative to develop a unified EPR data platform for our global Comply operations. This modern platform, built using scalable cloud technologies, will incorporate EPR rules and logic for core services, eventually consolidating brand-specific platforms into one global product. The launch will begin in mid-2025. Additionally, significant progress was made in 2024 to migrate many EPR platforms to the cloud, enhancing our ability to serve a global customer base and expand into new markets.



Improving customer satisfaction

Customer satisfaction is a key metric that enables us to gauge business progress and success. In 2024, we achieved a net promoter score (NPS) of 66, a two-point increase from 2023. To improve this score, we run regular voice-of-customer programmes across our brands to understand what is working well and where we can enhance the customer experience. Based on feedback, in 2024, we made system adjustments to make it easier to work with us. We also involve customers in shaping future technology and product innovations to better meet their needs. By fostering engagement with our stakeholders and building trust and loyalty with our customers, we can improve our NPS score each year and maintain our industry-leading position.

Digitising for the future

Looking to the future, we are preparing to utilise AI and machine learning in our products and services. For example, we are trialling AI tools, such as chat bots, across our data platforms and customer services team at Valpak. We are currently reviewing how we constantly enable our business through the use of AI, by developing strategies to adapt to a rapidly changing technological landscape, driving scale and efficiency.

Responsible procurement

Operating ethically and transparently is essential to our business. As we grow and expand internationally, we continue to align ethical procurement practices across our brands, people, and partners, ensuring responsible operations wherever we operate.

As of 2024, 100% of preferred and approved suppliers from across our business are given our Code of Conduct to follow.

100%



A unified procurement approach

In 2023, we appointed a Group Procurement Director to establish a single enterprise-wide approach to procurement. This unified approach ensures our strategy supports our wider business vision, drives value, advances sustainability, and fuels innovation.

In 2024, as we rolled out our strategy, we harnessed digital tools to help enhance visibility and transparency across our procurement practices, allowing us to understand how we can embed sustainable procurement into new markets, goods, and services. We introduced AI spend analysis tools to provide oversight of our global spending patterns and enable us to report on category-specific spend. We also introduced a new tool that allows us to digitise the tendering process, including autonomous sourcing bots, giving us complete visibility and transparency on our procurement decisions. Several new market discovery tools have enabled us to expand our potential supply base by finding suppliers that match our criteria, accelerating sustainable and diverse procurement practices.

We also brought Group property and fleet management under Group Procurement headed by a Global Category Procurement Director and reviewed both our fleet and energy strategies, including how we engage with suppliers. One key deliverable of this has been a UK fleet policy designed to drive our progress in transitioning towards EV and hybrid vehicles.

In 2025, we continue to focus on embedding our procurement strategy. This includes developing global and consistent ways of onboarding suppliers and incorporating supplier risk assessments while rolling out a group procurement policy to ensure transparency and fairness in our procurement practices.



Our sustainable procurement practices

Sustainability considerations are integrated across our procurement framework, ensuring compliance before and during the procurement process.

In alignment with the ISO 20400 Sustainable Procurement Guidance Standard, we conducted site assessment visits with 891 suppliers in 2024 to ensure sustainable procurement practices are adopted and maintained across our brands. Progress is assessed using targets and key performance indicators (KPIs).

Encouraging supplier sustainability

Our [Supplier Sustainability Charter](#) requires suppliers to set a CO2e reduction target, improving the overall carbon management and data availability of our value chain.

A significant proportion of our supplier spend is on transport and logistics, offering us an opportunity for meaningful emissions reduction. We continually look for ways to reduce our impact, for example, Reconomy brand Combineering, based in Denmark, maintains a multi-modal approach to logistics and is developing a tool to enable better transport decisions based on commercials and carbon impact. The aim is to prioritise rail solutions for our customers.



Our commitment to local suppliers

Across our operations, we aim where possible, to outsource to local suppliers. Our sites and offices often have long-term relationships with local suppliers for the procurement categories we use. **We commit to:**

- Paying on time and in accordance with agreed contract conditions.
- Ensuring we deal with suppliers in a transparent and consistent and fair way.
- Working only with suppliers that have high ethical standards and that work to improve their own sustainability performance.
- Promoting engagement that encourages improvement.

As well as prioritising local procurement, where feasible, we look to support SMEs. At the end of 2024, 82.4% of our suppliers were SMEs (in the UK Recycle Loop this was 86.3%), while in the UK, 1.23% of preferred suppliers were voluntary, community, and social enterprises (VCSEs), against targets of 80% and 2% respectively.

Ethics and governance

Strong governance is integral to bringing our Reconomy values to life, while delivering a smart and successful commercial strategy. In practical terms, this means conducting business to the highest ethical standards for our customers while advocating for productive change in our industry.



Governance structure

Oversight of our sustainability strategy is delegated to the Sustainability Committee.

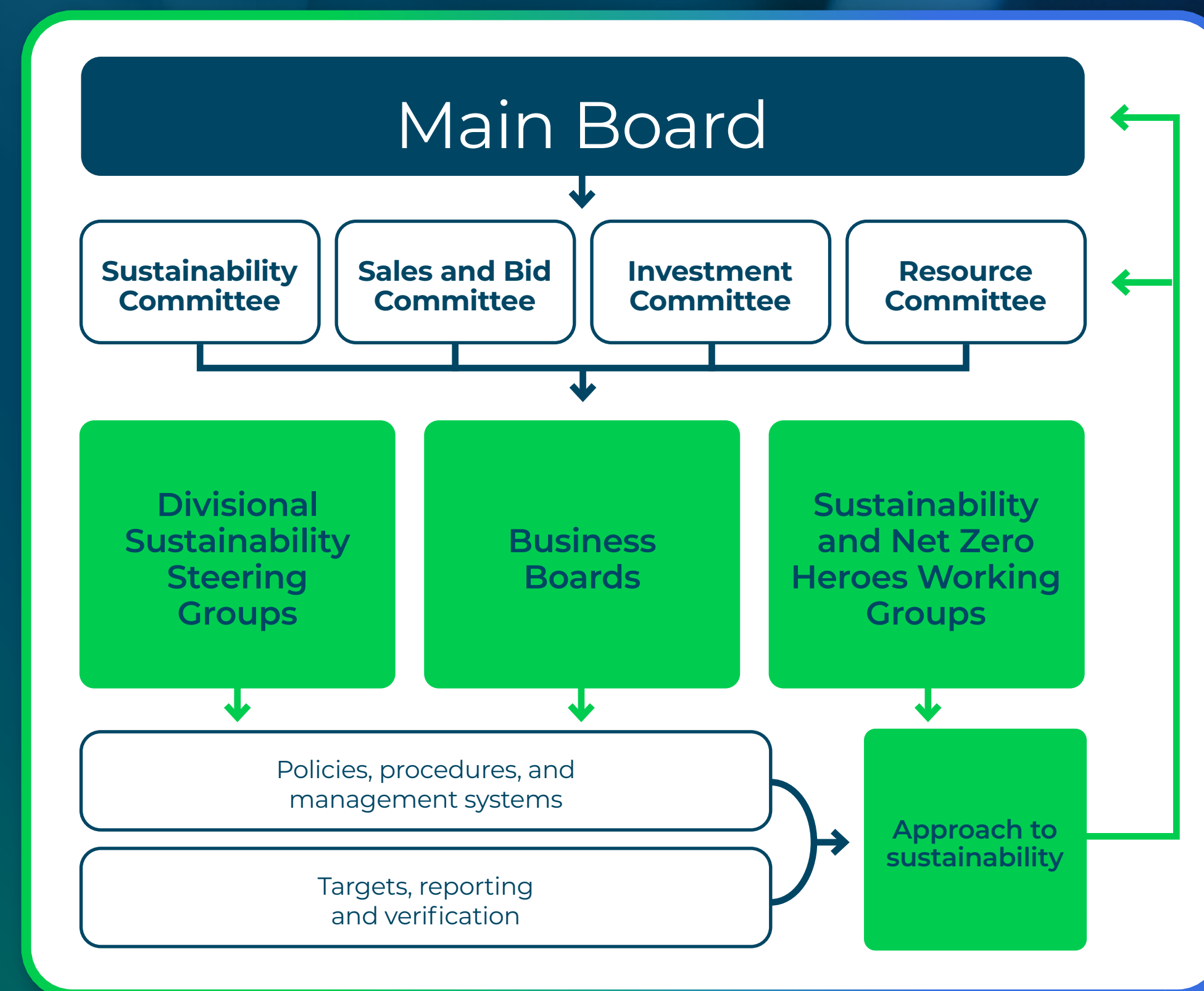
On a day-to-day basis, sustainability risks and opportunities are managed by the Group Sustainability Director, alongside business sustainability leads. As part of this, each business contributes to a quarterly Sustainability Reconomy Board report.

Sustainability Steering Groups also support the implementation of our strategy across our operations.

Risk oversight

Our governance is strengthened by a practical and proactive approach that requires us to account for disruptions to the natural environment, communities, or economic models. This is embedded into our business continuity risk processes.

The Reconomy Operating Committee is responsible for managing our sustainability risks and reporting to the Board. We closely monitor a variety of enterprise and sustainability risks, including those related to legislative change.



Aligning with best practices of ethical conduct

As well as looking to external frameworks, we integrate the principles of our **Business Ethics: Code of Conduct** into our operations and interactions with customers and suppliers. This code details the behaviours we expect from each of our colleagues and those acting on our behalf. It also highlights the principles we seek to uphold to ensure our business operates in a responsive, transparent, and ethical manner.

All employees must confirm they have read and understood the Code of Conduct through our HR system, MyJ. To ensure awareness of, and compliance with, key topics, we provide mandatory training modules on bribery and corruption, modern slavery and human trafficking, and cyber security. Additionally, we have established governance committees to oversee key areas, including investments, resources, and audits of financial reports. We have also strengthened our supplier management processes, implementing more rigorous onboarding checks to further ensure ethical standards are maintained across our operations.

Upon acquisition, we integrate new businesses into our sustainable framework, ensuring a connected approach to ethical conduct.



Human rights

Reconomy is committed to ensuring there is no modern slavery or human trafficking in any part of our business, and we require and support our suppliers to do the same. We reinforce this commitment through mandatory training on modern slavery, and in our [Modern Slavery Statement](#).

We ensure our governance and management approach complies with local safety and employment regulations. We recognise the 19 major occupational risk factors reported by the International Labour Organisation (ILO) and assess the potential for accidents in our sectors based on this. Find out more in our [Appendix](#).

In 2022, Reconomy joined the United Nations Global Compact (UNGC), which sets out the ten principles for ethical business conduct in the areas of human rights, labour, environment and anti-corruption. By incorporating these principles into our policies and procedures, we aim to strengthen our culture of integrity and ensure we are upholding our responsibilities to people and planet.

79% of employees completed modern slavery training in 2024.



Data privacy

We continually invest in information security and data privacy, expanding our teams and the tools available to ensure business continuity and customer experience. 97% of our employees completed cyber security training courses in 2024. We are working to grow our levels of compliance with specific standards, such as ISO 27001, across the business.

Upholding standards

We have achieved ISO 9001 certification for establishing and maintaining our quality management system and streamlining our processes. We have also achieved ISO 14001 certification across key brands, which provides a framework for environmental management and ensures compliance with environmental regulations. These guidelines encourage regular assessment of our business operations to ensure we adhere to the highest standards of quality and environmental best practice.



Looking forward

We are committed to creating a waste-free world where resources are conserved and economic growth is driven by sustainable circular practices.

Powered by a tech-enabled, people-driven approach, we help businesses manage resources more effectively, reduce waste, and actively contribute to the circular economy.

While we continue to innovate in the UK and Europe, we are also expanding our focus to the US market. Leveraging our proven technology and expertise, we aim to drive impactful change, inspiring businesses to adopt circular solutions. By improving recycling rates, reducing landfill reliance, and optimising resource management, we will help close the circularity gap, ensuring valuable materials stay in use for longer and reducing pressure on natural resources.

Many of our objectives and targets will be completed in 2025, marking a critical point in our journey to accelerate circularity. To support the next phase, we are developing new targets, objectives, KPIs, and data points that drive effective implementation.

This includes enhancing tools to collect additional data, strengthening our understanding of supply chain sustainability risks, and deepening data insights to support customer sustainability goals. These efforts will also ensure we are prepared to report against frameworks such as CSRD, maximising transparency and value.

By focusing on closing the circularity gap, we will continue to lead the transition to a more circular economy. Through innovation and collaboration, we will help businesses maximise their resources, reduce waste, and build a future where circularity is the norm, not the exception.



Diane Crowe

Group Sustainability Director

This report provides details of performance relating to topics that are material to our business; it has been prepared in accordance with the Global Reporting Initiative (GRI) Standards and Task Force on Climate-related Financial Disclosures (TCFD). In this report, a material sustainability topic is one that reflects Reconomy's most significant environmental, social and governance (ESG) impacts, or one that could substantively influence the assessments and decisions of our stakeholders.

The following pages detail our GHG Emissions Inventory, GRI and Climate and Nature Financial disclosures for 2024.

In this section

Greenhouse gas emissions inventory

Climate and Nature-Related Financial Disclosure

GRI table



Greenhouse gas emissions inventory

This is the annual greenhouse gas (GHG) emissions inventory for Reconomy covering the measurement period 01 January 2024 to 31 December 2024.

During 2024 Reconomy moved to a new software platform, Minimum, to collate and report on our GHG inventory. There has been some notable changes in moving platforms particularly the addition of well to tank emissions (WTT) for our mobile fuel, fuel oil and transportation fuels and this has resulted in a c15% increase in Scope 3 emissions. As a result of this increase we have reassessed our baseline, and subsequent years, as outlined in the table. In addition the entire RLG business are now reporting upstream emissions (previously excluded).

Scope 1 has reduced due to some reduction of the HGV fleet and we continue to increase the number of EV and hybrid vehicles in our car fleet, in addition we have also included a van fleet from a previously excluded RLG brand. There has also been an increase in capital spend on projects largely in Casepak and Eurokey. Although Reconomy did acquire businesses in the second half of 2024, they will not be included in the inventory until 2025.

Inventory summary table					
Category (ISO 14064-1:2018)	Scopes (ISO 14064-1_2006)	2021	2022	2023	2024
Category 1: Direct emissions (tCO2e)	Scope 1	7,928.17	10,878.87	11,138.62	9,669.91
Category 2: Indirect emissions from imported energy (location-based method*) (tCO2e)	Scope 2	2,577.65	2,706.39	0	0
Category 2: Indirect emissions from imported energy (market-based method*) (tCO2e)		0.00	0.00	295.58	172.32
Category 3: Indirect emissions from transportation (tCO2e)	Scope 3	291,802.07	299,394.19	168,575.68	202,587.49
Category 4: Indirect emissions from products used by organisation (tCO2e)		11,208.88	9,339.09	10,297.38	11,726.11
Category 5: Indirect emissions associated with the use of products from the organisation (tCO2e)		147.24	147.15	61.64	7.16
Category 6: Indirect emissions from other sources (tCO2e)		0.00	0.00	0.00	0.00
Total direct emissions (tCO2e)		7,928.17	10,878.87	11,138.62	9,669.91
Total indirect emissions* (tCO2e)		305,735.84	311,586.82	179,230.27	214,493.08
Total gross emissions* (tCO2e)		313,664.01	322,465.69	190,368.89	224,162.99
Category 1 direct removals (tCO2e)		0.00	0.00	0.00	0.00
Purchased emission reductions (tCO2e)		0.00	0.00	0.00	0.00
Total net emissions (tCO2e)		313,664.01	322,465.69	190,368.89	224,162.99
Additional WTT phase emissions from mobile fuel, fuel oil and transportation fuels		41,319	42,911	25,039	-
Percentage increase (difference)		13.17%	13.31%	13.15%	-
Restated total net emissions (tCO2e)		354,983	365,377	215,408	-

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 to 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.

Climate and Nature-Related Financial Disclosure

Disclosure for Reconomy FY24 Annual Statement – published May 2025

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, supply chain and 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
- Investment in circular solutions
- Reducing the carbon intensity of our services

External drivers and influences

In 2024 the average global temperature exceeded 1.5°C above pre-industrial level, and was the warmest year on record globally¹

More extreme weather events¹

The impacts of climate change are driving extreme weather events across the globe. In the UK the 2023 -24 storm season saw the greatest number of named storms since the first season in 2015². Impacts across Europe included unprecedented forest fires (e.g. Greece and Spain, 2023) flooding (e.g. Italy and Slovenia, 2023; France, 2024), heatwaves and devastating droughts (e.g. EU-wide, 2022; Spain, 2024)³. The 2024 wildfires in Canada began as an extension of the record-setting 2023 wildfires which was the worst ever wildfire season, doubling its previous record for carbon emissions from wildfires. In April, the Philippines, Thailand, Bangladesh and India all faced unrelenting heat that disrupted schooling and created concerns for public health⁴. The Los Angeles area wildfires lead to 29 deaths, burning down thousands of buildings, and prompting evacuation orders for more than 179,000 people.⁵

The latest Emissions Gap Report published by the United Nations Environment Programme highlights that unless global action accelerates, the world is on track for temperature increases between 2.6°C and 3.1°C by the end of the century. Urgent transformative actions are required to cut greenhouse gas emissions across industries to reduce the likelihood of extreme weather events becoming more frequent and severe⁶.

Geopolitical environment

Changes in governments across the globe prompt uncertainty around worldwide progression towards the Paris agreement goals. The newly elected UK government has set out sustainability priorities aiming to tackle the climate crisis and aspiring for clean energy leadership. Whilst in the US, the government has outlined they will withdraw from the Paris Agreement under the United Nations Framework Convention on Climate Change⁷.

The EU has proposed an Omnibus Regulation to consolidate CSRD (Corporate Sustainability Reporting Directive), CSDDD (Corporate Sustainability Due Diligence Directive) and EU Taxonomy to reduce complexity and cost for business and to enhance competitiveness by reducing regulatory barriers⁸.

The G7 are showing more action and faster improvement compared to 2023. However, the World Meteorological Organisation (WMO) highlighted at COP29 that globally we are not on track to meet the Paris agreement goals. The WMO has called for a strengthening in climate adaption alongside reduction in greenhouse gas emissions.

Companies face increasing risk of accusation of greenwashing

In May 2024, the FCA (Financial Conduct Authority) released a new anti-greenwashing rule to protect consumers by ensuring sustainable products and services are accurately described⁹.

Perceived lack of action towards ambitions is more likely to result in accusation of greenwashing with fines, trust, and reputable damage.

Consumer sentiment

The Financial Lives survey indicates significant consumer interest in sustainable finance with 81% of adults surveyed indicating they would like their investments to do some good alongside providing a financial return⁹.

¹ 2024 is the first year to exceed 1.5°C above pre-industrial level | Copernicus
² <https://www.insurancebusinessmag.com/uk/news/claims/the-uk-storm-season-is-setting-new-records--how-is-insurance-responding-517973>
³ <https://www.euca.europa.eu/en/publications>
⁴ <https://www.theguardian.com/world/2024/apr/26/asia-heatwaves-philippines-bangladesh-india>
⁵ <https://www.bbc.co.uk/news/articles/c0ewe4p9l28o>
⁶ <https://www.unep.org/resources/emissions-gap-report-2024>
⁷ Putting America First In International Environmental Agreements – The White House
⁸ <https://www.erm.com/insights/the-eu-omnibus-regulation-preparing-for-changes-to-european-sustainability-disclosure-regulations/>
⁹ FCA confirms anti-greenwashing guidance and proposes extending sustainability framework | FCA

Sustainable fund investment remains resilient

Global sustainable fund assets reached an all-time high in 2024, with an 8% increase on 2023¹⁰. Europe remains the leading market.

There is a trend for further disclosure related to sustainability reporting with an increasing number of markets subject to mandatory sustainability regulations.

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. In 2024 we started to use a new carbon reporting platform to improve the granularity, analytics and auditability of our data.



¹⁰ <https://www.morningstar.com/global-esg-flows>

Summary Reconomy Climate and Finance Disclosure report (commencing TNFD alignment)	
Governance	<p>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.</p>
Strategy	<p>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.</p> <p>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.</p> <p>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, (see page 16).</p> <p>However, we recognise there is potential for nature risk in the supply chain and in 2025 we intend to better understand the impact our suppliers - who are generally transportation, logistics and materials sorting, bulking and processing organisations - have on nature over the short, medium and long-term. In addition, another potential complexity is that over 80% of our suppliers are small and medium sized businesses (SMEs) making data collection more challenging.</p> <p>Following the DMA, we reviewed and refreshed our sustainability strategy and we have implemented a climate and nature strategy.</p> <p>We use the following time horizons to classify climate and nature-related opportunities and risks aligned to our strategy and business plans:</p> <ul style="list-style-type: none">● 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.● Long term >10 years: aligned with SBTi guidance.

Impacts, risks 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. It 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 (direct control)

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 (indirect)

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 annually 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. In 2024 we moved our carbon accounting platform to Minimum and 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.

[Click here to view our Governance structure.](#)

Assessment and management of climate related risks and opportunity

Reconomy is UK headquartered, however through expansion we have operations in Europe and North America, along with hubs worldwide.

Risk and opportunity 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 where we have an owned office - were deemed high risk. This was due to urban land change, water demand and water stress. In 2025 we will extend this evaluation to include other nature dependencies and also to evaluate the value chain.

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

Our processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in our direct operations is outlined on [page 26](#) of the main report. We will assess the value chain in 2025.

We have outlined below the processes for identifying, assessing, and managing climate and nature-related risks and how they are integrated into the overall risk management process in the company.

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 Carbon (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 2025. 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 47.](#)

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 '2°C' temperature increase (Paris agreement¹ and global action taken to transition to a low carbon economy and reduce CO₂e) and a '4°C' 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 '2°C' and '4°C' 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.

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 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 '4°C' 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 and long-term changes in temperature and rainfall patterns and this will continue to have an impact on our business and supply chain.

Under the '2°C' scenario we assess that these impacts will be of a lesser magnitude compared to the '4°C' 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 ‘4°C’ scenario

Is likely to result in acute impacts, increase in severity of extreme weather events, and chronic impacts, 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.	S/M/L	Med	<p>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.</p> <p>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.</p> <p>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 regulators permission.</p>
Operational disruption	Reduction in revenue due to disruption	M/L	Med	<p>Increased frequency of extreme weather events may require implementation of the business continuity plan to reduce disruption and ensure business critical operations are maintained.</p> <p>This includes back up routing for rail and road along with an additional potential network of suppliers if disruption occurs.</p>
Property / Infrastructure damage	Increase cost of physical damage, increased insurance cost and potential for property to be uninsurable in high-risk locations.	M/L	Med	<p>Assess location risks and understand potential exposure. Ensure new business acquisitions are assessed during due diligence.</p> <p>Business critical locations assessed for climate adaption investment.</p> <p>Plan and prepare for disruption to operation leading to reduced service offering and revenue.</p> <p>New facilities subject to planning for climate resilience.</p>

Transition risks

The key transition risks to our business under the ‘2°C’ 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.

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	Med	<p>SBTi targets validated and group wide, carbon reduction plan in place including:</p> <ul style="list-style-type: none">· Fully electric car fleet by 2028· Full use of renewable electricity by 2028· Use of alternative fuels and route efficiency for HGV fleet. <p>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.</p> <p>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. Property strategy would be to aim to move from locations that are managed 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.</p>
Cost and operational impact	Mandates on and regulation of existing products and services	S/M	Low	<p>Continue to engage with regulators and policy makers to ensure 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.</p> <p>For example, the ban of cross boarder waste transport and processing⁵ – could be a potential barrier but is an opportunity to improve in-country recycling infrastructure.</p> <p>Reconomy has a Regulatory Affairs Group to ‘horizon scan’ for global changes in legal frameworks.</p>

⁵ 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 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 protects from reduced revenue from decreased demand for products. 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. In addition, we survey our customers and found, for example, that people are willing to wait longer and pay extra for low carbon returns. If, for example, a shift in customers behaviour results in fewer returns this may have a negative impact in our ReBound business. To ensure we maintain market share our aim is always to offer the most circular and sustainable returns. In addition, there is an increase and drive from more customers needing sustainability data to drive decision making. Appropriate investment in innovative recycling and reuse infrastructure. The resource management area of the business will take advantage and respond to opportunity for increased customer awareness for more sustainable circular solutions and is seen as an opportunity. For example, we have invested in a textile solution using our business wide capability and 'ReDress' was launched in 2024. Investment has been secured to increase our unique sorting capacity in the UK in 2024/25 increasing the recycling infrastructure. We continue our research and development projects including recycling solutions to avoid incineration and recycling solutions for packaging.

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. Brands such as Rebound have made changes to shipping frequencies and introduced calculator tools so that we can use the transport with the least emissions and 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. 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 packaging can now be recycled.
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 2024.
Resilience	Reduce operating costs and increase operational efficiency. Market diversification and solutions to meet customer needs.	S/M	Med	Targets 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 support customers on meeting their products' end-of-life collection and recycling targets. Our Mergers and Acquisition strategy is to increase our capability for providing sustainable services, products and solutions.

GRI table

Reconomy has reported the information cited in this GRI content index for the period starting January 1st, 2024 and ending December 31st, 2024 with reference to the GRI Standards.

GRI 2: General disclosures FY2024

GRI 2 - General Disclosures		
GRI Standard	Disclosure	Location (page number or external reference) and additional information
GRI 2-1 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 11
	Description of the organisation's activities	Page 10 (H1 our Company)
GRI 2-2	Entities included in the organisations sustainability reporting	The entities included trade as these brands: Reconomy Ltd, Casepak, Eurokey, ACM, AWS Nationwide, Waste Source, Ecoefficiency, Valpak, Reverse Logistics Group, Advanced Supply Chain Group, Rebound Returns, Webb's Training, Noventiz, Novati, Combineering.
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	01-01-2024
	Reporting period-End Date	31-12-2024
	Publication date of the report or reported information	19-05-2025
	Name of the report	Sustainability Report 2024 - Thinking Circular
	If sustainability reporting period does not align with financial reporting period, explain the reason here	Aligns
	Reporting cycle	Annual
	Contact point for questions regarding the sustainability report	Diane Crowe, Group Sustainability Director, diane.crowe@reconomy.com
	Changes in the list of material topic and topic boundaries	There has been no change in boundaries since our last report but we have reassessed our material topics. Page 26 and 27
	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 however we have changed the software tool used to measure carbon emissions. The methodology for carbon emissions continues to be improved by moving away from spend to direct data. The new system also integrated Well to Tank emissions and it was realised that this had been omitted from previous years inventory. This has meant an uplift in some Scope 3 categories of around 15%. The baseline and subsequent years have been reassessed and restated on Page 71 .
GRI 2-4	Restatements of information	As above, the carbon emissions baseline and subsequent years have been reassessed and restated on Page 71 .
GRI 2-5 External assurance	General Narrative	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 ISO 64001.
	How we manage it / who's responsible	The Group Finance Director and Group Sustainability Director have overall responsibility and manage the relationship with external audit organisations.
	External assurance	Reconomy aim is to move towards external assurance of their 2025 Annual Sustainability Report.

GRI 2-6: Activities, value chain and other business relationships	List of stakeholder groups	Stakeholder groups identified are: Customers, Investor (owner), Supply Chain Partners, Employees, Government and Regulators, Communities, Trade Bodies, and NGOs.
	Activities, value chain and other business relationships	Page 36
	Description of the organisation's activities	Page 15
	Sector in which the company is active	Recycling, waste management, compliance schemes, returns, logistics and warehousing.
	Description of the organisation's supply chain, such as its main elements as they relate to the organisation's activities, primary brands, products, and services	Page 65
	Significant changes to the organisation and its supply chain	None
GRI 2-7 Employees	Total number of employees (Average headcount)	3,750
	Total number of Full-Time Equivalents (Average FTE)	3,658
	Number of local employees	2,386
	Percentage of local employees	63.6%
	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 2024.
GRI 2-8 Workers who are not employees	Total number of workers who are not employees and whose work is controlled by the organization	480 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%
	Describe the influence/power of the board committee on ESG issues	The Sustainability, Investment, Operating and Resource Committees are sub board committees and all have an element of the sustainability strategy incorporated into their terms of reference.
	Total number of board members	7
	Number of female employees on the Board	0
	Percentage of female employees on the board	0%
	Number of board members who are LGBTQ / part of under-represented groups	0
	Percentage of board members that are LGBTQ/ part of under represented groups	0%
	Average Board tenure	6.7
	Tenure range	between 2 and 7 years
GRI 2-11	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 highest governance body in setting purpose, values, and strategy	Page 77 Sustainability Committee meets Quarterly
	Identifying and managing economic, environmental, and social impacts	Page 16
	How does the highest governance body consider the outcomes of these processes	Page 67
	Consulting stakeholders on economic, environmental, and social topics	Page 36

GRI 2-27 Compliance with laws and regulations	Have instances of regulatory non-compliance or enforcement actions occurred?	Yes
	Number of brands with instances of regulatory non-compliance or enforcement actions	1
	Total number of instances of non-compliance associated with the environment	2
	Total number of non-monetary sanctions	0
	Total number of instances for which fines were incurred	2
	Total monetary value of significant fines	631.28 GBP
	Detail significant instances of non-compliance and explain the methodology employed to identify them	28.02.2024, lithium batteries for recycling were not secured in line with regulations during transportation. Violation accepted by RLG and 528,59 EUR fine paid. 2024, total tonnage of an approved shipment of “lead-acid batteries” was exceeded by 3,98 tonnes. This was due to a formal error in the status file. Violation accepted by RLG and 218,50 EUR paid.
GRI 2-28 Membership associations	Memberships and associations	UK Business and Biodiversity Forum, CDP, Science-Based Targets initiative, UN Global Compact, EcoVadis
GRI 2-29 Approach to stakeholder engagement	Approach to stakeholder engagement	Page 36

GRI 3: Material Topics 2021

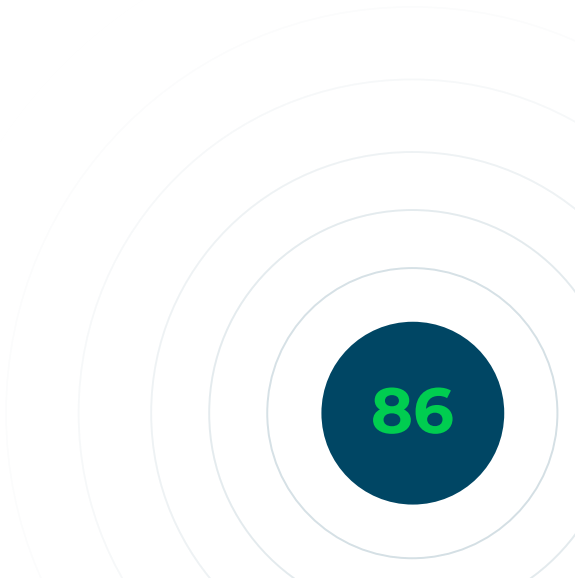
GRI Standard	Disclosure	Location (page number or external reference) and additional information
GRI 3-1 Process to determine material topics	Defining report content and topic boundaries Specify the stakeholders and experts whose views have informed the process of determining its material topics	Reconomy has undertaken 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. Page 26
GRI 3-2	List of material topics	Page 27

GRI 201: Economic Performance 2016

GRI 201-2 Financial implications and other risks and opportunities due to climate change	Climate-related risks and opportunities	Page 72-83 - Climate and Nature Financial Disclosure report
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GRI 204 Procurement 2016

GRI 204-1 Proportion of spending on local suppliers	£ Total Spend	324,115,680.3
	% of total spending or procurement budget by Region	Page 16
	Definition used for ‘local supplier’	Same as location postcode or 20 miles radius



GRI 205: Anti-corruption 2016		
GRI 205-1 Operations assessed for risks related to corruption	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	All regions
	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, how many people currently received the training?	2902
GRI 205-3 Confirmed incidents of corruption and actions taken	For this group, what percent of the current group received the training?	79%
	Total number of confirmed incidents of corruption	0
	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

GRI 302: Energy 2016		
GRI Standard	Disclosure	Location (page number or external reference) and additional information
GRI 302-1 Energy consumption within the organization	Total energy consumed	54,097,715.55
	Total non-renewable energy consumed	41533533.93
	Percentage of energy consumed that is non-renewable	76.78%
	Standards, methodologies, assumptions, and/or calculation tools used	95.63% renewable electricity, 23.22% renewable energy - 12,898,026.78 kWh is from renewable sources. Some Gas is REGO backed
	Total energy from renewable sources	12,564,181.62
	Percentage of renewable energy	23.22%
	Percentage of total energy consumed that is grid electricity	95.6%
GRI 302-3 Energy intensity	Energy intensity (kWh/£ annual gross profit)	0.2
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 31

GRI 303: Water and Effluents 2018		
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. Following a materially review we have operations in two water-stressed environments Copenhagen, Denmark and Leicester, UK.
	Description of the approach used to identify water-related impacts	We continue to review risk and opportunity related to water across the organisation. We have utilised the GIST Impact tool to evaluate and assess water related impacts.
	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 ML
	Total water consumption from all areas with water stress	1.04 ML

GRI 305: Emissions 2016		
GRI 305-1 Direct (Scope 1) GHG emissions	Total direct (Scope 1) GHG emissions	9,669.91 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 71
	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 71 - some spend mainly for indirect goods and services
GRI 305-2 Energy indirect (Scope 2) GHG emissions	Energy indirect (Scope 2) GHG Emissions (location-based)	1145.44 tCo2e
	Energy indirect (Scope 2) GHG emissions (market-based)	172.32 tCo2e
	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	214,321.05 tCo2e
	Gases included in the calculation, whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all	CO2e
	Consolidation approach for emissions	Direct emissions/Supplier-based
	Standards, methodologies, assumptions, and/or calculation tools used	Page 71
GRI 305-4 GHG emissions intensity	Scope 1 and 2 GHG emissions intensity (tCO2e/£ annual gross profit)	36.6
	Scope 3 emissions intensity ratio (tCO2e/£ annual gross profit)	796.7
	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 306-2 Management of 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.
	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 32 - Aim to consistently manage waste across our estate using the waste hierarchy and consistent recycling system
GRI 306-3 Waste generated	Total waste generated (hazardous and non-hazardous waste)	All waste 4,126.55 t, Hazardous waste 6.4t
GRI 306-4 Waste diverted from disposal	Waste recovered	428.51 t
	Percentage of waste recovered (Incineration and WTE)	10.38 t
	Waste recycled	3711.64 t
	Waste reused	11.28 t
	Total weight of waste diverted from disposal	3979.37 t
	Percentage of total waste diverted from disposal	91.65%
GRI 306-5 Waste directed to disposal	Waste directed to landfill	18.16 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	Organic net new hires	131
	Total number of employee hires	611
	Rate of new employee	17%
GRI 401-2	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	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 H&S Management system is led by HSG65 guidance; so, we follow a 'Plan, Do, Check, Act' circular approach. Using this, we've put in place several documents, processes, and procedures, outlined below, which form our H&S management system, and which are used to support our contract service delivery.
	Why it matters	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.
	How we manage it / who's responsible	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.
	Our commitments	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 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 organisation 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	678
	Number of employees that have been provided access for at least 12 months to comprehensive and multidimensional wellbeing programmes	1651.8
	Description of workers' access to non-occupational medical and healthcare services, and the scope of access provided	Page 55
GRI 403-9 Work-related injuries	Total number of hours worked by all employees	5,456,923.4 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.
	Total number of work-related fatalities	0
	Rate of fatalities as a result of work-related injury	0
	Type of injury	Contact with objects and equipment. Exposure to harmful substances. Slips, trips and falls. Fires and explosions. Mental health. Over exertion and bodily reaction. Transportation incidents
	Percentage of occurrence	61.35%, 5.8%, 15.94%, 0.48%, 3.86%, 9.18%, 3.38%
	Number of high consequence work related injuries	1
	Rate of high consequence work related injuries	1.83%
	Number of recordable work related injuries	23
	Lost time injury rate (LTI) for direct workforce	4.21
	Lost time injury (LTI) severity for direct workforce	41.54
	Total recordable injury frequency rate	0.84

GRI 404: Training and Education		
GRI Standard	Disclosure	Location (page number or external reference) and additional information
GRI 404-1	Total number of training hours delivered	12,681
	Average hours of training provided per employee	5.1
GRI 405-1 Diversity and Equal Opportunity		
GRI 405-1 Diversity of governance bodies and employees	Percentage of female employees	49.36%
	Percentage of male employees	57.76%
	Percentage of female employees in management	48.57%
	Percentage of male employees in management	51.43%
	Percentage of employees under the age of 30	30.75%
	Percentage of employees between the ages of 30 and 50	56.88%
	Percentage of employees over the age of 50	24.45%
GRI 405-2	Ratio of basic salary and remuneration of women to men	32.8% 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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