Reconomy

Sustainability Top-line Review 2025

Welcome

Welcome to Reconomy's 2025 Sustainability Top-line Review. As global leaders in circularity, we leverage tech-enabled solutions and the expertise of our people to help customers reduce waste, stay compliant, and unlock value from the products and materials they handle, improving profitability. This review summarises our progress and commitments across our sustainability targets, reflecting our international operations during 2025.

Who we are

Reconomy deploys technology, data, and expertise to guide organisations towards a circular economy, moving away from the 'take-make-waste' model to conserve resources, extend material use, and create long-term value. Through close customer partnerships and our three tailored service loops, we deliver efficient, sustainable solutions that minimise waste, reduce costs, and optimise the resource cycle.

Recycle *loop*

Our Recycle Loop enables daily waste and resource management, incorporating data-driven insights and expert strategies that empower businesses to automate processes, enable closed-loop recycling, and maximise material use.

Comply *loop*

Our Comply Loop helps businesses navigate complex environmental regulations by combining consultancy, data management, and compliance solutions. We coordinate take-back systems and collaborate with over 40 producer responsibility organisations worldworldwide to manage waste.

Re-use *loop*

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

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

Guy Wakeley, Chief Executive

Closing the circularity gap

11% more circular
in 2025 (vs 2024)

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

Measuring the gap

The global economy is currently 6.9% circular, meaning 93.1% of natural resources are being wasted rather than reused, repaired, or repurposed[1]. 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.

In 2024, we measured[2] our own circularity gap at 81%[3] and, in 2025, improved this by 11%, reducing the gap to 70%. This means that while 30% of the materials we manage, own, or track are either fully recycled or reused in what is referred to as a 'closed-loop' system, 70% are not yet being used to their full potential as part of the circular economy.

We see a great opportunity here to continue to close this gap by improving our processes, strengthening our service models, and embedding circularity across everything we do.

Earth Overshoot Day

A key part of measuring our circularity impact is tracking Earth Overshoot Day – the point at which global resource consumption exceeds Earth's ability to regenerate those resources during a 12-month period. In 2025, Earth Overshoot Day fell on 24 July.

Through our work with customers, we estimate that we delayed the date by 12 minutes in 2024 and by 15 minutes in 2025[4]. We anticipate this positive contribution will increase as more closed-loop initiatives are launched.

Our sustainability strategy

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

In 2025, we reviewed our goals and targets in line with our new double materiality assessment and refreshed our strategy to ensure continued alignment with our business direction. Our five-year strategy, known as Action: 2030, is the result.

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

Diane Crowe, Group Sustainability Director

Action: 2030

Enabling circularity	We accelerate the circular economy, working towards a waste-free world.
Taking climate action	We reduce our impact on the climate, as well as the impact of our customers.
Empowering people	We provide safe, rewarding, and inclusive workplaces and generate social value.
Responsible procurement	We ensure our operations are responsible, ethical, and aligned with our principles.
Ethical business	We act ethically, with strong governance, effective risk management and transparent reporting.

Contributing to Sustainable Development Goals

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

We believe our greatest opportunities to support the SDGs lie with SDG 12 (Responsible Consumption and Production) and SDG 13 (Climate Action). Alongside this, we regularly track how we contribute to the three additional SDGs we most closely align with – SDG 3 (Good Health and Wellbeing), SDG 5 (Gender Equality), and SDG 8 (Decent Work and Economic Growth) – as we believe this makes us a better company to work for, do business with, and invest in.

Certifications and memberships

Awards

EcoVadis

50% of Reconomy brands are in the top 5% of companies accessed.

Ellen MacArthur Foundation

Science Based Targets initiative

United Nations Global Compact

CDP

Carbon reporting audited

UK Business and Biodiversity Forum

7 sector and industry award wins for Reconomy in 2025, including:

2025 National Sustainability Awards

Provider of the Year

2025 Deloitte Best Managed Company Awards

Best Managed Company

13 sector and industry award wins for Reconomy brands in 2025, including:

2025 International Green Apple Environment Awards:

Gold Winner, Engineering & Manufacturing – Carbon Reduction (Reconomy Connect with Protec)

Reconomy Connect

2025 National Sustainability Awards:

Sustainable Packaging Innovation

Reconomy Connect

For a full list of our certifications and memberships, as well as our sustainability rankings and awards, take a **look at our Sustainability Report 2025.**

Enabling circularity

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

Closing the circularity gap

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

Using technology and data to drive efficiency

We're investing £30 million over three years in our technology, bringing together big data, advanced analytics, and emerging tools like AI to unlock new efficiencies, improve decision-making, and scale circular solutions across our business. In 2025, we launched CircuLab, which applies advanced data analytics, regulatory intelligence, and life cycle expertise to the 8.5 million tonnes of resources we manage annually.

Supporting our value chain sustainability objectives

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

70% Reconomy circularity gap[5]

£16.5 million invested in closed-loop technologies in 2025[6]

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

11% more circular in 2025 (vs 2024)[7]

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

Jody Fullman, Chief Information Officer

Taking climate action

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

Adapting to climate change

We recognise that the risks of climate change – from supply chain disruption to increased energy costs and extreme weather events – present real challenges to our business and the customers we serve. By integrating adaptation into our broader environmental strategy alongside mitigation, we are working to future-proof our business, strengthen our supply chain, and support our customers to build resilient, resource-efficient systems.

Taking a net positive approach to nature and water resources

With global biodiversity in decline, the need to protect and restore nature is urgent. A nature-positive approach means preserving the systems our economies depend on. Our Climate and Nature Positive Strategy sets out our shared commitment to sustainability across the organisation, underpinning our vision of a waste-free world. The circular economy helps by reducing waste and resource use, lessening ecosystem strain, and encouraging resource renewal.

Climate change mitigation

We have set SBTi-validated targets to reach net zero by 2040, with near-term goals to cut Scope 1 and 2 emissions by 33.6% and Scope 3 intensity by 44% against our 2021 baseline. Through renewable energy, fleet electrification, and supply chain engagement, we are making strong progress across our operations.

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

37% reduction (market-based/ gross profit) in Scope 1, 2, and 3 intensity from 2021 baseline

94.5% of global electricity use from renewable sources

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

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

Simon Dennett, Director of Strategic Sourcing

Empowering people

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

Engaging with our local communities

We are dedicated to creating meaningful impact in our communities. In 2025, we focused on initiatives that provide social value, support colleagues, strengthen partnerships, and invest in effective programmes.

Empowering our people and encouraging volunteering

We support our employees' desire to give back, enabling colleagues to contribute to their communities – whether through direct projects, skills-based volunteering, or helping local charities – while also building stronger community ties.

Ensuring health, safety, and wellbeing

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

Having measurable social impact

Our Reconomy Social Enterprise Community Interest Company (CIC) unites charities tackling recycling challenges and helping vulnerable people find employment. In 2025, it completed 36 donation requests and supported 31 partners.

Promoting diversity, equity, and inclusion

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

2,949 of community hours volunteered by colleagues, a 28% increase vs 2024

0.5% profit (before tax) committed to community investment

23 internships and 10 apprenticeships started

23,072 hours of training provided to colleagues

"We want our culture to reflect the same principles we champion externally: empowering people, retaining talent, and creating continuous loops of growth. That means authentic leadership, consistent development opportunities, and making sure our people feel supported and heard."

Lyndsey Denning, Chief People Officer

Responsible procurement

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

Implementing a Sustainable Procurement Framework

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

Understanding where our dependencies, impacts, risks, and opportunities are in the value chain

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

Engaging with key suppliers on low-carbon vehicles and renewable energy

Our Sustainability Supplier Charter aims to reduce carbon emissions and improve data management throughout the supply chain. We focus our efforts on encouraging low-carbon transport choices and enhancing supplier reporting.

69.6% of supplier spend allocated to local and/or small and medium-sized enterprises (SMEs) suppliers[8]

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

960 suppliers assessed during 2,425 supplier site visits

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

Jamie Halstead, Chief of Staff

Ethical business

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

Complying with international standards and guidelines

Sustainable procurement is embedded across our operations, guiding how we select suppliers and monitor performance. Our approach aligns with ISO 20400 Sustainable Procurement Guidance and international standards, including the United Nations Global Compact (UNGC), Organisation for Economic Co-operation and Development (OECD) guidelines, and our Modern Slavery and Anti-Bribery & Corruption policies.

Having transparency of data for ourselves and our customers

We continue to invest in information security and data privacy, strengthening our teams and the tools that support business continuity and customer trust. We are also working to expand compliance with recognised standards such as ISO 27001 across the business.

Providing clear voluntary and mandatory reporting

We track and report our progress in line with several bodies, including the Global Reporting Initiative (GRI), the Task Force on Climate-related Financial Disclosures (TCFD), the Science Based Targets initiative (SBTi), the Carbon Disclosure Project (CDP), and the Taskforce on Nature-related Financial Disclosures (TNFD).

Ensuring oversight and control of enterprise risk management

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

90% of employees completed modern slavery training in 2025

96% of employees completed cyber security training

66–85 range of EcoVadis scores achieved by Reconomy brands assessed[9]

'B' CDP score and CDP Supplier Engagement Leader 'A' score

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

Phillip Vincent, Chief Financial Officer

Looking forward

For more details on Action: 2030 and our progress, read our **Sustainability Report 2025.**

As we look ahead, our purpose remains clear: to create a waste-free world by helping businesses keep materials in use for longer and accelerate the shift to a circular economy. In 2025, we strengthened the foundations needed to close the circularity gap – enhancing our procurement systems, improving data management, and advancing the digital tools that underpin better resource decisions. The launch of CircuLab, alongside the integration of newly acquired businesses, expands our capability to deliver consistent, tech-enabled circular solutions across more markets.

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

[1] *The Circularity Gap Report, Circle Economy*

[2] *Based on tracking the flow of the materials that we manage, own, or track through our different service loops*

[3] *Reconomy circularity gap restated for 2024 as 81% (was 55%) following recalculation*

[4] *Calculation framework has been academically reviewed and scientifically validated by the University of Bucharest on the basis of criteria of scientific rigour, methodological coherence, and practical applicability*

[5] *Reconomy circularity gap is 23% smaller than the global circularity gap of 93%*

[6] *£30 million invested over three years, 2023–2026*

[7] *Based on tracking the flow of the materials that we manage, own, or track through our different service loops*

[8] *Calculation of SME uses UK government definition: less than 250 employees and under £50 million turnover*

[9] *Combineering, ReBound, Noventiz, RLG, Valpak, Reconomy Recycle Outsourced, OS Bidco*

Action: 2030

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