

Environment, social and governance

DRIVING VALUE, DIFFERENTIATION AND EFFICIENCY THROUGH ESG

Sustainability is core to how we do business, and a value driver for RS, our customers, and our suppliers. By integrating environmental sustainability, positive social impact, and responsible governance into our strategy, we strengthen resilience, unlock growth opportunities, and build trust. Our ESG commitments help to guide the decisions that shape our business today and ensure we contribute meaningfully to a sustainable future.

In this section:

Our 2030 ESG action plan	42
Advancing sustainability	44
Empowering our people	51
Championing youth & communities	55
Doing business responsibly	58
Task Force on Climate-related Financial Disclosures (TCFD)	62
Non-financial and sustainability information statement	68
Section 172 statement	69

+ Read more about our ESG approach at:
rsgroup.com/sustainability

Our Better World product range is our flagship sustainability initiative offering c. 33,000 products backed by clear, verifiable sustainability claims to reduce resources, cost, and environmental impact.

+ Read more on pages 48 and 49



Our 2030 ESG action plan

FOR A BETTER WORLD

Our purpose, making amazing happen for a better world, captures our commitment to creating sustainable value for RS, our stakeholders, and the wider world. Embedded in our business strategy, our 2030 ESG action plan targets four global goals and 14 ambitions in the most material areas for our business.

ESG enables us to better serve our c. 1 million customers, our people, and our >2,500 global suppliers. Core to our growth strategy, it drives operational efficiency and supports sustainable products and solutions, strengthening value chain partnerships and opening commercial opportunities. ESG attracts high-value customers who prioritise sustainability, reinforced by our Better World product range and our EcoVadis Platinum and CDP A List ratings.

ESG underpins operational excellence, from more sustainable and efficient distribution centres (DCs) to optimised packaging and logistics, while enhancing customer experience through responsible product choices that differentiate us as a strategic partner. By working closely with suppliers and providing customers with the transparency needed for informed procurement, we are facilitating the transition to a resilient, low-carbon future.

Our ESG action plan is shaped by our most material topics, defined through our 2024/25 double materiality assessment and mapped to our action plan. In 2025/26, we expanded ESG assurance to enhance readiness for evolving regulatory requirements. We engaged Grant Thornton UK LLP (Grant Thornton) to provide independent limited assurance over selected sustainability data including metrics highlighted in this report with a (*) symbol. Their full (unqualified) assurance report can be found on our website at rsgroup.com/sustainability

OUR 2030 ESG ACTION PLAN



+ Read more on pages 42 and 43

ENVIRONMENT



ADVANCING SUSTAINABILITY

Developing sustainable operations and product and service solutions for our customers and suppliers.

+ Read more on pages 44 to 50

SOCIAL



EMPOWERING OUR PEOPLE

Creating an inclusive and engaging environment, where everyone is proud and excited to come to work and can perform at their best, develop, and thrive.

+ Read more on pages 51 to 54



CHAMPIONING YOUTH & COMMUNITIES

Inspiring the next generation of engineers and innovators and supporting our communities worldwide to improve people's lives and create a more sustainable world.

+ Read more on pages 55 to 57

GOVERNANCE



DOING BUSINESS RESPONSIBLY

Ensuring the highest ethical and environmental standards throughout our business and global value chain.

+ Read more on pages 58 to 61

OUR MATERIAL TOPICS

Goal	Topic	Materiality
	Climate change	Double
	Energy	Impact
	Circular economy and waste	Impact
	Culture and engagement	Impact
	Health and safety	Impact
	Diversity and inclusion	Impact
	Training and skills development	Impact

Goal	Topic	Materiality
	Community engagement	Impact
	Corporate governance	Impact
	Corporate culture	Impact
	Responsible supply chain	Financial
	Customer and supplier partnerships	Double
	Macroeconomic environment	Financial

Materiality definitions

Impact

RS Group's impact on the wider world

Financial

Financial risks and opportunities of sustainability-related topics for RS Group

Double

Both a financial risk or opportunity for RS Group and an impact created by RS Group

2030 ESG action plan: Performance highlights

A summary of progress against each of our global goals can be found in the table below, with detailed progress updates against all 14 ambitions outlined on pages 44 to 61. Progress includes data from acquisitions within all reporting years from 2019/20 to 2025/26, excluding BPX Group which will be added to current and historic years in 2026/27. To read more about our ESG approach, including our methodology for collecting and calculating ESG data, accounting for acquisitions, and historical performance, see: rsgroup.com/sustainability

GLOBAL GOALS	KEY ACTION AREAS	PERFORMANCE HIGHLIGHTS		
 ADVANCING SUSTAINABILITY	Net zero emissions in direct operations by 2030 and wider value chain by 2050 with science-based targets (SBTs) covering Scopes 1, 2 and 3.	67% reduction in Scope 1 and 2 emissions since 2019/20	90% of our packaging has >50% recycled content, an increase of 8% pts since 2024/25	34% reduction in Scope 3 transport emissions intensity ¹ since 2019/20
 EMPOWERING OUR PEOPLE	Achieve and maintain an employee engagement score in the top 10% of high-performing companies.	75 employee engagement score up from 72 in 2024/25	38% of our senior leaders are female and 13% are ethnically diverse ²	49% reduction in our all accident frequency rate ³ since 2019/20
 CHAMPIONING YOUTH & COMMUNITIES	Inspire one million young people to become future engineers and innovators.	968k young engineers and innovators supported since 2020/21	£166k raised for our global social impact partner SolarAid in 2025/26	30% of our employees volunteered to support their local communities in the last two years
 DOING BUSINESS RESPONSIBLY	Increase screening and ESG objectives for suppliers. ESG metrics in employee rewards.	48% of employees have their annual incentives aligned to carbon reduction targets	74% of strategic suppliers by spend set SBTs	80% of RS PRO suppliers by spend are Sedex members

1. Tonnes of CO₂e due to transportation emissions per tonne of product sold.

2. 108 of 136 senior leaders self-reported ethnicity via the employee database (including not specified/prefer not to say, excluding markets where RS cannot collect this data) and 14 identified as non-white.

3. Per 200,000 hours worked.

Environment



ADVANCING SUSTAINABILITY

As a critical partner to the global industrial sector, we help customers operate more safely, sustainably, and efficiently as they work hard to reduce resource use, minimise costs, and improve their environmental and social impact.

By building a more sustainable network and delivering more product and service solutions that support sustainable businesses, we are creating tangible benefits across the industrial value chain and reinforcing our role as a trusted and strategic partner with both our customers and suppliers.

Our net zero plan

Our ambition is to be net zero in our direct operations by 2030 and across our wider value chain by 2050. This means implementing our science-based emissions reduction targets across Scope 1, 2 and 3 emissions and using certified Gold Standard offsets for any additional residual, hard-to-abate emissions. To achieve this, in 2025/26 we updated our 2030 emissions targets for products, suppliers, and transportation. This includes setting a new, more ambitious Scope 3 emission target (see below) and validating this with the Science Based Targets initiative (SBTi) in May 2026. These targets and their supporting initiatives drive our decarbonisation approach in line with the 2015 Paris Agreement to limit global warming to 1.5°C above pre-industrial levels. Our detailed climate performance can be found on pages 45 and 46, our Task Force on Climate-related Financial Disclosures (TCFD) response on pages 62 to 67, and our independent limited assurance statement from Grant Thornton at rsgroup.com/sustainability

Climate ambition	2030 ACROSS OUR DIRECT OPERATIONS			2050 ACROSS OUR VALUE CHAIN		
Decarbonisation levers	Decarbonising our sites page 46	Switching to renewable energy page 46	Creating a net zero fleet page 46	Sustainable product and service solutions pages 48 and 49	Supplier sustainability page 50	Product transportation page 50
2030 targets ¹ ✔ SBTi validated	75% reduction in Scope 1 and 2 emissions ✔	100% renewable electricity	NET ZERO company car fleet	51.6% reduction in Scope 3 emissions per £ million value added ✔	Engage our strategic suppliers to set SBTs	40% reduction in product transport emissions intensity ²
Progress to date	67% reduction in Scope 1 and 2 emissions since 2019/20	92% renewable electricity use in 2025/26	60% of company cars are electric or hybrid in 2025/26	37% reduction in RS PRO product emissions in-use since 2019/20	74% of strategic suppliers by spend set SBTs with SBTi in 2025/26	34% reduction in product transport emissions intensity ² since 2019/20
Enablers and dependencies	Access to technologies Government policies and incentives Energy grid decarbonisation Future availability of Gold Standard certified offsets Manufacturing efficiencies Product eco design Customer adoption of renewable electricity Favourable macroeconomic environment					

1. From a 2019/20 baseline. 2. Tonnes of CO₂e due to transport emissions per tonne of product sold.

Our Climate Transition Plan (CTP)

RS has a key role to play in enabling the transition to a low-carbon global industrial sector for our people, customers, and suppliers. Our CTP clearly articulates our climate ambition and how our climate actions are supporting strategic progression and stakeholder value creation, as well as adding detail and transparency to our net zero delivery plan. This is a key differentiator designed to help our customers and suppliers achieve their own decarbonisation goals, enabling us to retain our position as a trusted business partner in the wider industry transition.

+ Read more on our website at rsgroup.com/sustainability



Environment continued

REDUCING OUR CARBON FOOTPRINT

As a global distributor of industrial maintenance, repair and operations (MRO) products, we use our scale and influence to promote sustainable practices across our supply chain and provide customers with trusted, lower-impact procurement choices. This is an increasingly important differentiator as expectations for transparency, compliance, and low-carbon manufacturing continue to rise.

In our direct operations, we are on track to achieve our ambition of a 75% reduction in our direct emissions by 2030¹. Through energy efficiency measures, renewable electricity, solar installations, and fleet electrification, we have made significant progress from our 2019/20 baseline (read more on page 46).

Decarbonising our value chain depends on product and supplier innovation, particularly related to our products (manufacturing and in-use) and our logistics network.

In 2025/26, we completed extensive modelling of our Scope 3 data which positions us to drive meaningful decarbonisation across our value chain, while supporting our high-value customers' ambitions and ensuring we meet the requirements of commercial bids and tenders.

In 2025/26, we achieved our SBT to reduce the in-use carbon intensity of RS PRO products by 20% (37% reduction from our baseline). Following extensive analysis, the ExCo approved an updated Scope 3 target that balances our ambition, strategic progress, and stakeholder value alongside our external dependencies and our limited influence and control as a distributor. We aim to achieve a 51.6% reduction in Scope 3 emissions per £ million value added¹ – this target was validated by the SBTi in May 2026 and we will report our first-year progress in 2026/27.

Our complete emissions inventory can be found in our ESG Report and ESG data centre, which can be found with our ESG basis of reporting at: rsgroup.com/sustainability

Scope 3 Greenhouse gas (GHG) emissions

Key Scope 3 emissions categories	% change from 2020	2026	2025	2030 target
Category 1: Purchased goods and services*	(38)%	2.2m	2.3m	
Target: % of strategic suppliers by spend with SBTs	+3% pts	74%	71%	100%
Category 4: Upstream transportation and distribution^{2*}	(28)%	42,600	49,600	
Target: Product transportation carbon intensity (tonnes CO ₂ e per tonne of product sold ³)	(34)%	1.09	1.23	(40)%
Category 11: Use of sold products^{3*}	(37)%	4.1m	5.3m	
Target: RS PRO products in-use carbon intensity (tonnes CO ₂ e per tonne of RS PRO products sold ³)	(37)%	95	122	(20)% (achieved)
Remaining Scope 3 categories	(19)%	27,000	27,000	
Total Scope 3 GHG emissions (tonnes CO₂e)	(37)%	6.4m	7.7m	

Greenhouse gas (GHG) emissions (Scope 1 and 2) and Streamlined Energy and Carbon Reporting (SECR) disclosure

In accordance with UK SECR requirements, our 2025/26 Group Scope 1 and 2 emissions are summarised in the table below.

In 2025/26, the Group commissioned independent limited external assurance from Grant Thornton of 34 2026 metrics, including those marked with an asterisk (*). Their independent assurance report is available at rsgroup.com/sustainability

Metric	Unit	2026	2025
Scope 1 GHG emissions*	tonnes CO ₂ e	4,795	5,734
Scope 2 GHG emissions (market-based)*	tonnes CO ₂ e	1,055	778
Scope 2 GHG emissions (location-based)*	tonnes CO ₂ e	6,110	7,083
Total Scope 1 and Scope 2 (market-based) GHG emissions*	tonnes CO ₂ e	5,850	6,512
Emissions from premises sources	tonnes CO ₂ e	3,138	3,192
Emissions from vehicle sources	tonnes CO ₂ e	2,712	3,320
Intensity metric: Total Scope 1 and Scope 2 (market-based) GHG emissions per £m revenue*	tonnes CO ₂ e/£m	2.0	2.2
Total energy consumption*	GWh	52	54
Electricity use from renewable sources*	% Group electricity	92%	93%
Electricity use from own renewable generation*	% Group electricity	3%	2%

Notes to SECR disclosures

- UK SECR: 35% of Scope 1 emissions, 40% of Scope 2 (location-based) emissions, zero market-based emissions, and 46% of energy consumption from UK operations.
- GHG emissions are reported in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (Revised), under a financial control boundary.
- Department for Energy Security and Net Zero (DESNZ) (2025) emission factors are applied, unless emission factors from other sources are deemed more appropriate.
- Intensity metric figures are on a constant exchange rate basis.
- Further details can be found in our ESG basis of reporting document alongside our full suite of ESG metrics in our ESG data centre on our website: rsgroup.com/sustainability

2025/26 metrics marked (*) have been independently assured by Grant Thornton.

1. By 2029/30 from 2019/20.

2. Includes only inbound, outbound, and inter-site deliveries controlled by RS Group.

3. Scope 3 category 11 figures have been updated to include in-use emissions from all products, not just RS PRO.

Environment continued

ADVANCING SUSTAINABILITY WITHIN OUR BUSINESS

CARBON EMISSIONS IN OUR DIRECT OPERATIONS

By 2029/30, our ambition is to reduce absolute emissions from our own operations by 75% (validated by the SBTi).

Scope 1 and 2 carbon emissions¹

5,850

10% reduction from 2024/25

Status

● On track or ahead

Carbon intensity²

2.0

9% reduction from 2024/25

Status

● On track or ahead

Carbon reduction is a core KPI for the Group, with 48% of employees incentivised to achieve Scope 1 and 2 emissions reduction goals in 2025/26. As of this year, we have reduced our direct carbon footprint by 67%¹ from our 2019/20 baseline, driven predominantly by our site and fleet net zero initiatives, amongst other factors.

1. Tonnes CO₂e. Progress includes emissions from acquisitions within all reporting years from 2019/20 to 2025/26, excluding BPX Group which will be added to current and historic years in 2026/27.

2. Tonnes CO₂e/£ million revenue, on a constant exchange rate basis.

3. Hydrotreated vegetable oil.

Decarbonising our sites

We are modernising our distribution sites with low-carbon heating technologies, improved insulation, and other upgrades to support energy efficiency, cost reduction, and sustainability. 2025/26 highlights include:

- Achieved a 15% reduction in absolute premises energy consumption and a 44% reduction in energy intensity from 2019/20
- Reduced gas consumption by 10% from 2024/25
- 23 energy efficiency projects across our site network, including electrification of heating and water, insulation improvements, rapid roller doors, LED lighting, and biogas use

Switching to renewable energy

We are focusing first on maximising on-site solar installation, supplementing this with renewable electricity procurement, where required. 2025/26 highlights include:

- 92% renewable electricity use
- Self-generated solar power provided 38% of the electricity consumed across five sites
- Completed solar installation at our fulfilment centre (FC) in Sydney, Australia and initiated solar installation at our Risoul FC in Monterrey, Mexico

Environmental Management System (EMS)

The majority of our distribution sites have a robust EMS in place to manage risk, track ongoing performance, and identify opportunities to target further emissions reductions. Additionally, 30 sites – covering 49% of our operations by revenue and 58% by floor area – are covered by ISO 14001 environmental management certifications.

Creating a net zero fleet

We are transitioning our company car and van fleet to electric and hybrid vehicles, while promoting greater adoption by our people. 2025/26 highlights include:

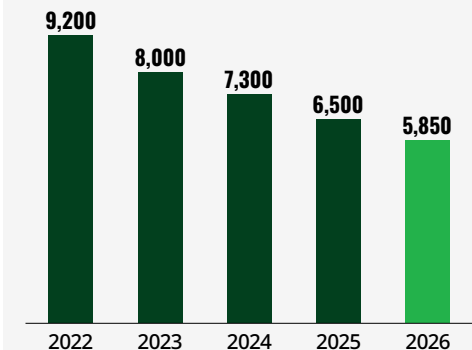
- Over half of our global fleet and 99% of UK cars are hybrid or electric
- 42% reduction in Group diesel consumption from 2024/25
- Transition to HVO³ fuel for the RS Safety Solutions small HGV fleet with 420 tCO₂e reduction in HGV-related emissions
- EV charging ports installed at 32 sites

Following the acquisition of BPX Group in March 2026, in 2026/27 we will begin to integrate BPX data into our ESG reporting and support their operational teams to establish effective reporting systems and sustainability plans aligned to our 2030 ESG action plan.



Scope 1 and 2 (market-based) emissions (tonnes CO₂e)

5,850



Includes emissions from all acquisitions up to 2025/26, enabling year-on-year progress comparison towards our SBT.

Environment continued

PACKAGING

By 2029/30, we want to make our packaging more sustainable: reduce intensity by 45% and 100% of packaging to be widely reusable or recyclable and made with at least 50% recycled content.

Packaging intensity¹

1.67

8% increase from 2024/25

Status

● Not on track – further action required

% packaging made with at least 50% recycled content

90%

8% pts increase from 2024/25

Status

● On track or ahead

% packaging reusable or recyclable

95%

1% pts increase from 2024/25

Status

● On track or ahead

A key part of our sustainability journey is transforming our packaging to meet the growing expectations of customers and suppliers who want strategic, proactive partners who will support their ambitions to minimise waste and promote a circular economy.

Packaging intensity

In 2025/26, our packaging intensity worsened by 8% from 2024/25 but remains improved by 33% from 2019/20. This temporary rise is primarily driven by higher utilisation of wood pallets for inter-site deliveries. In response, we have implemented a more efficient closed-loop system for transit movements between our EMEA sites, and we expect packaging intensity to return to a reduction trajectory in 2026/27.

Packaging content and recyclability

Our steady progress is driven by innovation and collaboration across sites, teams, and external specialists to close remaining gaps. With increasing scrutiny from emerging packaging and waste regulations, we are working with suppliers to proactively shift to optimised materials. This reduces waste and costs, ensures compliance, and supports our position as a trusted partner, enabling a smooth transition across the value chain.

Plastic reduction

This year, our focus has centred on our Plastic Out ambition, eliminating single-use plastics where viable alternatives exist. By introducing bespoke material solutions, particularly across our EMEA site network, we are addressing growing customer demand for responsible packaging. This approach not only reduces waste and improves recyclability, but also delivers operational efficiencies and long-term cost savings, demonstrating how strong partnerships and smart design can align commercial value with environmental responsibility.

2025/26 highlights include:

- In partnership with Chestnut Biopolymers Ltd, we introduced a biobased polymer into carriers for small electronic items, replacing 80% of single-use polypropylene across more than 300,000 units at our DC in Corby, UK
- Working with tesa, we eliminated plastic tape at our DCs in Bad Hersfeld, Germany and Beauvais, France by introducing a fully recyclable, reliable paper tape
- Our UK packaging and operations teams replaced plastic air-pillow infills with a paper-based alternative, removing c. 15 tonnes of plastic from our UK sites
- Initiated a shift to paper-based materials at our FC in Milan, Italy to prepare for the move to a new site – implementing recyclable packaging from day one to avoid the need for retrofitting in future

Our EMEA successes are building momentum globally through knowledge sharing that enables automation and packaging optimisation. In Americas, packaging made with at least 50% content has increased to 92% (2024/25: 87%). We have also optimised packaging for big and heavy items that are sea-freighted to our Asia Pacific region, reducing cost and emissions while protecting products. We continue to collaborate across RS and with our partners to champion alternative materials, without compromising cost or efficiency.

Together, these efforts mean that 90% of total packaging by weight is made from materials that contain at least 50% recycled content. This represents an 8 percentage points increase in recycled content from 2024/25. Overall, 95% of our packaging was reusable or recyclable, increased by 1 percentage point from 2024/25.

RECYCLING AND WASTE

By 2029/30, we want to reduce, reuse and recycle our waste: reduce intensity by 50%, recycle over 95% and achieve zero waste to landfill in our direct operations.

Waste intensity¹

1.56

13% increase from 2024/25

Status

● Not on track – further action required

Waste recycled

88%

4% pts increase from 2024/25

Status

● On track or ahead

We remain committed to reducing, reusing and recycling our waste to cut environmental impact and operational costs while strengthening circularity. This year, our updated Waste Management Standard reinforced our commitment to responsible and lawful waste handling, with a stronger focus on reuse and recycling across all operations. Colleagues from across the business met to discuss landfill performance and targeted solutions, aiming to improve resource recovery and reduce costs.

In 2025/26, our waste intensity increased by 13% from 2024/25 and is therefore unchanged from 2019/20. This temporary rise is due to a 12% increase in total waste volume, while total waste recycled also increased to 88% (2024/25: 84%), as a result of recycling obsolete inventory. Waste that is not recycled is typically sent for incineration (in EMEA) and only to landfill as a last resort. In 2025/26, total waste incinerated was reduced to 7% (2024/25: 11%), while the percentage of waste sent to landfill remained at 5%.

1. Tonnes/£ million revenue, on a constant exchange rate basis.

Environment continued

ADVANCING SUSTAINABILITY WITHIN OUR VALUE CHAIN

As an essential link in the industrial value chain, we leverage our central position with customers and suppliers to accelerate sustainability performance, while strengthening our collective resilience and creating new commercial opportunities.

Achieving our ambition to be net zero across our value chain by 2050 requires close collaboration with our stakeholders. We are expanding access to sustainable products that support operational efficiency, decarbonisation, and circularity, enabled by our industry-leading Better World product framework. By helping suppliers join the range and uphold the highest environmental standards, we strengthen RS's position as a sustainable and responsible procurement choice and ensure customers can access trusted, technically led sustainable solutions.

We are also deepening engagement with suppliers by encouraging alignment with our net zero strategy and optimising sourcing and distribution routes across our global network. Finally, by reducing emissions from thousands of daily shipments and working closely with carriers to promote decarbonisation and the transition to sustainable fuels, we are further improving the resilience and sustainability of our logistics operations and the wider industrial lifecycle. Through long-term partnerships with suppliers and logistics providers that deliver shared value for our customers, we are positioning the industry to thrive in a low-carbon future.

+ Read more about these efforts on pages 49 and 50, and in our Climate Transition Plan at rsgroup.com/sustainability



SUSTAINABLE PRODUCTS AND SOLUTIONS

By 2029/30, we want to develop innovative and sustainable products and responsible solutions for all our customers, including an ambition to offer over 100,000 Better World products.

Our Better World range in 2025/26

c. 33,000

products

Status

● Slightly behind target – monitor closely

350+

product families

167

suppliers

Our Better World product range is our flagship sustainability initiative, featuring products with clear, verifiable sustainability claims that are made more sustainably, improve operational efficiency and sustainability, and/or offer enhanced circularity benefits. It supports our strategic priority to deliver a differentiated, technically led product portfolio, while strengthening our role as the partner of choice for suppliers looking for a superior go-to-market channel to promote their sustainable product innovations and drive commercial performance.

For higher-value customers, it strengthens our offer through products that reduce resource use, cut environmental impact, and support energy and carbon reduction goals, all within a robust, claims-based framework.

Since 2023/24, this framework has helped customers make informed, cost-effective procurement decisions backed by clear and verified sustainability evidence. This includes Lifecycle Assessments (LCAs), Environmental Product Declarations, test reports, and/or one of 50+ recognised global sustainability certifications and energy labels.

Products qualify for the Better World range by demonstrating at least one material sustainability improvement in at least one of three lifecycle stages:

- **Made more sustainably:** Products that are produced using more sustainable materials or processes. For example: products containing recycled materials.
- **Sustainable solution:** Products that help customers run their business more efficiently and responsibly. For example: energy-saving RS PRO voltage optimisers that return surplus power to the grid.
- **Supports circularity:** Designed for longer life, repair, reuse, or recycling to reduce waste. For example: safety gloves with an extended lifespan for fewer replacements.

Environment continued

In 2025/26, we continued to scale the range to

c. 33,000
products

across
350+
product families

in
30
countries

supported by
167
suppliers

This expansion demonstrates how curated, technically led ranges meet specialist customer needs. We also strengthened commercial execution by trialling enhanced sales tools to enable more targeted engagement and revenue growth opportunities.

To meet growing customer and regulatory demand for product-level CO₂ data, in 2025/26 we partnered with a third-party LCA software provider and selected six RS PRO suppliers to trial the production of LCAs and carbon footprints for RS PRO products. This capability identifies lifecycle environmental hotspots and supports improvements that reduce emissions. With LCAs increasingly required to substantiate claims, such as low-carbon manufacturing or recyclability, this partnership enhances data quality, strengthens the credibility of Better World claims, and supports continued expansion of the range.

In 2026/27, we will further evolve the Better World product range to include enabling solutions – product combinations that help customers reduce resource use, carbon, and waste.



Qualifying solutions must address clear impacts, deliver measurable results, and be evidence-led. This evolution improves customer access to focused solutions that maximise efficiency, reduce cost, and support progress towards sustainability targets.

Alongside Better World products, we are developing more granular carbon reporting for higher-value customers through a new customer carbon reporting dashboard, designed to track customer Scope 3 emissions. Currently in trial, this tool aims to deepen customer relationships, differentiate RS, and drive long-term value. We are also exploring how to integrate a quantified carbon benefit into the Better World range to make switching to more sustainable products even more compelling.

64%

of procurement professionals consider sustainability to be important in procurement decisions

Based on a sample of 681 responses across UK & Ireland; 2026 RS and CIPS Indirect Procurement Report.



Our collaboration with RS around Better World products is very constructive. It gives us a common framework to highlight where our portfolio is evolving – for example through lighter designs and more recycled content – while continuing to offer repairable, long-lasting solutions. This is valuable for our mutual customers and fits well with Festo's ESG priorities."

Festo

Strategic Supplier Partner

We continue to target growth in customer segments linked to the low-carbon economy, particularly in product categories that enable the net zero transition. The renewables sector remains a key focus, where we are building strong partnerships across onshore and offshore wind. In 2025/26, we formed a strategic partnership with a leading operator and supplier of onshore wind, to provide a bespoke original equipment manufacturer (OEM) conversion for almost 100 ageing UK turbines. We identified 157 RS products to replace obsolete parts, with the ambition to develop a scalable product framework that incorporates our Better World product range to enable further operational efficiencies. This partnership exemplifies how we combine technical expertise with product depth and range to service evolving needs in fast-growing sectors.

+ Download the Better World product guidelines here: rsgroup.com/sustainability/advancing-sustainability/sustainable-products

Environment continued

SUPPLIER SUSTAINABILITY

By 2030, we commit to engage all of our strategic suppliers to set SBTs.

Strategic suppliers by spend with SBTs

74%

3% pts increase from 2024/25¹

Status

● On track or ahead

With >875,000 stocked products from >2,500 suppliers, it is essential that we inspire our suppliers to prioritise sustainability through actions that make their products and service solutions more attractive to customers who are seeking to limit the environmental impact of their value chain. Progress is a shared responsibility, and we leverage our position with our suppliers to help them navigate challenges and leverage opportunities of sustainability to differentiate themselves with customers, and to create long-term value across the industry.

As a key business partner in the industrial value chain, 99% of our carbon footprint sits in Scope 3, making customer and supplier engagement and collaboration essential. During the year, we retired our 2025 supplier engagement SBTi target, shifting our focus to a 2030 target for strategic suppliers by spend, where we have the greatest opportunity for influence and impact. In 2025/26, 74% of strategic suppliers by spend and 41% of all suppliers have set SBTs with the SBTi. We will continue to drive progress in 2026/27 by embedding CO₂ reduction as a key aspect of our strategic supplier approach and engagement activity.

This year, we continued to engage our suppliers through regular meetings, supplier events, quarterly business reviews (QBRs), and supplier ESG communications to encourage alignment with the highest sustainability standards, including the SBTi. This work strengthens our value proposition to customers and suppliers by underpinning the credibility of our Better World product range and enabling us to offer more sustainable products, solutions, and operations (see page 61).



PRODUCT TRANSPORTATION

By 2029/30, we aim to reduce Scope 3 transport emissions intensity by 40%² per tonne of product sold.

Scope 3 transport emissions intensity²

1.09

11% decrease from 2024/25

Status

● On track or ahead

With thousands of inbound supplier deliveries and outbound customer shipments every day, optimising our global supply chain remains essential to reducing our transport-related emissions.

In 2025/26, we reduced the intensity of our product transportation emissions by 11% from 2024/25 and by 34% from our 2019/20 baseline year. Given our strong performance to date and our continued commitment to decarbonisation of our value chain, we have increased our 2030 transport emissions intensity target to a 40% reduction from the 2019/20 baseline by 2029/30. Based on modelling of the future industry transition and factoring in initiatives already in place for RS, this revised target is a natural evolution of our transport strategy. We remain confident that initiatives already in place and industry decarbonisation will help achieve our new target by 2029/30.



Our progress has been driven by three key factors: shifting freight from air to road and sea, reducing mileage through sourcing and fulfilling orders closer to customers, and wider industry decarbonisation. Despite a 10% increase of average transport distances, in 2025/26 we achieved a 17% reduction in absolute emissions due to air transport. This was supported by an 8% reduction in transport weight.

While industry-wide decarbonisation has contributed significantly to our progress, further reductions will come from continuing modal shifts and progressing the move towards regional sourcing, storing, and shipping of our products closer to our customers and suppliers. We remain committed to working closely with carriers to promote decarbonisation, support the transition to sustainable fuels, and encourage alignment with our ESG ambitions. We continue to advocate with our suppliers to take science-based action to decarbonise their transport network and offer more sustainable delivery options to customers.

1. Target reset in 2025/26. Previously top 67% of suppliers by spend. Performance based on calculation of 2024/25 baseline.

2. Transport emissions intensity (tonnes of CO₂e from inbound, outbound, and inter-site deliveries controlled by RS Group, per tonne of product sold) by 2029/30 from 2019/20.

Social



EMPOWERING OUR PEOPLE

Our c. 8,500 colleagues are central to achieving our long-term, sustainable success and ensuring we realise our vision of being first choice for all our stakeholders.

Our commitment is to create an inclusive and engaging environment, where everyone is proud and excited to come to work and can perform at their best, develop, and thrive.

We are focused on building the capability, capacity, and culture our business needs to succeed, enabling high performance today while preparing for the future.



EMPLOYEE ENGAGEMENT

By 2029/30, we want to achieve and maintain an employee engagement score in the top 10% of high-performing companies¹.

Engagement score

75

engagement score up by three pts from 72 in 2024/25

Status

● On track or ahead

Building a high-performance, motivated, and values-driven team starts with consistent, active listening. At RS, our employee engagement approach is designed to ensure we continuously gauge employee satisfaction and effectively address our team's needs. By gathering regular insights and turning them into tangible actions, we are building the capability needed for strategic execution, strengthening our talent pipeline, and embedding a culture underpinned by our four global values: we are one team, who deliver brilliantly, by doing the right thing, to make every day better.

A core element of this approach is our My Voice engagement survey. We run a full survey every 18 months – most recently in May 2025 with an 83% response rate and 8,300+ comments. The results showed strong progress, with improved scores for 15 questions, including career development, understanding of strategy, and removing barriers to execution. We also continued to see strong scores in health and safety, role clarity, and authenticity.

1. As at 31 March 2026, we were four points away from the global benchmark for the top 25% of high-performing companies.



At the same time, the results highlighted some key opportunities, such as strengthening cross-functional collaboration, which inform our people priorities going forward.

To ensure insights lead to effective action, we publish survey results for the Group and respond by agreeing local actions with line managers. Many of these are already incorporated in our comprehensive people strategy, which is supplemented by Group-wide actions, such as improving communication through regular team briefings. Engagement is driven from the top, with the ExCo reviewing results in detail to determine key functional actions, supported by initiatives such as virtual coffee sessions with members of the ExCo to hear directly from their functions.

In addition to our primary My Voice survey, we ended the year with a pulse survey in January 2026 as a temperature check of our progress towards our original commitments – this resulted in an overall increase in engagement, with increased scores for wellbeing, recognition, and satisfaction.

Beyond the regular cadence of surveys, we hear from employees through career conversations, focus groups, town halls, and events run by our Employee Resource Groups (ERGs) (read more on page 52). We prepare managers to support their direct reports through targeted workshops and establish touch points for engagement with their teams, reflected in a positive score of 81 for honest and transparent communication from managers in the 2025/26 pulse survey. To further promote transparency, this year we also launched a new employee engagement hub on our intranet that outlines our listening strategy and how we turn insights into meaningful action throughout the employee journey.

83%
response rate

May 2025 My Voice survey

Social continued

BELONGING

By 2029/30, we want to ensure our team reflects the customers, suppliers, and communities we serve and create an inclusive and engaging environment, where everyone is proud and excited to come to work and can perform at their best, develop, and thrive.

% female senior leaders

38%

increase of 1% pts from 2024/25

Status

● On track or ahead

% ethnically diverse senior leaders¹

13%

increase of 3% pts from 2024/25

Status

● On track or ahead



Belonging for all

We continue to place belonging and wellbeing at the centre of how we support and empower our global workforce. As our belonging initiatives mature, we are evolving our holistic, Group-wide approach to ensure every employee feels that RS is there to support them.

Our culture is grounded in openness and respect. We are committed to creating an inclusive workplace where every employee feels valued, supported, and empowered to contribute. Our belonging programmes are available to all, reflecting our commitment to embedding inclusion in the employee experience across all parts of the business. By embracing the unique perspectives and backgrounds of our people, we strengthen our performance, fuel growth and development, and foster a genuine sense of belonging across RS.

We acknowledge and value the wide range of identities, backgrounds, and lived experiences that shape who we are – including gender, gender identity, sexual orientation, neurodivergence, age, ethnicity, disability, socio-economic background, and wellbeing. While we understand that championing diverse perspectives strengthens our organisation, our hiring practices remain grounded in our commitment to selecting the best candidate for each role. This approach enables us to attract and retain the talent we need to deepen our relationships with stakeholders and deliver on our long-term strategic ambitions.

As an equal opportunity employer, we are committed to providing fair access to opportunities and ensuring every employee feels valued, supported, and empowered to grow within RS. Our approach is reinforced by comprehensive policies, tools, and resources designed to help employees thrive.

For example, in 2025/26 we introduced a Group Neurodiversity Policy to ensure we have the appropriate tools and practices in place to embrace the skills and strengths of our neurodivergent colleagues.

Our people-led ERGs play a key role in building community and fostering connections. These groups bring together employees with shared backgrounds, interests, and lived experiences – such as youth (Bloomers), gender (Elevate), ethnicity (Embrace), mental health, neurodivergence, disability, and wellbeing (LifeWorks), sexual orientation and LGBTIQ+ (Spectrum). All employees are encouraged to attend events hosted by the ERGs throughout the year to raise awareness and understanding across the Group.

Development and progression

We take a data-driven approach to shape our people strategy and strengthen our position as an inclusive employer of choice. In 2025/26, we continued to mature our workforce data collection in the UK (within applicable legal parameters) through an ongoing campaign encouraging voluntary self-identification among applicants and employees. This helps us to improve workforce planning, address recruitment and retention challenges, and support accurate, transparent reporting aligned with emerging regulatory expectations.

We continue to focus on recruiting a senior leadership team that is reflective of the wider communities in which we operate and serve. During the year, the number of senior leaders that are women increased to 38% (2024/25: 37%), while the percentage of our leaders who are ethnically diverse increased to 13%¹ (2024/25: 10%). This is largely due to organic turnover in these roles, and our senior leaders are continually working with our Talent Acquisition team to ensure that gender and ethnically diverse talent is included in our long- and short-lists for open roles, where possible.

In 2025/26, the ExCo participated in an external Inclusive Leadership development course to raise their awareness of lived experiences of people with protected characteristics and to challenge traditional ways of thinking about inclusion.

Globally, our Group-wide gender split remains balanced, with near equal numbers of men and women across the organisation (2025/26: 49% female; 51% male) and our female ExCo population remained the same at 30%. We ranked joint second of FTSE 250 companies for 'Women on Boards' in the 2025 FTSE Women Leaders Review. Our external disclosures relating to Board and ExCo comply with the Financial Conduct Authority's diversity and reporting requirements (see page 90).

Our commitment to developing a diverse talent pipeline is central to driving progress within our business and the wider industrial sector, and we prioritise programmes, policies, and resources that support the attraction, retention, development, and progression of all talent. Our Elevate and Embrace ERGs bring together global colleagues and allies to influence policies, share experiences, and support career development for women and ethnically diverse talent, including through the continuation of networking and mentorship programmes to foster confidence and leadership. We continue to embed and grow support for people experiencing peri-menopause and menopause, supported by dedicated champions and community conversations.

We acknowledge the evolving diversity and inclusion landscape globally and are committed to belonging, equal opportunity, and good practice in all the markets we serve, while maintaining our core principle of selecting the best-qualified person for each role. Read more about our belonging programmes, policies, and progress on our website: rsgroup.com/sustainability

1. 108 of 136 senior leaders self-reported ethnicity via the employee database (including not specified/prefer not to say) and 14 identified as non-white.

Social continued

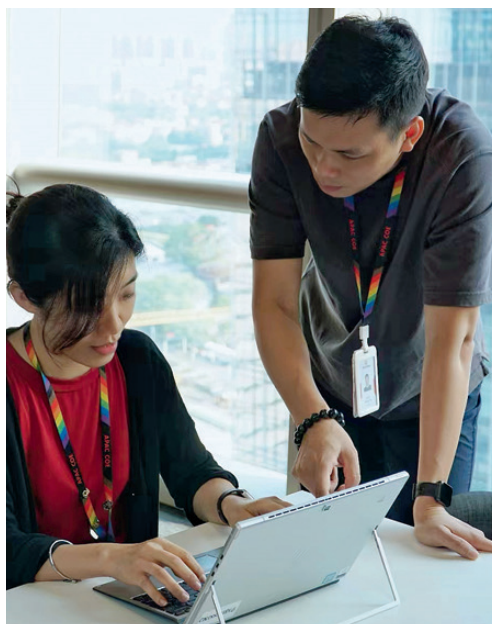
TALENT AND CAPABILITY

People capability

To achieve our long-term growth strategy, our talent approach focuses on building the capability, capacity, and culture needed for a future-ready workforce that can drive our commercial success. In 2025/26, we strengthened our strategic workforce planning, partnering with each area of the business to understand the people and organisational implications of our strategy. As a result, we have a clear, shared vision of the people capabilities we need to meet our strategic goals.

These priorities have informed a new Group-wide, technology-enabled approach to managing development: Skills@RS. Informed by robust data from our pilot teams, this approach identifies current skills and gaps, enabling more specialised development, clearer career pathways, and targeted investment in capability. For example, to ensure our people are equipped to leverage technology advancements, this year we ran a Data Week that blended practical learning and team-driven exercises to build data confidence and literacy. Along with refreshed AI@RS learning pathways and resources to support responsible adoption, we are reinforcing how we turn data into clear, actionable insight.

We continue to invest in our people through a consistent global learning framework, supported by mentoring and development opportunities. In 2025/26, employees completed over 88,600 hours of learning through live training and our global learning platform, My Academy, saw an increase of 62,000 hours (2024/25: 35,000). We enhance the leadership skills of emerging talent through the global Future Shapers programme, with a total cohort of 60 participants as of 2025/26.



Our employee performance reviews include objective setting, regular performance discussions, and annual career conversations. Insights from these sessions inform our development and succession planning, ensuring we have the capabilities needed to meet current and future business priorities. We focus on personal growth aligned with our business needs to strengthen our internal talent pipeline.

In 2025/26, we supported 290 colleagues in the UK through apprenticeships, along with 35 internships and 49 entry-level roles. We retained Platinum membership to the 5% Club for our commitment to supporting employees through 'earn and learn' opportunities and we ranked 86th in the UK Top 100 Apprenticeship Employers 2025.

c. 88,600

learning hours completed in 2025/26

Leadership development

As our business evolves, we continue to strengthen the senior leadership required to guide the organisation through future growth and transformation.

In 2025/26, we launched the Leadership Advantage Programme, an 18-month development experience delivered in partnership with Duke Corporate Education for three cohorts comprising 90 senior leaders, including all members of the ExCo. The programme focused on advancing the eight core competencies in our Amazing Leadership Framework, delivered via in-person modules and quarterly virtual workshops. Group coaching was supplemented by personal feedback mechanisms with an emphasis on leaders' ability to build trust and accelerate change in their teams. The programme received strong positive feedback, demonstrating the value our leaders place on developing the capabilities needed to drive our long-term ambitions.

Our Group development programmes are supported by self-insight tools such as 360 feedback and psychometric assessments. This reflects a growing culture of personal accountability for development across our management and leadership population.

We also increased development support for our people managers, introducing the Amazing Manager capability framework globally to clarify role expectations. Targeted development interventions aligned to this framework are now in design and will launch early next year, supporting stronger leadership capability across all levels of the business.

REWARD AND RECOGNITION

Our global reward philosophy ensures transparency and wellbeing support across the RS employment journey. This aligns with our business strategy and helps us attract, retain, and motivate our people by reinforcing the behaviours and performance that drive long-term sustainable success. We have developed a long-term reward strategy to support our future ambitions and ensure our philosophy is embedded consistently across all elements of reward.

We continue to provide market competitive rewards, including performance related bonuses for all employees and long-term incentive plans for senior leaders, supported by market based benefits (read more on pages 98 to 117). In 2025/26, we invited employees to participate in an All-Employee Share Plan, enabling all of our eligible people to share in the Group's long-term success.

We are preparing to implement the new European Pay Transparency legislation across our EMEA region, enabling transparency on all aspects of reward. In addition, we are reviewing our medical plans to ensure they reflect our reward philosophy and support colleagues' wellbeing through inclusive and flexible benefits. We utilise a global recognition programme, Spotlight, for peer-to-peer recognition to show appreciation for colleagues who embody our values. Now in its second year, feedback from our colleagues shows that appreciation contributes to increased motivation and creates a culture of praise throughout RS.

Social continued

HEALTH AND SAFETY

By 2029/30, we aim for zero accidents involving our people.

All accident frequency rate (per 200,000 hours)

0.35

decrease of 20% from 2024/25

Status

On track or ahead

5%

increase in reported near misses per head in 2025/26

28

sites certified to ISO 45001 or an equivalent standard

As we work towards our 2030 ambition, we have evolved our health and safety (H&S) approach through our Protect What Matters campaign that places a stronger emphasis on safeguarding not only our employees, but also their teams and their families. This reflects our ongoing commitment to both a duty of care and responsibility across the Group.

In 2025/26, our all accident frequency rate per 200,000 hours decreased by 20% to 0.35 (2024/25: 0.44) and the total number of accidents across the Group decreased to 29 (2024/25: 37).

Although we have continued to see a year-on-year reduction in recordable H&S incidents, we are deeply saddened to report that one colleague tragically lost their life during the year, in Mexico. This fatality occurred as a result of a road traffic accident while the individual was travelling on business. This loss has been extremely upsetting for all those affected, and our thoughts remain with the individual's family, friends, and colleagues. Following the incident, actions are being implemented to further strengthen driver safety awareness and support across RS.

Key actions in 2025/26 included:

- Standardisation:** We are aligning all processes and objectives to ensure teams operate in a consistent way, integrating safety into everyday decision-making.
- Behaviour-based safety:** We focused on strengthening safety culture and behaviours. Improved data enhances our understanding of ergonomic risk areas, enabling targeted campaigns to strengthen safe manual handling behaviours. Real-time observations and coaching help identify and correct unsafe movements early, reducing incident risk.
- Near miss reporting:** We simplified the reporting and strengthened the investigation of unsafe acts, hazards, and near misses, resulting in 22,000 reports in 2025/26 (unchanged from 2024/25). All near misses

are investigated, with corrective and preventative actions implemented and insights shared across sites to prevent recurrence.

- Training, inspections, and audits:** We delivered tailored H&S training aligned to specific operational activities, with continued focus on higher-risk locations through targeted improvement plans. To strengthen governance, we are trialling a new compliance tool to drive consistent cross-site standards.
- Travel safety:** Safety on every journey remains a priority. We enhanced travel security and expanded our global e-driver safety initiative to promote safer driving behaviours.
- Safety moments:** Short H&S reminders are embedded in team meetings and have been broadened, in response to feedback, to better reflect behaviours across all functions and activities.

All of our sites have H&S management systems in place, with 28 sites certified to ISO 45001 or an equivalent standard, covering 57% of floor area and 34% of our sites. We conduct H&S audits, assessments, inductions, and awareness training to any new acquisitions, aligning our new sites and colleagues to Group standards.

Wellbeing

In 2025/26, we strengthened collaboration between our H&S and Belonging teams to ensure wellbeing is a core element of our people approach. We continued to support colleagues across our global workforce through Mental Health First Aiders, our Employee Assistance Programme, wellbeing rooms and quiet spaces on our sites, and access to our Global Benefits platform – providing physical, financial, social and emotional resources tailored to local needs. LifeWorks, our mental health and wellbeing ERG, has expanded global programming this year with monthly virtual sessions to connect, reflect and recharge. Read more about our belonging and wellbeing approach on page 52.

For additional H&S data, including how we are supporting mental health and wellbeing, please visit our ESG data centre: rsgroup.com/sustainability

Health and safety performance

	Change from 2025	2026	2025	2024
All accidents	(22)%	29	37	32
All accident frequency rate (per 200,000 hours)	(20)%	0.35	0.44	0.37
Lost time accidents	(19)%	21	26	17
Lost time accident frequency rate (per 200,000 hours)	(16)%	0.26	0.31	0.19
Total calendar days lost	(60)%	193	481	302
Near misses reported	–	22,000	22,000	20,000
Near misses per head	+5%	2.64	2.51	2.25



Social continued



CHAMPIONING YOUTH & COMMUNITIES

Empowering the next generation of engineers and innovators is essential to building future skills for our industry. Through educational products, learning content, and hands-on skills development, we help young people develop the capabilities needed to strengthen the industry talent pipeline, while building early brand loyalty.

We also support our communities by empowering our people to make a positive difference both locally and globally. We help improve lives through our Local Community Fund, two paid volunteering days each year, and partnerships with organisations, like SolarAid, delivering scalable, long-term sustainable solutions.



INSPIRING FUTURE ENGINEERS AND INNOVATORS

By 2029/30, we want to support one million young people with educational technologies, learning content, and skills development opportunities to support future engineers and innovators.

Number of young engineers and innovators supported¹

968k

increase of 55k young people from 2024/25

Status

● On track or ahead

Investing in industrial talent

RS invests in every stage of the engineering education and employment journey to help build the skills, capability, and confidence needed for the future of industrial innovation. Supported by engagement with 1,600 educational institutions globally, we are helping young people develop both technical and employability skills, while widening access to science, technology, engineering and maths (STEM) pathways for underrepresented groups.

This responds directly to the evolving needs of industry. As digital infrastructure expands, many organisations struggle to translate data into action. MRO now sits at the intersection of cost, risk, and operational continuity, with engineers under increasing pressure to improve efficiency, resilience, and uptime. The engineers of tomorrow must therefore combine strong technical foundations with digital fluency and human skills, including the confidence to challenge established processes and adapt to rapid change.

1. Since 2020/21.

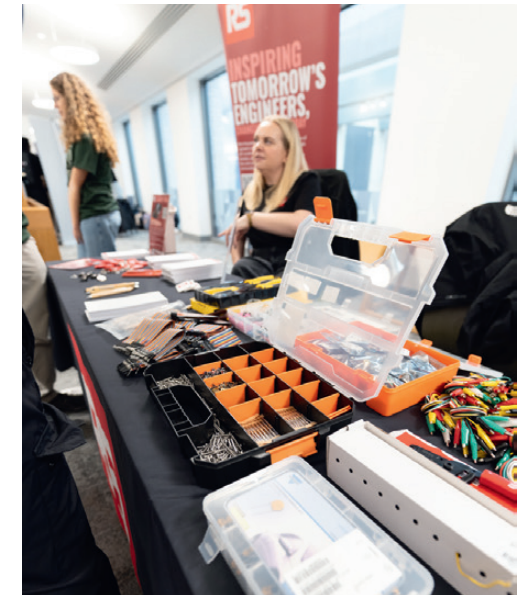
Demand for engineers is rising quickly, particularly in clean energy, digital and AI-enabled roles. At the same time, access remains uneven, with women and ethnic minority talent still significantly underrepresented across STEM careers. By broadening participation and providing hands-on learning opportunities, RS is helping to build a more diverse and prepared talent pool.

Classroom-to-careers support

We recognise that building future-ready capabilities cannot start at a single point in time – it requires long-term engagement with young people at every stage of their journey. Programmes including product donations, applied engineering challenges, and early career pathways help bridge the gap between learning and employment. Our approach is differentiated by global scale and a practical, application-focused model that helps students develop engineering skills through real-world builds and competitions that also build teamwork, communication, and adaptability.

This is complemented by a broader ecosystem of support, including industry connections to extend impact into the workforce. By connecting students with industry professionals and exposing them to real engineering environments, we enable more confident career choices, better prepared graduates and a stronger pipeline of talent entering the industrial sector.

This work supports our vision to be first choice for all stakeholders. By strengthening the engineering pipeline for RS, our customers, and our suppliers, we ensure the industry has the skills needed to innovate, deliver, and grow sustainably.



The funding has helped us be able to empower as many participants as possible. On a personal level, running DurHack has been an invaluable experience, and has helped me build so many skills, from communication to leadership."

Student, aged 18-24, competing in the 2025 DurHack hackathon in the UK with support from an RS hardware library offering £2,200 worth of components for software testing, alongside an additional £2,700 to help run the event.

Social continued

Key actions delivered in 2025/26 across the three pillars of our youth education programme

STEM ENGAGEMENT
AND INCLUSION

What we do

We support young people – particularly those from underrepresented backgrounds – to pursue engineering and technology careers by working with universities, student societies, and youth organisations. Through access to real STEM experiences and practical skill-building to turn ideas into reality, we help make the industry more inclusive and show young innovators that these pathways are possible.

66

student teams sponsored by RS globally to progress inclusive engineering projects

Key actions in 2025/26

- Partnered with the Association for Black & Minority Ethnic Engineers (AFBE) to support 150+ ethnic minority engineers through career-focused events in the UK
- Engaged 60 future engineers through Mentorship in Motion event series, showcasing role models for underrepresented groups in STEM
- Expanded collaboration with FemEng at the University of Glasgow to deliver engineering workshops to 2,000+ girls aged five to 11 in Botswana
- Shortlisted for The Engineer's 2025 Collaborate to Innovate Awards for our RS STEM Inclusion Programme, recognising our support for female-led engineering groups

TECHNICAL SKILLS
AND EXPERIENCE

What we do

To enable young people to get the hands-on technical experience that the industry demands, we provide them with RS products and expertise to support their design and build projects or participation in student engineering competitions. Supported by RS funding, training, and our youth network, students learn by designing, testing, and solving real-world problems to gain technical, leadership, and employability skills that prepare them for future careers.

7,000+

products for c. 26,000 students across 138 universities in 26 markets since 2020/21

Key actions in 2025/26

- Formula Student Build Fund provided £1,000 in RS products to 50 teams
- Student Project Fund supported c. 3,000 students with c. £45,000 worth of RS products
- Supported projects across EMEA, such as the Delft Mercurians Robotics team in the Netherlands with £2,500 in RS products
- Sponsored 125 students at an American Society of Mechanical Engineers (ASME) competition in Texas, US and c. 100 students designing practical accessibility solutions at the UK Hackessible event
- Continued to provide access to design resources and innovation tools through our global DesignSpark community of 1.5 million students, educators, and innovators, growing the number of under-25 users by 5% to 540,000 (2024/25: 516,000)

EMPLOYABILITY SKILLS
AND OPPORTUNITIES

What we do

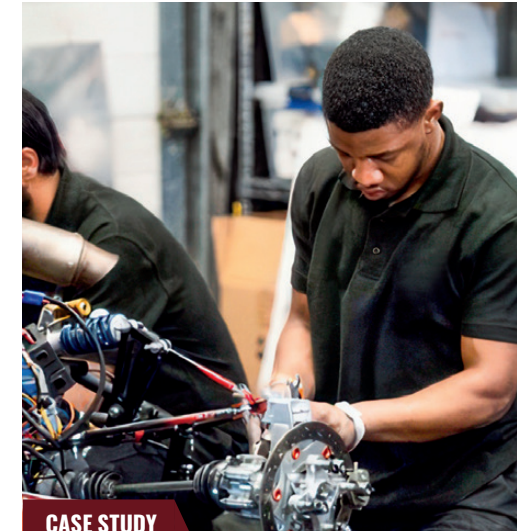
We are investing in the talent pipeline by helping young people build the career-ready skills needed for modern, technology-driven workplaces that rely on digital awareness, communication, collaboration, and problem-solving. By fostering long-term engagement from education into employment, we are preparing young adults to make meaningful contributions to the industry and building lifelong partnerships for RS, our customers, and our suppliers.

700+

students supported through employability sessions, training, and networking

Key actions in 2025/26

- Continued internship programme with Texas A&M University in the US, and helped 220 additional students practice real-world industry networking
- Sponsored 68,000 students since 2021/22 to develop technical and job-ready skills through the Engineers Without Borders People Design Challenge in the UK, US, Ireland, South Africa, and Cameroon
- Delivered 14 free SuperSkills sessions to c. 450 young people across three markets to boost workplace preparation on topics such as pitching and presentations
- Upskilled 12 students through vocational work placement with RS customer in South Africa
- Partnered with ASME to engage 125 students in networking and career exploration in the US



CASE STUDY

FROM CLASSROOM
TO CIRCUIT

The 2025/26 RS Formula Student Build Fund saw record engagement, with the highest number of applications yet from teams across 33 countries. The quality and ambition of submissions made judging highly competitive, and RS awarded funding to 50 teams – the largest cohort to date.

Each team received £1,000 in RS products to support the design, build, and testing of their vehicles, with an additional supply of RS PRO products for five teams. Formula Student continues to be a powerful platform for real-world learning, helping students develop essential engineering and technical skills for their future careers, complemented by RS's ongoing partnership with Formula Student UK, run by the Institution of Mechanical Engineers.

+ Read more at rsgroup.com/sustainability

Social continued

SUPPORTING OUR COMMUNITIES

We empower and enable our people to support communities through our global social impact partnership, local giving, and volunteering.

SOCIAL IMPACT PARTNERSHIPS

By 2029/30, we want to support our social impact partners to develop innovative engineering solutions that improve lives, including supporting SolarAid to help 150,000 people in need.¹

Number of lives improved through our social impact partnerships since 2020/21

136,000

increase of 90,000 lives from 2024/25

Status

● Slightly behind target - monitor closely

Amount raised for SolarAid

£166,000

within first six months of our partnership

Status

● On track or ahead

To be a force for good in communities worldwide, we support social impact partners that develop solutions to improve lives, solve global challenges through the power of engineering and innovation, and create a more sustainable world.

By harnessing the expertise of our people and the innovation of our customers and suppliers, we can help communities thrive where support is needed most.

Our new global social impact partner, **SolarAid**, was selected by our employees in 2025/26 through a global vote. SolarAid provides safe, affordable, clean solar light and power to communities in Sub-Saharan Africa, extending their impact by training local repair technicians, supporting last-mile entrepreneurs to start their own solar businesses, and bringing affordable energy access to households with innovative solutions that can scale.

Over the next three years, we aim to raise £1 million to enable SolarAid to reach 150,000 people in rural, off-grid communities – supporting education, improving health outcomes, and unlocking economic opportunity. Since launching the partnership in September 2025, we have applied our technical expertise through skills-based volunteering and raised £166,000 through fundraising, matched giving, RS PRO product contributions, and corporate donations. We are also mobilising expertise across our value chain to demonstrate the social impact potential of the renewables sector.

In 2025/26, we concluded our four-year social impact partnership with The Washing Machine Project, which provides displaced and low-income communities with an accessible, off-grid washing machine solution. From 2020/21 to 2025/26, we improved the lives of 103,000 people through £965,000 in fundraising, matched giving and donations, and 1,000+ people volunteering.

1. Target extended in 2025/26 (previously 100,000 people in need).

SUPPORTING LOCAL COMMUNITIES

By 2029/30, we want to inspire 50% of colleagues to volunteer to support their communities and build new skills.

% of employees who have volunteered in the last two years

30%

unchanged from 2024/25

Status

● Slightly behind target - monitor closely

In 2025/26, we donated

£409,000

to c. 280 local charity and community initiatives worldwide, supported by our employees

We know the importance of making a positive impact in the communities where we live and work. That's why we empower our people to champion the causes that matter most to them so they can make a meaningful difference locally, through both financial support and volunteering. This investment also supports high-value customer bids and tenders, where social impact is an increasing criterion. For more on how we support our global social impact partners and our local communities, go to: rsgroup.com/sustainability

In 2025/26, we continued to encourage our people to use their two annual paid volunteering days to support community initiatives. The number of employees using their volunteering days is unchanged at 30%, with employees volunteering 3,075 days to support local causes.

Key actions in 2025/26

- Through skills-based volunteering, 34 colleagues supported SolarAid by updating a repair app to meet software requirements, providing business expertise, and delivering a user experience website review
- Over 3,000 employees supported their communities by restoring a nature reserve, cleaning a residential care centre, promoting biodiversity by planting trees, and donating books, electronics, food, and more for local charities

While overall volunteering participation is the same as in 2024/25, engagement continues to vary across markets. We remain committed to promoting volunteering as a key driver of employee engagement, skills development, and positive community impact. To support this, we are strengthening leadership advocacy and reinforcing expectations to create a more consistent approach. We will continue to develop accessible opportunities aligned to our regions and ESG priorities, supported by clear structures and guidance to help more colleagues use their volunteering days effectively.

In 2025/26, we significantly increased our investment in local causes. Through our Local Community Fund, dedicated community champions help coordinate local volunteering activities, review donation applications from employees, and ensure funding supports the causes that resonate most with our people. This year, we focused on strengthening guidance and sharing best practice to ensure all markets can build strong relationships with local organisations, such as a donation to Swaragano in South Africa, which provides meals to underprivileged children and parents.

c. 280

local organisations supported in 2025/26

55%

increase in Local Community Fund investment in 2025/26



Governance



DOING BUSINESS RESPONSIBLY

Our commitment to doing the right thing underpins how we operate and ensures we remain a trusted, transparent partner across the industrial value chain.

We apply a rigorous approach to governance, ethics, and compliance across our business and work closely with our >2,500 product suppliers to ensure our >875,000 strong range of stocked products is sourced from businesses that meet our high ethical and environmental standards. This creates clearer differentiation and a stronger go-to-market proposition for our trusted Better World product range – enhancing supplier alignment with customer expectations and reinforcing RS's position as a reliable, sustainable channel partner.

ESG GOVERNANCE

The ExCo, led by our CEO, holds overall accountability for the development, delivery, and ongoing progress of our 2030 ESG action plan. The ExCo oversees the strategy, implementation, and performance management of all ESG-related policies, goals, initiatives, investments, and disclosures.

To support this, the ExCo receives quarterly updates on ESG performance and participates in two dedicated ESG sessions each year. Focused on strategy, performance, and value-creation, these sessions reflect how closely ESG is embedded within our business strategy and operational management. This includes updates on our Climate Transition Plan and associated actions to ensure we are addressing the Group's key climate-related risks and opportunities.

Our biannual ESG ExCo engagement is supplemented by ad-hoc briefings on material developments, including emerging regulations and updates on ESG priorities. In 2025/26, this included a focused session on sustainability to develop and approve our Climate Transition Plan, covering updates to our Scope 3 emissions footprint and our SBTs before validation with the SBTi. The ExCo also reviewed our social impact strategy, approving an increase in investment to support future engineers and communities across our global markets and aligning the programme more closely with our strategic people, customer, and supplier priorities (see pages 44, 45, and 55 to 57).

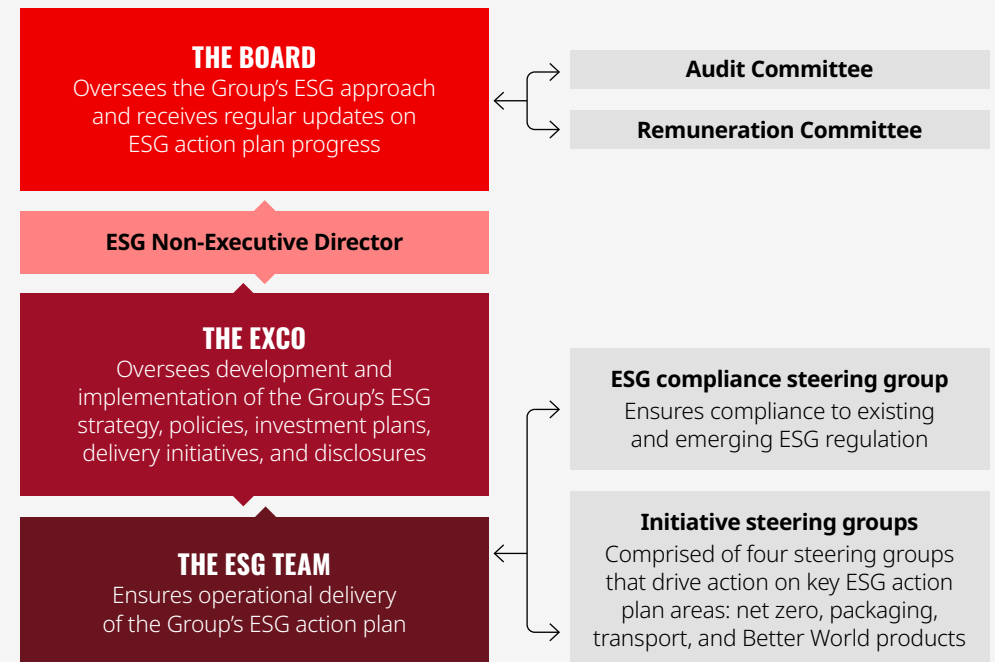
The Board maintains close oversight of our ESG action plan, including our five climate-related risks and opportunities (CRRs), and approves key ESG policies, targets, initiatives, and investments. Progress updates are provided ahead of each Board meeting through the CEO Board report, and the Chief Sustainability Officer (CSO) provides a regular verbal briefing to our Non-Executive Director ESG Lead, Bessie Lee. As part of its annual strategy review, the Board undertakes a dedicated deep dive into ESG strategy, investment plans, and performance, reinforcing ESG as a core priority.

Two Board committees further support ESG governance; the Audit Committee oversees alignment with existing and emerging ESG related compliance requirements, while the Remuneration Committee makes decisions

on ESG metrics and targets to be included in executive remuneration and employee rewards. Read more about Board activities on pages 79 to 81.

Led by our CSO, the Group ESG team is responsible for the day-to-day delivery of our ESG action plan. Strong governance policies and practices underpin their work, ensuring robust execution of our strategy and enabling us to create long-term value for stakeholders. The team is supported by cross-organisational steering groups focused on the core workstreams of net zero, packaging and transport, and Better World products. These groups meet regularly to shape strategic and investment plans, drive initiatives forward, and monitor ongoing performance.

ESG governance structure



Governance continued

INCENTIVISING ESG PROGRESS

By 2029/30, we want to include ESG-related targets in our employee rewards programme across all levels and geographies.

% of employees with carbon reduction metric in annual incentive

48%

unchanged from 2024/25

Status

● On track or ahead

ESG metrics in Group performance scorecard

8

unchanged from 2024/25

“We achieved our Scope 1 and 2 emissions reduction target for 2025/26 as a result of our net zero initiatives, delivering carbon reductions as expected – supported by further energy and operational efficiencies.”



To drive progress towards our 2030 ESG action plan, we have integrated ESG targets into our employee rewards programme. As of 2025/26, 48% of Group employees have their annual incentive aligned to the Group's Scope 1 and 2 emissions reduction target, with this metric accounting for 10% of the annual incentive. In 2025/26, we exceeded the maximum performance level for this metric. We achieved our Scope 1 and 2 emissions reduction target for 2025/26 as a result of our net zero initiatives, delivering carbon reductions as expected – supported by further energy and operational efficiencies (read more on pages 45 and 46).

In addition to these incentives, ESG forms a core part of our performance management at both a Group and individual level. The ExCo receives ESG performance updates quarterly. We also have eight non-financial KPIs in our Group performance scorecard which the ExCo uses to manage ESG performance via QBRs with the regions and functions (see pages 22 and 23). To drive further progress, ESG targets are incorporated into annual objectives and incentive structures for specific individuals.

REPORTING AND DISCLOSURE

To meet the evolving expectations of our stakeholders, we continued to align our ESG disclosures with leading frameworks, standards, and ratings methodologies. The Group ESG team actively monitors the fast-changing regulatory landscape to ensure our policies, processes, and reporting reflect best practice and we are prepared for emerging UK and EU requirements.

Our 2025/26 ESG disclosures are aligned to the following frameworks and standards:

TCFD	In 2025/26, we strengthened our climate-related risk controls by updating our scenario analysis to reflect the latest five-year plan and embedded stronger first-line ownership of climate risks across regions and functions. We also secured ExCo approval and Audit Committee endorsement of our extended Scope 3 targets to better manage emissions and product and logistics risks in our value chain, while strengthening value creation drivers with customers and suppliers (see pages 62 to 67).
GRI and SASB	Our ESG reporting aligns to the sector-specific recommendations of the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB).
UN Sustainable Development Goals (SDGs)	Our ESG action plan is aligned to six of the UN SDGs where we can make the biggest impact.
UN Global Compact (UNGC)	We are members of the UNGC, and our latest Communication on Progress can be found on our website. To strengthen our approach and gain insight into priority ESG topics, in 2025/26 colleagues from our ESG and Belonging teams participated in the UNGC UK Working Groups on Sustainability Reporting, Circular Economy, Climate Peer Learning, and Diversity, Equity and Inclusion.

Data is the foundation of our ESG approach and we are committed to transparency, accessibility, and accountability. Our ESG data centre includes up to six years of ESG data back to our baseline year and the reporting methodology for key ESG KPIs can be found in our separate ESG basis of reporting document. These documents, alongside our ESG limited assurance statement from Grant Thornton, can be found at rsgroup.com/sustainability

Governance continued

ETHICS AND COMPLIANCE

We are committed to upholding the highest standards of ethics and compliance across the Group and ask our suppliers to do the same. To ensure consistent action, our key policies and processes align to regional legislative requirements and best practice standards, including the policies and processes described here and on page 68.

Code of Conduct

The Group Code of Conduct sets out our policy to maintain the highest standards of ethical conduct and behaviour. It provides clarity to our employees, contractors, and others as to the legal and compliance requirements we must adhere to, as well as ways of raising concerns including via our Speak Up process (see page 96).

Compliance with the Code of Conduct is required for employees and contractors. The Code of Conduct is periodically refreshed to ensure it continues to reflect best practice and reinforce our commitment to achieving the highest ethical and compliance standards across the Group. In addition to mandatory training at onboarding, 99% of employees completed a refresher Code of Conduct training in 2025/26, which included specific sections covering modern slavery and anti-bribery and corruption.

Ethical trading

We continue to promote ethical standards for our people through the Code of Conduct and for our suppliers through our Group Procurement Policy and Group Ethical Trading Policy. We are committed to partnering with suppliers with strong ESG standards. We ask all our product and service suppliers to sign our Ethical Trading Declaration, or provide their own equivalent ethical policy that aligns to our standards. As of 2025/26, 65% of suppliers by spend had signed our Ethical Trading Declaration or provided their own.

Anti-bribery and corruption

We are committed to conducting our business affairs ethically and transparently, ensuring we do not engage in or facilitate any forms of bribery or corruption as outlined in UNGC Principle 10. Our Group Anti-Bribery and Corruption Policy sets out this commitment alongside our approach to gifts and hospitality, facilitation payments, and political and charitable contributions. This policy and related controls are detailed in our Code of Conduct training and are available in 12 languages on our intranet sites and via our Legal and Compliance chatbot.

Fraud prevention

We uphold strong fraud prevention controls, requiring all suspected cases to be reported within 48 hours and centrally reviewed. This year, we refreshed our Group Fraud Policy, completed a Group-wide risk assessment, and delivered mandatory Fraud Prevention training to reinforce our zero tolerance approach, completed by 100% of employees and contractors (read more on page 96).

Whistleblowing

Speak Up, our dedicated whistleblowing process, is a way for employees, customers, and suppliers to raise ethical or legal concerns without fear of victimisation. Available globally, we provide internal channels and an external independent reporting service that can be used to make reports anonymously.

The Speak Up process is monitored regularly by our Audit Committee and in 2025/26, we received 86 Speak Up reports, all of which were investigated and acted upon, where necessary. The Group continued its awareness campaign throughout the year, using a variety of channels including reminders embedded within the Code of Conduct, fraud, and data protection training modules released during the year, as well as an internal communications approach.

Modern slavery

Our Modern Slavery Transparency Statement outlines our zero-tolerance stance towards any form of slavery, human trafficking, child or forced labour within any part of our business or supply chain. This position is reinforced in our Group Anti-Slavery and Human Trafficking Policy and Ethical Trading Policy. We comply fully with the International Labour Organization's Forced Labour Convention, Abolition of Forced Labour Convention, and Minimum Age Convention. In 2025/26, 99% of employees completed a module on modern slavery as part of the refresher Code of Conduct training.

Data, information security, and privacy

Under the leadership of our Chief Information Security Officer, we continued to strengthen our integrated, Group-wide information security programme, driving greater standardisation through common tools and shared expertise across all markets. Following a year of high-profile industry security incidents, we enhanced our preparedness with incident rehearsal programmes and a refreshed training campaign on acceptable use. Regular phishing simulations and short mandatory training modules maintain employee awareness and confidence in identifying and reporting risks.

RS maintains active membership in the appropriate National Cyber Security Centre information sharing group. In 2025/26, a dedicated risk team and Technology Risk Management Committee were established to ensure all security activity is risk-informed and to guide the ongoing selection and refresh of protective technologies. We assess data protection risks across different parts of our business and in 2025/26 we rolled out tailored, in-depth training to 100% of employees in higher-risk areas.

In response to the rapid development of AI technologies, RS has agreed a Group-wide AI strategy aligned to responsible, value-driven adoption, supported by an in-depth Board session on AI during the year to assess emerging risks, controls, and strategic impacts (read more on pages 80 to 81 and 84 to 85). We strengthened our AI governance in 2025/26 through the introduction of a comprehensive Group AI Policy supported by tailored training and implementation of protective technologies to enable safe and compliant use. With oversight by an ExCo-level steering group, we consider all aspects of AI use, including security, ethics, people, and sustainability, and we are beginning to explore alignment with the emerging ISO 42001 AI management standard.

For a full list of Group codes, policies and standards, go to: rsgroup.com/sustainability/codes-policies-and-standards



Governance continued

RESPONSIBLE SUPPLY CHAIN

By 2029/30, we want to evaluate all our suppliers against our high ethical and environmental standards and set ESG objectives for strategic suppliers.

Suppliers by spend with signed Ethical Trading Declaration

65%

1% pts increase from 2024/25

Status

● Not on track – further action required

Suppliers by spend with EcoVadis rating

59%

4% pts increase from 2024/25

Status

● Slightly behind target – monitor closely

Strategic suppliers by spend with SBTs

74%

3% pts increase from 2024/25¹, with 41% of all suppliers by spend with SBTs

Status

● On track or ahead

RS PRO suppliers by spend that are Sedex members

80%

5% pts increase from 2024/25

Status

● On track or ahead

Supplier ESG action plan

As a critical link in the industrial value chain, we work closely with our >2,500 suppliers to strengthen ESG performance in ways that directly support customers' sustainability goals and enhance our shared market competitiveness. By strengthening go-to-market pathways and clarifying differentiation for credible sustainable products, we are expanding our Better World product framework and accelerating progress across four priority ESG areas to reduce risk, build trust, and unlock value for suppliers, customers, and RS.

ESG is embedded in our annual programme of supplier events, including the EMEA strategic supplier conference and RS Connect sessions across our regions, with keynote sessions and targeted action-focused breakout discussions. We offer opportunities to collaborate through our Better World product range, sustainable distribution, and youth and community programmes, driving open, commercially-focused dialogue that aligns suppliers with RS and our customers' strategic ESG priorities. These events strengthen collaboration, help suppliers enhance the sustainable procurement experience we deliver to customers, and create clearer go-to-market opportunities that drive value across our shared supply chain.

Our supplier management approach centres on rigorous screening, active collaboration, and consistent engagement. Supplier-facing teams are equipped to integrate our supplier ESG action plan into their ongoing engagement, supporting strategic supplier partners to prioritise sustainability and overcome barriers to progress. We define clear priority actions through practical resources, including our ESG Supplier Handbook and Better World Product Guidelines, and we promote shared learning through webinars, industry forums, and regular one-to-one discussions. ESG is the eighth pillar of the RS EMEA strategic supplier approach, ensuring that suppliers are evaluated and incentivised against our robust ESG standards.

We give our suppliers a clear ESG roadmap supported by tailored guidance and commercially-driven opportunities shaped by customer demand. By 2030, we aim for full engagement across four ESG priorities outlined in our ESG Supplier Handbook. This year, we focused our action on strategic suppliers, where we have the greatest opportunity to influence action. This is c. 160 suppliers, representing 43% of total spend, with 2025/26 progress below:

- 1 Sign and return the Ethical Trading Declaration (ETD): 65% of all suppliers and 97% of strategic suppliers by spend with a signed ETD in place (2024/25: 64% all, 94% strategic), as part of robust due diligence processes
- 2 Develop and offer more sustainable products: 35 new suppliers and c. 4,000 new products were added to the Better World product range in 2025/26, totalling c. 33,000 products from 167 suppliers (2024/25: c. 30,000 products from 132 suppliers)
- 3 Set science-based carbon reduction targets: This year we set a new 2030 ambition focused on our strategic suppliers. 74% of strategic suppliers and 41% of all suppliers have set SBTs with SBTi (see page 50)
- 4 Become EcoVadis-rated or Sedex members to benchmark and drive ESG progress: 59% of all suppliers and 88% of strategic suppliers by spend are rated by EcoVadis (2024/25: 55% all, 85% strategic) and 300+ are committed to improving their rating. This year we engaged over 60 additional suppliers through the EcoVadis Vitals solution. 80% of RS PRO suppliers are members with Sedex (2024/25: 75%)

167

suppliers contribute to our Better World product range (2024/25: 132)

Achieving an EcoVadis rating is a key part of our supplier ESG action plan, giving us clearer visibility across our value chain and ensuring alignment with our ESG priorities. Recognising that time and cost can be barriers to completing the full assessment, we introduced the EcoVadis Vitals tool in 2025/26 to offer a free, streamlined version that generates an initial risk rating. Paired with our education toolkits, this helps suppliers start their ESG journey with a focused plan for priority improvements, and any suppliers who receive an overall high risk rating will be asked to complete the full assessment. So far, we have asked 61 of our suppliers without an EcoVadis rating to complete the EcoVadis Vitals assessment, with 31% of those suppliers doing so in 2025/26.

We conduct detailed ethics and compliance monitoring with our key suppliers to ensure ongoing alignment to Group standards and expectations. This includes:

- Risk screening all new and existing suppliers against global government lists and conducting more in-depth ethics and compliance checks on our higher-risk RS PRO suppliers. In 2025/26, we conducted 37 site audits of these suppliers
- In addition to the mandatory pre-qualification questionnaire as part of our supplier onboarding process, we run re-qualification questionnaires targeting specific product categories as additional due diligence to ensure products contain responsibly sourced minerals

More information on our supplier ESG action plan can be found online at: rsgroup.com/sustainability

1. Target reset in 2025/26. Previously top 67% of suppliers by spend.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

At the time of publication, we comply with Listing Rule 6.6.6R and the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 by providing disclosures consistent with the 11 TCFD recommendations. Our quantitative scenario analysis draws on the TCFD Final Recommendations Report, Annexes (2021) and related technical supplements, and we will continue to use these resources as we prepare for future alignment with IFRS S2 and the UK Transition Plan Taskforce (TPT) framework.

Climate change remains a defining global challenge, and as a critical partner to the industrial sector, we are committed to supporting the transition to a low-carbon economy. We work with customers and suppliers to drive more sustainable and efficient industrial operations across the value chain. This focus strengthens our ability to identify growth opportunities, generate long-term value, and support the decarbonisation journeys of both our customers and suppliers.

This is our fifth TCFD disclosure, and we continue to mature our reporting. Over the past year, we have refreshed our quantitative scenario analysis across our five climate-related risks and opportunities (CRROs) and further enhanced the governance and risk management processes that support our approach. This includes updating our climate risk control questionnaires across regions and functions and refreshing our solar generation modelling to ensure alignment with our net zero plan.

In parallel, we have continued to deepen the integration of climate and ESG priorities into our products, solutions, and operational excellence strategies.

The table below sets out the 11 TCFD recommendations and where the related information can be found within this report:

Recommendations	Disclosure	Reference
Governance	A) Describe the Board's oversight of climate-related risks and opportunities	Doing business responsibly (page 58)
	B) Management's role in assessing and managing climate-related risks and opportunities	Doing business responsibly (page 58)
Strategy	A) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long-term	TCFD strategy (pages 63 to 67)
	B) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	TCFD strategy (pages 63 to 67)
	C) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	TCFD strategy (pages 63 to 67)
Risk management	A) Describe the organisation's processes for identifying and assessing climate-related risks	TCFD risk management (page 67)/ Risks, viability and going concern (page 38)
	B) Describe the organisation's processes for managing climate-related risks	TCFD risk management (page 67)/ Risks, viability and going concern (page 38)
	C) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	TCFD risk management (page 67)/ Risks, viability and going concern (page 38)
Metrics and targets	A) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	Advancing sustainability (pages 44 to 50)/ TCFD metrics and targets (page 67)
	B) Disclose Scope 1, Scope 2 and if appropriate Scope 3 GHG emissions and the related risks	Advancing sustainability (page 45)
	C) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	Advancing sustainability (pages 44 to 50)

These enhancements ensure we have the insight, systems and strategic focus needed to respond effectively to a changing climate, while positioning RS to create value for both our business and our stakeholders by enabling the transition to a low-carbon industrial sector.

TCFD continued

Our five CRROs are summarised in the table on this page and further detail can be found on pages 64 and 65. These remain consistent with our assessment and disclosure in prior TCFD reports (available at: rsgroup.com/sustainability/reporting-centre), which set out further complementary detail and context on our climate governance and risk management approach and our climate-related scenario analysis.

Governance

Our climate governance activities are fully embedded within our broader corporate governance framework. For an overview of our ESG governance and key activities for 2025/26, including the management of climate-related risks and opportunities, please refer to page 58. For a summary of key ExCo and Board climate-related engagement and activities during 2025/26, see pages 79 to 81.

Strategy

Climate action is integral to our purpose, vision, and values, and is embedded in our strategy and 2030 ESG action plan. ESG is a core strategic enabler – strengthening our competitiveness, surfacing opportunities for growth and innovation, and ensuring that climate-related risks are identified, managed, and mitigated effectively. By aligning our strategy and ESG priorities, we are able to accelerate delivery and reinforce our position as a trusted partner in the low-carbon industrial transition. Some key examples of how we are mitigating climate risks and maximising opportunities through our strategy include:

- **Customers:** offering customers products with verified sustainability claims that build transparency and trust through responsible design, circular material choices, and evidenced in-use and end-of-life decarbonisation benefits, while developing enhanced carbon reporting solutions for high-value customers and supporting growth across sectors central to the low-carbon

transition, including renewables, energy and utilities, and automotive (see pages 48 and 49)

- **Products and suppliers:** working with our suppliers to develop a specialist, technically led range of sustainable products, such as variable speed drives, energy-efficient motors, etc. within our broader portfolio, while strengthening strategic partnerships as their go-to-market partner of choice. At the same time, we continue to collaborate with suppliers to decarbonise the industrial value chain by encouraging them to set SBTs (see page 50)
- **Services and solutions:** supporting customers to improve safety, sustainability, and operational efficiency by providing service solutions that meet their needs, from energy-saving technologies to more sustainable PPE (see pages 48 and 49)
- **Operational excellence:** offering our customers a greener distribution service, through more sustainable distribution sites, product shipments and packaging (see pages 23 and 44 to 50)

We are collaborating with suppliers, customers, and other value chain partners to accelerate sector-wide decarbonisation, supported by initiatives such as our Better World product range and supplier ESG action plan (see pages 48 to 50). Our strong ESG performance is a key commercial differentiator, helping us win and retain high-value customers with their own ambitious ESG agendas.

In June 2026, we will publish our first Climate Transition Plan, outlining our climate ambition and the key decarbonisation levers, enablers, and dependencies that support progress towards our net zero targets. Designed primarily as a stakeholder engagement tool ahead of a fully TPT-aligned version, the CTP is more than a roadmap – it is a call to action. Working with our customers, suppliers, and employees, we are using our scale, influence, and technical expertise to accelerate the low-carbon transition, supporting suppliers to advance more sustainable product development, responsible

sourcing, and lower-carbon manufacturing, while providing customers with trusted, cost-effective, and sustainable procurement choices.

Maturing our climate scenario modelling

In 2025/26, we further enhanced the robustness and transparency of our quantitative climate scenario analysis. Working jointly, our ESG and Group Financial Control teams updated the analysis to reflect the latest five-year strategic and financial plan and projected impacts through to 2050. This work has strengthened visibility of the potential financial implications of our CRROs and demonstrates our continued commitment to embedding climate considerations into core business planning and decision-making.

We assessed the potential impact on Group adjusted operating profit, both before and after the application of mitigation measures. As in previous years, we have modelled transition risks using three International Energy Agency (IEA) climate scenarios and for physical risks we have used the three Intergovernmental Panel on

Climate Change Representative Concentration Pathways. The residual, post-mitigation impact of each CRRO under these scenarios is presented on page 66, with a reference table summarising the scenarios used.

We identified the likely timeframe for each CRRO to emerge:

- **Short term:** 0 to 5 years (aligned to our five-year strategic plan)
- **Medium term:** 5 to 10 years (aligned to the risk management process, modelled as 2030 in our quantitative climate scenario analysis)
- **Long term:** 10 to 30 years (aligned to the risk management process, modelled as 2050 in our quantitative climate scenario analysis)

While we have identified short-term climate opportunities, we have not identified any material short-term risks or experienced any climate-related incidents with a material impact on the business in 2025/26. We have modelled our medium and long-term CRROs in the table on page 66.

OUR FIVE CLIMATE-RELATED RISKS AND OPPORTUNITIES (CRROs)



Products, solutions, and customers

1. Changes in customer segments and product demand (transition opportunity)



Logistics

2. Technology transition and rising fuel costs (transition risk)



Distribution sites

3. Reduced emissions and energy costs through solar generation (transition opportunity)
4. Impact of extreme heat (physical risk)
5. Impact of extreme weather (physical risk)

TCFD continued

2025/26 actions on our CRROs:

CRRO	Description	Business owners	Metrics monitored	2025/26 initiatives, progress and investment activities
Transition				
Opportunity	1. Products, solutions, and customers: Changes in customer segments and product demand Strategic action alignment: Connected stakeholders:	Chief of Product and Supply Chain (P&SC)	- Number of products in the Better World product range (ambition for 100,000 by 2030) - Investment in and incremental revenue from sustainable products and services e.g. Better World products, industrial MRO services that reduce energy and carbon, and low-carbon industry sectors - Reduce Scope 3 emissions 51.6% per £m value added (SBTi validated)	- Better World products – c. 33,000 products from 350+ product families across 30 countries, with 167 suppliers contributing to the range (see pages 48 and 49) - New Scope 3 intensity SBTi commitment to continue to drive decarbonisation of products across the lifecycle (see page 45) - Reset our supplier sustainability target for 2030 focusing on strategic suppliers where we have the greatest ability to influence progress (see page 61) - Delivered product CO₂ training to upskill category teams on Scope 3 emissions, the importance of low-carbon manufacturing and circular design, and how to embed this knowledge to drive value through the Better World product range - Developing customer carbon reporting for high-value customers (see page 49) - Low-carbon industry sectors – for example, partnered with a customer to deliver bespoke OEM conventions for ageing UK wind turbines, identifying 157 RS products and creating a scalable maintenance framework for global turbine models (see page 49) 2026/27 focus: Continue to grow our customer propositions and revenue from sustainable products, including launching more enabling solutions that help customers to reduce carbon, energy, and operating costs
Risk	2. Logistics: Technology transition and rising fuel costs Strategic action alignment: Connected stakeholders:	Chief of P&SC and Regional Presidents (RPs)	- Reduction in total CO₂ emissions and emissions intensity for product transportation – 40% reduction per tonne of product sold by 2029/30 from 2019/20¹ - Logistics costs as a percentage of revenue	- Raised our 2030 product transport emissions intensity target to 40% (from 35%), reflecting projected performance (see pages 44 and 50) 34% reduction in product transport emissions intensity since 2019/20², supported by a more regionalised supply chain and distribution network that shortens delivery distances, lowers transport costs, and reduces emissions (see page 50) - Reviewed our cross-border logistics model to cut air shipments into Canada, ahead of a new local hub launching in 2026/27 2026/27 focus: Drive further supply chain optimisation via regional sourcing and modal shifts to reduce distance, emissions, and cost, supported by enhanced carrier engagement and technology to enable greener delivery options

Strategic action

Customers
 Products and suppliers
 Services and solutions
 Experience
 Operational excellence

1. Target reset in 2025/26. Previously 35% reduction per tonne of product sold.

Stakeholder key

Our people
 Customers
 Suppliers
 Communities
 Shareholders

2. Scope 3 emissions from product transportation (Category 4) per tonne of product sold.

TCFD continued

CRRO	Description	Business owners	Metrics monitored	2025/26 initiatives, progress and investment activities
Transition				
Opportunity	3. Distribution sites: Reduced emissions and energy costs through solar generation Strategic action alignment: Connected stakeholders: 	Chief of P&SC and RPs	- Capital expenditure on distribution site solar generation and storage solutions has been embedded in goodwill impairment on page 94 - Reduction in energy costs - Percentage of 2025/26 electricity use from on-site solar generation: 3%	- Enhanced our net-zero plan by updating and expanding our solar generation modelling, including installing solar PV at Monterrey, Mexico and assessing further rollout across other Risoul sites - Solar now provides 38% of electricity at our distribution sites in Germany, Spain, Australia, Switzerland, and South Africa - Net zero capex investment of c. £2 million per annum included in the five-year strategic plan 2026/27 focus: Review and progress proposals for installation of solar generation at further sites
Physical				
Risk	4. Distribution sites: Impact of extreme heat Strategic action alignment: Connected stakeholders: 	Chief of P&SC and RPs	- Distribution site operating temperatures - Worker productivity and absence during high-heat periods (>35°C and >40°C) - Capital expenditure in heating, ventilation, and air conditioning (HVAC) systems has been embedded in goodwill impairment on page 94	- Employee productivity monitored by site management teams in distribution sites during high-heat periods with increased ventilation, regular breaks, and refreshments £1 million capital investment in energy efficiency projects at our DCs and FCs, for example insulation improvements, rapid roller doors, and LED lighting - Our regional DC in Fort Worth, US, made further efficiency improvements to its HVAC systems 2026/27 focus: Ongoing mitigation through business continuity planning, review additional sites for HVAC and fabric improvement options
	5. Distribution sites: Impact of extreme weather Strategic action alignment: Connected stakeholders: 	Chief of P&SC and RPs	- Distribution site insurance costs - Frequency and cost impact of severe weather events on distribution sites - Investment in distribution site facility improvements	Ongoing business continuity planning by our regional DC team in Fort Worth, US, includes mitigations such as drop shipments, alternative warehousing, and revising its business continuity plans as part of a broader optimisation of the North America-Mexico network 2026/27 focus: Ongoing mitigation through business continuity planning

Strategic action

Customers
 Products and suppliers
 Services and solutions
 Experience
 Operational excellence

Stakeholder key

Our people
 Customers
 Suppliers
 Communities
 Shareholders

TCFD continued

Refreshed climate scenario analysis

High-level results from our refreshed 2025/26 climate scenario analysis are presented to the right, with the net financial impact of CRROs post mitigation. Opportunities indicate a positive net impact on operating profit (shaded green) and risks indicate a negative net impact (shaded red). Our analysis indicates that physical risks are expected to be greater under a higher warming scenario, whereas transition opportunities and risks are greater under lower temperature scenarios, due to faster and more significant policy and market changes to deliver the low-carbon transition.

For further detail on our quantitative financial scenario analysis methods, please refer to our ESG basis of reporting document at: rsgroup.com/sustainability

Net financial impact

Overall, we have low exposure to physical climate risks, with our operations generally in low-risk locations. Furthermore, our diversified business model and global customer base, strong supplier partnerships, and capital strength mean we are well placed to mitigate potential future risks. We are also well positioned to support the transition to a low-carbon industrial sector by leading in sustainable products, solutions, and industry sectors.

Our analysis shows that at a gross level our climate-related risks are financially material. However, through effective mitigation activities and investment (detailed on pages 64 and 65), the risks present a limited financial impact to the Group as detailed in the table to the right. It also shows that if we deliver upon our strategic growth ambitions relating to low-carbon products, service solutions and industry sectors, we will see a net positive financial impact from the CRROs. This demonstrates the overall resilience of our business model to manage our risks and maximise our opportunities under various future climate pathways.

					Annual net impact (post mitigation) on Group adjusted operating profit financial materiality key		
CRRO		Description	Financial impact	Timeframe ¹			
Transition				Temperature rise	1.5°C	2°C	>2°C
1.	Opp	Products, solutions, and customers: changes in customer segments and product demand	Annual revenue impact	2030	Very low	Very low	Very low
				2050	Medium	Low	Very low
2.	Risk	Logistics: technology transition and rising fuel costs	Increased operating costs, fully offset through embedding in pricing margin	2030	No impact	No impact	No impact
				2050	No impact	No impact	No impact
3.	Opp	Distribution sites: reduced emissions and energy costs through solar generation	Annual operating costs impact (including depreciation)	2030	Very low	Very low	Very low
				2050	Very low	Very low	Very low
Physical				Temperature rise	2°C	>2°C	>4°C
4.	Risk	Distribution sites: impact of extreme heat	Capital and operating costs to mitigate risk, expected to fully mitigate impact on productivity	2030	Very low	Very low	Very low
				2050	Very low	Very low	Very low
5.	Risk	Distribution sites: impact of extreme weather	Annual revenue impact and operating cost, offset by recovery via insurance policies	2030	No impact	Very low	Very low
				2050	No impact	Very low	Very low

Key: Annual impact (post mitigation) on Group adjusted operating profit²

Very high	>32%	Low	8 to 16%
High	24 to 32%	Very low	0 to 8%
Medium	16 to 24%	No impact	0%

Temperature scenarios³

Temperature	Scenario	Temperature	Scenario
Transition		Physical	
1.5°C	NZE - 1.4°C	2°C	RCP 2.6 - 2.0°C
2°C	APS - 2.1°C	>2°C	RCP 4.5 - 2.4°C
>2°C	STEPS - 2.6°C	>4°C	RCP 8.5 - 4.3°C

- 2030 – medium term, 2050 – long term. Time horizons for the climate scenario analysis were selected according to the time periods for which data was consistently available for both IEA and RCP scenarios within the range of RS's medium- and long-term risk time horizons outlined on page 63.
- Aligned to RS enterprise risk management guidance, a CRRO is considered to be material where the annual net impact (post mitigation) on adjusted operating profit is greater than +/- 16-24%. CRRO 1 (Products, solutions, and customers: changes in customer segments and product demand) is the only CRRO deemed to be material, aligned to this threshold. At a gross impact level (pre mitigation), we apply the same materiality threshold, plus our enterprise risk management framework for financial resilience to evaluate the financial materiality of our climate risks. CRROs 2 (Logistics: technology transition and rising fuel costs) and 4 and 5 (Distribution sites: impact of extreme heat and weather) are deemed to be financially material at a gross level under the financial resilience assessment for Group risks.
- NZE – The Net Zero Emissions scenario by 2050, APS – The Announced Pledges Scenario, STEPS – The Stated Policies Scenario (Source: IEA), RCPs 2.6, 4.5 and 8.5 (Source: IPCC).

TCFD continued

Risk management

Our CRROs are managed in line with the Group's risk management framework to ensure a robust and consistent approach. We maintain a high-level CRRO risk register and mitigation plans, which are refreshed annually in consultation with market and functional leaders. We have strategies and controls in place to mitigate physical climate-related risks on our operations and wider supply chain (see page 38).

CRROs are integrated into our risk management process for ongoing monitoring and action. Each CRRO has an assigned owner, defined mitigating controls, and supporting metrics and targets that are monitored and reported annually. The internal audit and risk team reviews the controls associated with our CRROs and considers these frameworks, where relevant, as part of audit inspections. ESG impacts are assessed during due diligence for acquisitions, and climate-related considerations will be incorporated into future integration plans. Updates on CRROs, including key risks and progress, are provided to the ExCo, Audit Committee and Board through their annual risk reviews, ensuring clear visibility and alignment with strategy, business planning, and decision-making.

A key focus for 2025/26 has been strengthening first-line ownership of climate-related risks. This included targeted support for regions and functions to assess, design, and enhance climate-related controls, embed climate considerations into risk processes, and improve the consistency and quality of climate risk reporting across the Group. For more information on our risks, including climate change, see pages 34 to 38.

Metrics and targets

To understand and manage our climate impacts, we monitor a suite of key metrics for our CRROs and set performance targets for those with the greatest potential financial impact (see page 66).

Each CRRO has an accountable business owner who oversees its management with relevant leadership teams (see pages 64 and 65).

The Group's non-financial KPIs include four climate-related metrics – Carbon emissions (Scope 1 and 2), carbon intensity, packaging intensity, and waste (recycled) – and we have two SBTi-validated SBTs covering our direct operations (Scope 1 and 2) and the intensity of our Scope 3 emissions.

In 2025/26, we strengthened our Scope 3 accounting through detailed modelling, enhancing the credibility of our Better World product range and supporting customers' decarbonisation goals. Based on this analysis, the ExCo approved a Scope 3 target to reduce Scope 3 emissions by 51.6% per £m value added (validated by the SBTi), that balances ambition, strategic progress, and stakeholder value with our role as a distributor and the external dependencies this creates.

We also increased the ambition of our supplier and product transportation targets – raising our 2030 product transport emissions intensity target to 40% (from 35%) – and reset our 2030 supplier sustainability target to focus on setting SBTs with our strategic suppliers across c. 43% of Group spend, where we have the deepest supplier relationships and greatest ability to influence progress. These changes followed significant engagement with the ExCo, Board, and product and supply chain leaders (see pages 50, 58 and 61).

Our science-based Scope 1 and 2 emissions target forms part of the annual performance incentive for 48% of RS employees, including Executive Directors (see page 59). Progress against our net zero metrics is reported in the Advancing sustainability section (pages 44 to 50), with full data available online.



NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

This section constitutes the Group's non-financial information statement (NFIS), produced to comply with sections 414CA and 414CB of the Companies Act 2006. The information presented below is incorporated by cross-reference and most of the policies listed can be found on our website: rsgroup.com/sustainability/codes-policies-and-standards. Our Code of Conduct underpins the Group's business activities and provides our stakeholders with clear guidance on expected behaviours, actions, and compliance requirements covering each of the below areas.

	Reporting requirement and policy position	Relevant Group policies and standards	Due diligence and further information
Environmental matters	Our environmental policies set out our commitment to continuously improve our environmental performance to ensure sustainable growth in line with our global goals.	Environmental Policy Energy Management Policy Supplier Ethical Trading Declaration	– Advancing sustainability: pages 44 to 50 – TCFD report: pages 62 to 67 – Sustainability section of website: rsgroup.com/sustainability
People	Our people policies support our people plan and ambition to create an inclusive and engaging environment, where everyone is proud and excited to come to work and can perform at their best, develop, and thrive.	Health and Safety Policy Diversity and Inclusion Policy Gender Pay Gap Report Equal Opportunity Policy Speak Up Policy Fraud Policy	– Empowering our people: pages 51 to 54 – Governance report: pages 70 to 121 – Nomination Committee report: pages 87 to 90 – Sustainability section of website: rsgroup.com/sustainability
Social matters	We have strict standards of behaviour that we expect of our employees and supply chain partners, which are set out in our Code of Conduct and Ethical Trading Declaration. This includes respecting and safeguarding our people and wider community.	Supplier Code of Conduct Ethical Trading Declaration Information Security Policy Volunteering Policy	– Empowering our people: pages 51 to 54 – Championing youth & communities: pages 55 to 57 – Doing business responsibly: pages 58 to 61 – Sustainability section of website: rsgroup.com/sustainability
Respect for human rights	We recognise and respect the Universal Declaration of Human Rights, ensuring that all people have freedom, dignity, and equality. We uphold the highest ethical and legal standards within our business and supply chain.	Modern Slavery Policy Modern Slavery Statement UNGC Communication on Progress Conflict Minerals and Chemicals of Concern Policy	– Doing business responsibly: pages 58 to 61 – Sustainability section of website: rsgroup.com/sustainability
Anti-bribery and corruption	We have a zero-tolerance stance on all forms of bribery and corruption and are committed to conducting our activities in line with UNGC Principle 10. Our Group Anti-Bribery Policy covers our stance on these matters in detail.	Anti-Bribery Policy Commitment to Compliance and Quality Policy Competition Law Compliance Policy Tax Strategy Corporate Criminal Offence Policy	– ESG governance: page 58 – Governance report: pages 70 to 121 – Audit Committee report: pages 91 to 97 – Sustainability section of website: rsgroup.com/sustainability
Business model			– Strategy and business model: pages 8 and 15
Non-financial KPIs			– Non-financial KPIs: pages 22 and 23
Principal risks			– How we manage our risks effectively: page 33 – Our principal risks and uncertainties: pages 34 to 38
Climate-related financial disclosures			– Disclosures aligned to clauses (a) to (h) of The Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 detailed in the TCFD report: pages 62 to 67