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BETTER WORLD

ESG BASIS OF REPORTING 2025/26



RS

GROUP

ESG BASIS OF REPORTING 2025/26

This document explains our methodology for collecting and calculating non-financial data that is reported in our Annual Report and Accounts, ESG Report, ESG data centre and Climate Transition Plan. It covers our most material ESG KPIs, which are informed by our latest double materiality assessment and form the basis of our 2030 ESG action plan, with some additional definitions around our Scope 3 emissions and climate scenario analysis methodologies for our 2025/26 TCFD disclosure.

Reporting period

The reporting period for our ESG performance metrics is aligned to our financial reporting period, from 1 April 2025 to 31 March 2026. Our ESG performance data is reported externally on an annual basis, however we also provide half-year performance data on our eight non-financial KPIs at our interim results announcement. For ESG performance reporting, where data is available we provide five years of data to demonstrate our long-term performance and commitment to continuous improvement. This can be found at rsgroup.com/esg/reporting-centre. New metrics introduced will be externally reported with at least three years of comparable data, where available. For our science-based targets, we use a fixed 'baseline year' (2019/20).

Reporting boundary and methodology

Our ESG performance metrics are prepared with reference to the following standards and guidelines:

- Greenhouse Gas (GHG) Protocol standards and guidance, including the Corporate Standard, Scope 2 Guidance, Corporate Value Chain (Scope 3) Accounting and Reporting Standard, and Scope 3 Calculation Guidance
- Global Reporting Initiative (GRI)
- International Labour Organisation (ILO)
- Sustainability Accounting Standards Board (SASB) standards
- Science Based Targets initiative (SBTi)
- CDP guidance
- Streamlined Energy and Carbon Reporting (SECR) guidelines
- Task Force on Climate-related Financial Disclosures (TCFD) recommendations
- UN Global Compact Ten Guiding Principles
- UN Sustainable Development Goals (UN SDGs)

The organisational boundary for reporting the impacts of RS Group (RS) and its subsidiaries is based on our financial control boundary, covering 100% of our business activities and geographies.

New acquisitions are included in the consolidated reporting for non-financial data from the date at which they are acquired, where this data is available and deemed robust. However, it is recognised that in certain cases, new acquisitions may not have appropriate reporting systems in place at the date of acquisition to allow them to record or disclose their ESG performance data.

In this case, we will report their ESG data in the following financial year's Annual Report and Accounts. This will be back-dated to the point of ownership and the previous year's data will be restated to include the new acquisition. We report emissions from acquisitions in our current and previous reporting years back to our baseline year of 2019/20 to enable a meaningful year-on-year comparison.

RS Group announced the acquisition of BPX Group in March 2026. We plan to include their ESG data in our 2026/27 reports.



Data verification and assurance

Data is reviewed and verified by the appropriate accountable person(s) and subject matter experts at the point of reporting. The most material ESG performance data is subject to independent assurance, through a limited assurance process in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) and ISAE 3410 for GHG related metrics.

KPIs externally assured through this process in 2025/26 include:

- Absolute Scope 1 and 2 (market-based) carbon dioxide equivalent CO₂e emissions
- Carbon intensity (tonnes of Scope 1 and 2 CO₂e/£m revenue)
- Scope 1 emissions
- Scope 2 (market-based) emissions
- Scope 2 (location-based) emissions
- Total energy consumption (GWh)
- Total (premises) energy consumption (MWh)
- Energy use that is electricity (% of total (premises) energy consumption)
- Energy use from renewable sources (% of total (premises) energy consumption)
- Electricity use from renewable sources (% of total electricity)
- Electricity use from own renewable generation (% of total electricity)
- Energy intensity (Premises energy (Mwh)/£m revenue)
- Scope 3 Category 1: Purchased goods and services (tonnes of CO₂e)
- Scope 3 Category 4: Upstream transportation and distribution – absolute emissions and intensity (tonnes of CO₂e/tonne of product sold)
- Scope 3 Category 11: Absolute emissions (tonnes of CO₂e)
- Scope 3 Category 11: RS PRO products only emissions intensity (tonnes of CO₂e/tonne of RS PRO products sold)
- Packaging intensity (tonnes of packaging/£m revenue)
- Total packaging (tonnes)
- Packaging reusable or recyclable (% of total packaging)
- Waste – absolute total (tonnes)
- Waste – absolute recycled (tonnes)
- Percentage of waste recycled (% of total waste)
- Waste – absolute incinerated (tonnes)
- Percentage of waste incinerated (% of total waste)
- Waste – absolute landfilled (tonnes)
- Percentage of waste landfilled (% of total waste)
- Waste intensity (absolute total waste/£m revenue)
- Employee engagement score
- % of senior leaders that are female (% of senior leaders)

- % of senior leaders that are ethnically diverse (% of senior leaders)
- Group-wide gender split – female (% of total employees)
- Group-wide gender split – male (% of total employees)
- All accident rate (number of work-related accidents/200,000 hours)

Data quality

The aim of our ESG reporting is to provide data that is complete, accurate, and materially relevant to our business. If data has to be estimated, for example, if full-year data is unavailable, existing data may be pro-rated and, if needed, adjusted to reflect seasonal or operational variations. Estimates may be derived using proxy data where exact measurements are unavailable; for example, the number of waste bins collected may be used in lieu of recorded weight. For any data that is found to represent a material error (e.g. +/- 5% at the total aggregated published figure), or where we become aware that conversion factors have been updated following external disclosure, this will be clearly indicated and the data restated for purposes of comparable baseline and trend analysis either in our Annual Report and Accounts, ESG Report and/or ESG data centre at rsgroup.com/esg/reporting-centre.

Summary of restatements for 2025/26

Scope 3 carbon emissions have been updated for current and historic years to include estimates of the emissions from acquisitions and restated where this is estimated as >5%. Furthermore:

- Scope 3 Category 2: Capital goods is reported for the first time. Previously these emissions were included in Scope 3 Category 1: Purchased goods and services. Category 1 has been adjusted accordingly
- Scope 3 Category 3: Fuel-and-energy related activities has been recalculated using grid-average factors for the transmission and distribution losses associated with renewable electricity, having previously been assumed to be zero
- Scope 3 Category 11: Use of sold products has been updated to include emissions from the use of all relevant products sold in the reporting period (previously RS PRO products only)

Exceptional events

If an exceptional event occurs during the period, we will separate the impact of the event from the figure to avoid skewing the performance and making it difficult to judge the trend in performance over time. We will separately disclose the impact of the event and an explanation within the footnotes or comments associated with the disclosure. There were no exceptional events in 2025/26.

ESG METRICS



ADVANCING SUSTAINABILITY

01 CARBON & ENERGY

1.1 Scope 1 and 2 & energy

2030 goal: Reduce absolute emissions from our direct operations by 75%¹

Definition

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

Scope, boundary and method

- Carbon emissions are reported as tonnes of carbon dioxide equivalent (CO₂e) to enable the emissions of different greenhouse gases to be consolidated and reported on the basis of their global warming potential
- We report the breakdown of our CO₂e emissions in line with the scopes defined under the WRI/WBCSD GHG Protocol: Scope 1 (direct emissions), Scope 2 (energy indirect emissions)

¹ By 2029/30 from a 2019/20 baseline.

- Carbon intensity: Our Scope 1 and 2 (market-based) emissions (premises energy, company vehicle and fugitive emissions) per Group £m revenue
- The emission conversion factors are from the latest versions of internationally recognised sources such as the Department for Energy Security and Net Zero (DESNZ) (2025), the International Energy Agency (IEA) (2025), and the Association of Issuing Bodies (AIB) (2024)
- Scope 1 and 2 emissions data is externally assured by a third party

Scope 1 and 2 emissions and energy data collection

We run an electronic data collection process to obtain all the data used to calculate Scope 1 and 2 emissions. Collection of data is carried out on a quarterly basis with source data obtained from the following:

- Invoices for combustion fuel consumption (natural gas, fuel oil, LPG)
- Invoices for electricity consumption
- Meter readings for gas and electricity consumption
- Fuel card data for volume of petrol and diesel for company cars
- Information obtained from supplier online portals, e.g., travel data
- In-house finance expense portal to obtain fuel volume and distance for company cars
- Maintenance records of refrigerant top up (fugitive emissions)

Energy reporting

- To calculate Scope 1 and 2 carbon emissions we include: premises energy use, company vehicle energy use, and fugitive emissions, which are reported by site and converted to CO₂e:
 - Premises energy: Total electricity, natural gas, fuel oil (diesel for premises energy generation purposes), LPG and other energy use. The majority of sites in 2025/26 use renewable electricity which is calculated at zero kg CO₂e per kWh
 - Company vehicle energy: Vehicle fuel use or distance travelled
 - Fugitive emissions: Primarily emissions from air conditioning systems
- Total energy is the sum of premises energy and company vehicle energy
- Premises energy is the sum of above listed energy sources used at our premises
- Energy use that is electricity is the proportion of premises energy that is electrical energy
- Energy use from renewable sources is the proportion of premises energy that is renewable electrical energy (purchased from the grid or self-generated)
- Electricity use from renewable sources is the proportion of total electricity that is from renewable sources (purchased from the grid or self-generated)
- Electricity use from own renewable generation is the proportion of total electricity that is self-generated. This is calculated as renewable electricity produced minus renewable electricity exported

Scope 2 methodology

We report dual Scope 2 emissions with the market-based method reflecting emissions from electricity purposefully chosen (e.g. accounting for specific renewable electricity contracts), and the location-based method reflecting the average emissions intensity of the grids on which energy consumption occurs.

Under the market-based method, preference is given to a supplier-specific emission factor to reflect the fuel composition used to generate the electricity supplied. If this is unavailable, an AIB (2024) residual-mix emission factor is applied, reflecting the fuel composition of all untracked and unclaimed energy. If this is also unavailable, (e.g. for regions with no published residual-mix emission factor) the International Energy Agency (IEA) (2025) grid-average emission factor is applied.

Under the location-based method, the IEA (2025) grid-average emission factor is applied to each region to indicate emissions before specific contractual agreements with no contractual or voluntary instruments reflected.

The Scope 2 market-based figure is used unless otherwise stated.

Unit of measure

Tonnes CO₂e, rounded to the nearest 50 tonnes; MWh, rounded to the nearest 100 MWh; GWh; %; tonnes CO₂e/£m revenue

1.2 Scope 3

New 2030 goal: achieve a 51.6% reduction in Scope 3 emissions per £ million value added

Definition

Total Scope 3 emissions per £ million value added



ADVANCING SUSTAINABILITY

- A GHG Protocol hybrid methodology is applied, which combines spend-based and average data methods relative to the different areas of our business
- Restatements may be made as RS continues to improve the methodology
- The annual results are externally assured by a third party

Average data method

- The average data method is used to calculate the emissions from products purchased from RS product suppliers for resale to customers in the EMEA, Asia Pacific, and Americas regions
- The product technologies are analysed to understand their raw material composition and then matched with the most relevant cradle-to-gate emissions factor from the ecoinvent database version 3.12. Where there is no relevant, matching ecoinvent emission factor available, an average emission factor has been developed using averaged data assumptions relating to a representative sample of each product technology, raw material composition, and product weight
- Calculations take account of the product technology, raw material, the ecoinvent/average emission factor and product weight

Average data method data collection

- Total products procured for resale by RS in the EMEA, Asia Pacific, and Americas regions, organised by product category and technology
- Product weight data
- Ecoinvent emission factors

Spend-based method

- The spend-based method is used to calculate the emissions from purchased goods and services for RS Integrated Supply (RSIS), RS indirect procurement and our Risoul, DH Thailand, Distrelec, and Trident acquisitions
- The procurement spend from these businesses is collated, normalised to British pounds sterling (GBP) per supplier and organised into standardised product or service-based categories. Normalisation to GBP is carried out by obtaining the local exchange rates to GBP, provided by the Group financial control team. We apply the calendar year average exchange rate as of 31 December
- The spend categories are mapped to the Quantis tool (WIOD) and multiplied by the emission factors provided in this tool, obtained through the World Resources Institute (WRI) and the World Input Output Database (WIOD). As these emission factors are from 2016, an adjustment is made to reflect inflationary movements to the reporting year

Spend-based data collection

- Procurement spend for RSIS, RS indirect procurement and our Risoul, DH Thailand, Distrelec, and Trident acquisitions, standardised to GBP and organised by product and service category
- Emission factors from WIOD (2016), adjusted for inflation.

Unit of measure

Tonnes of CO₂e, rounded to the nearest 10,000

Scope 3 Category 4: Upstream transportation and distribution

Definition

Total Scope 3 Category 4: Upstream transportation and distribution CO₂e emissions

Scope, boundary and method

- Carbon emissions due to third party logistics services purchased by RS, including outbound logistics, inter-site logistics, and transportation of purchased products from tier 1 suppliers to RS where these are under our direct control
- Distance-based method: Calculations take account of the weight of product, destination locations, and transport modes for each route, allowing for multi-modal transport
 - Multi-leg transportation - Any transport involving air, sea, or rail transport are treated as multi-leg journeys. This means that there will always be road transport to any origin airport, seaport, or train station, and likewise this will be followed by road transport from any destination airport, seaport, or train station
 - Road transport - Assumes a straight-line distance between locations, this is multiplied with a generic deviation factor of 1.5. The mode of road transport is either a truck or a van and is assigned based on best available data. The exact mode of road transport is used when known and a case-by-case assessment is made if this information is not available
 - Air transport - Assumes a straight-line distance between airports with nominated airports

Scope, boundary and method

- Categories of Scope 3 emissions which are relevant to our business model and the interests of our stakeholders: Category 1: Purchased goods and services, Category 4: Upstream transport and distribution, and Category 11: Use of sold products
- The relevant reporting methodology is applied for each category
- We adopt a continuous improvement approach to increase the quality of our data and maturity of our reporting each year
- The annual results for these categories are externally assured by a third party and included in the Annual Report and Accounts
- Remaining relevant Scope 3 categories are reported in the ESG data centre

Scope 3 Category 1: Purchased goods and services

Definition

Total Scope 3 CO₂e emissions from purchased goods and services

Scope, boundary and method

- The calculation includes all upstream emissions (cradle-to-gate) from the production of products and services procured by RS from suppliers between 1 January – 31 December 2025



ADVANCING SUSTAINABILITY

- Rail transport – Assumes a straight-line distance between train stations
- Sea transport - Distances are based on exact measurements between seaports

- Emissions factors are sourced from DESNZ by transport mode and distance
- Carbon emissions are calculated on a 'well-to-wheel' basis which takes account of the GHG emissions generated throughout a fuel's entire lifecycle
- For Scope 3 Category 4 emissions we only account for product deliveries under RS control in our current methodology. Supplier inbound purchases where the supplier pays for and organises transport are not included
- The annual results are externally assured by a third party

Data collection

- Geographic origin and destination data for each leg of transport
- Product weight data for each delivery
- Packaging weight assumptions
- Transport mode data for each leg of transport
- Carbon emissions factors by mode of transport

Unit of measure

Tonnes of CO₂e, rounded to the nearest 100

Scope 3 Category 11: Use of sold products

Definition

Tonnes of Scope 3 (Category 11) CO₂e emissions from the use of all products sold

Scope, boundary and method

- The calculation includes the lifetime in-use phase emissions from all products sold to customers in the calendar year
- Use of sold products (RS PRO product only) intensity: The emissions from the use of RS PRO products only divided by their product weight in tonnes
- Restatements may be made as RS continues to improve the methodology
- We have estimated direct energy consumption from the use-phase of products sold, as per the GHG Protocol
- Emission calculations take account of:
 - RS product technologies that:
 - a. directly use energy and their average power consumption; and
 - b. dissipate energy – sourced from product technical sheets on RS and supplier websites, where available
 - The above results in a representative energy consumption value per RS product technology
- Standard assumption on the total hours of product use, applied across all RS products using evidenced assumptions for daily use and average product lifespan resulting in an assumed average lifespan of 3.5 years (5,390 hours)

- IEA 2025 electricity grid average emissions factor per country is applied proportionally to all products sales data, resulting in two region specific emission factors
- Emission calculations consider the quantity of all products sold, assumed representative power consumption and dissipation per RS product technology, total hours used, and grid average emissions factors per country
- The annual results are externally assured by a third party

Data collection

- Quantity and revenue of all products sold per country and region
- Representative average power consumption/dissipation by product technology (i.e. batteries, HVAC, 3D printing, lighting)
- IEA 2025 grid average emissions factors per country/region

Unit of measure

Tonnes of CO₂e, rounded to the nearest 10,000





ADVANCING SUSTAINABILITY

02 PRODUCT TRANSPORTATION

2030 goal: Reduce Scope 3 transport emissions by 40% per tonne of product sold

Definition

Tonnes of Scope 3 Category 4: Transport emissions from product deliveries by external logistics providers under RS control

Scope, boundary and method

- See 1.2 Advancing sustainability – Scope 3 Category 4: Upstream transportation and distribution

Data collection

- See 1.2 Advancing sustainability – Scope 3 Category 4: Upstream transportation and distribution

Unit of measure Tonnes of CO₂e from Scope 3 transport emissions/tonnes of product sold

03 PACKAGING

3.1 Packaging (absolute and intensity)

2030 goal: Reduce packaging intensity by 45% per £m revenue

Definition

Global packaging tonnage per £m of revenue

Scope, boundary and method

- Calculated by dividing total tonnage of packaging procured in the reporting year by £m of revenue at constant foreign exchange rates
- Packaging consumption is RS customer packaging (primary and secondary) and includes tertiary packaging such as pallets, shrink-wrap, and strapping

Data collection

- Revenue: Group finance data
- Packaging weight: Site by site packaging reports

Unit of measure: Tonnes (packaging), rounded to the nearest 10 tonnes; tonnes (packaging)/£m revenue

3.2 Percentage of packaging by weight widely reusable or recyclable

2030 goal: 100% of packaging widely reusable or recyclable

Definition

Percentage of packaging by weight that is widely reusable or recyclable

Scope, boundary and method

- The total tonnage of widely reusable or recyclable packaging (including paper, card, and wood) is calculated as a percentage of the total tonnage of packaging
- Packaging consumption is RS customer packaging (primary and secondary) and includes tertiary packaging such as pallets, shrink-wrap, and strapping

Data collection

- Weight of reported packaging use in metric tonnes by material type

Unit of measure: % of widely reusable or recyclable packaging by weight

3.3 Percentage of packaging by weight made with 50% recycled content

2030 goal: 100% of packaging to be made with 50% recycled content

Definition

Percentage of packaging by weight made with at least 50% recycled content

Scope, boundary and method

- Calculated based on packaging article database, which identifies recycled content
- Packaging articles are tagged by: Recycled content >50% = YES, <50% = NO
- Unit volume purchased is multiplied by unit weight to calculate tonnage purchased
- Packaging consumption is RS customer packaging (primary and secondary) and includes tertiary packaging such as pallets, shrink-wrap, and strapping
- Packaging material excludes wood pallets because our wood pallets are produced from sustainably sourced material rather than recycled content

Data collection

- Global packaging article database

Unit of measure:

% of packaging with >50% recycled content by weight





04 WASTE

4.1 Waste (absolute and intensity)

2030 goal: Reduce waste intensity by 50% per £m revenue

Definition

Total tonnage of hazardous and non-hazardous waste (per £m of revenue at constant foreign exchange rates)

Total weight is split by:

- Waste recycled
- Waste incinerated
- Waste landfilled

Scope, boundary and method

- Waste weight: Total weight of waste disposed of to various waste destinations in metric tonnes. Excludes construction waste and liquid waste

Data collection

- Revenue: Group finance data
- Global environmental reports
- Global waste data reports
- Group finance reports

Unit of measure

Tonnes (waste), rounded to the nearest 10 tonnes; tonnes (waste)/£m revenue

4.2 Waste recycled, incinerated and landfilled

2030 goal: Recycle >95% of our waste; Achieve zero waste to landfill in our direct operations

Definition

Recycled: Total tonnage of hazardous and non-hazardous waste recycled as a percentage of the weight of total waste reported

Incinerated: Total tonnage of hazardous and non-hazardous waste incinerated as a percentage of the weight of total waste reported

Landfilled: Total tonnage of hazardous and non-hazardous waste landfilled as a percentage of the weight of total waste reported

Scope boundary and method

- Waste weight: see section 4.1
- Weight of solid waste recycled/incinerated/landfilled
- Excludes liquid waste and construction waste

Data collection

- Global environmental reports
- Global waste data reports (e.g. from waste management company)

Unit of measure

Tonnes (waste); % waste recycled, % waste incinerated, % waste landfilled





ADVANCING SUSTAINABILITY

05 SUPPLIER SUSTAINABILITY

2030 goal: Engage all our strategic suppliers by spend to set science-based targets (SBTs) by 2030

Supplier carbon targets

Definition

Percentage of purchasing spend with strategic suppliers who have committed or validated SBTs with the SBTi by end of 2030. Strategic suppliers are defined partners providing goods or services with long-term, mutually beneficial relationships and a minimum spend threshold of £1 million

Scope, boundary and method

- Strategic supplier spend data is aggregated across group business areas and organised by supplier parent company
- The strategic suppliers are cross-checked and mapped to those companies with science-based targets on the SBTi website
- The spend dataset for this KPI is for the reporting period, with science-based target status taken as at 31 March

Data collection

- Strategic supplier spend data, aggregated to supplier parent company
- Strategic supplier science-based target data from the SBTi portal/website

Unit of measure

% of strategic suppliers by spend who have set science-based targets by 2030



06 PRODUCTS AND SOLUTIONS

2030 goal: Develop innovative and sustainable product and service solutions for all our customers, including offering 100,000 Better World products

Better World products

Definition: Number of products included within the Better World product offer

Scope, boundary and method

- Current approved products included in the Better World product offer that have either an approved third-party sustainability certification or a clear and evidenced claim which conforms with any of our 17 claims within our Better World product claims-based framework: [rs-group-better-world-product-guidelines-2024.pdf](https://www.rs-group.com/better-world-product-guidelines-2024.pdf)
- Claims span across the product lifecycle: Made more sustainably, Sustainable solution, Supports circularity

Data collection

- Product sustainability data, certifications and/or claims' evidence, provided by RS product suppliers in product data sheets for RS website and/or manually provided to RS Better World team

Unit of measure

Number of Better World products

Better World suppliers

Definition

Number of individual supplier brands with products listed in the Better World range. This includes individual supplier brands for both branded suppliers and RS PRO

Unit of measure

Number of suppliers with Better World products





07 TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Climate scenario analysis

Definition

The net potential future impact of climate-related risks and opportunities (CRROs) on annual group adjusted operating profit under different physical and transition climate scenarios in 2030 and 2050

Scope, boundary and method

- For physical CRROs, the Intergovernmental Panel on Climate Change (IPCC) Representative Concentration Pathways (RCPs) (RCPs 2.6, 4.5 and 8.5) are used to identify the RS sites most exposed to acute and chronic climate hazards including flooding, storms, and extreme temperatures

- For transition CRROs, three IEA scenarios are assessed: The Net Zero Emissions Scenario (NZE), The Announced Pledges Scenario (APS) and The Stated Policies Scenario (STEPS). Key transition variables assessed include energy costs, carbon prices, and market trends relating to expected growth or decline in different customer segments
- The climate scenarios are overlaid onto our five-year financial plan and impacts projected for 2030 (medium-term) and 2050 (long-term)
- A bespoke modelling approach is developed for each CRRO to assess the projected physical and transition impacts from the climate scenario on Group adjusted operating profit using data sources, assumptions and methods appropriate to the risk or opportunity type

- The anticipated financial impact (e.g. revenue, opex, capex or depreciation) is identified for each CRRO

Assumptions

Key analysis assumptions applied for each CRRO include:

- Products, solutions and customers - changes in market demand and customer segments (transition opportunity): potential growth in revenue from transition-relevant RS product categories (automation and control, electrical, etc.), maintenance, repair and operations (MRO) sustainability solutions, and serving industry sectors linked to the low-carbon transition (renewables, automotives, etc.) with a conservative assumption applied to the latter regarding the share of sector growth which RS could capture as an MRO product

and solutions provider. Potential loss of sales from existing fossil fuel sector customers was also calculated as a risk area that could offset some of the potential opportunity

- Logistics - technology transition and rising fuel costs (transition risk): projected growth in carbon emissions due to product transportation, aligned to revenue expectations. This is used to calculate potential carbon freight taxes and costs associated with net zero fleet transition, and assumptions are made about the degree to which uplifted freight costs may be passed onto customers (currently assumed to be in full)





- Distribution centres (DCs) – reduced emissions and energy costs through solar generation (transition opportunity): calculated available roof space for solar PV installation on the five largest DCs and potential capex investment required for installation, including its depreciation over time to 2030 and 2050. Calculated reduction in electricity costs and emissions if we installed solar PV on four additional DCs and expanded solar PV on the remaining DC, based on potential growth in current electricity consumption, grid energy costs and emissions
- DCs and people – impact of extreme heat (physical risk): calculated potential reduction in employee productivity in high temperatures based on the UN guidance related to reduction in worker productivity above 35°C/40°C. Calculated increased capex and opex costs for high-efficiency heating, ventilation and air conditioning (HVAC) installation, running, and maintenance and their replacement (every 15 years under greater usage) for the six largest DCs

- DCs – impact of extreme weather (physical risk): focused on Fort Worth, US DC as the site with the potential for highest financial impact event due to likelihood of extreme weather events in the region, significance of the DC for Group revenue and it being the sole North American distribution site. Financial viability model applied to consider impact of temporary loss (full or partial) of building and product inventory, alongside the potential impact on revenue from disruption to service as a result of an extreme weather event.

Individual financial impacts for each variable are then aggregated to derive a net financial impact on annual adjusted operating profit per CRRO.

This result is used to determine whether each CRRO represents a net opportunity or net risk depending on whether the net impact on adjusted operating was negative or positive.

Impact materiality ranges for adjusted operating profit are applied to the analysis aligned to RS enterprise risk assessment guidance (see financial materiality key in the TCFD section on pages 62 to 67 of the 2026 Annual Report and Accounts)

Data collection

- Climate scenario modelling data (IPCC and IEA)
- CRRO-specific internal and external assumptions (as outlined here)
- Projected financial revenue forecast

Unit of measure

Net annual % impact on Group adjusted operating profit



EMPOWERING OUR PEOPLE



08 ENGAGEMENT

2030 goal: Achieve and maintain an employee engagement score in the top 10% of high-performing companies (as defined in the Glint global database)

The employee engagement score is a measure of how satisfied our people are at RS and how strongly they recommend it as a great place to work. Engagement scores are calculated by combining the total scores from all individual responses received. The overall engagement score is measured by the average of questions on 'satisfaction' and 'recommend.' The questions are rated on a five-point scale and the average of the two is converted to a 100-point scale.

Scope, boundary and method

- Includes only active permanent employees (therefore excludes contingent workers and employees on maternity/paternity/long-term sick leave/less than 3 months with the business). Trident is not included in the boundary for this reporting year
- The survey lifecycle is every 18 months with the last full survey completed in May 2025, and pulse surveys are completed periodically throughout the fiscal year (Jan 2026 for 2025/26) to ensure a regular, active listening approach. The same engagement questions are asked at every full survey and pulse survey
- The latest survey/pulse results prior to the end of the financial year are used for annual reporting

Data collection: External survey platform (Glint)

Unit of measure: Employee engagement score out of 100 (average out of 1-5 for two questions, converted to a 100-point scale)

09 WORKFORCE DIVERSITY

2030 goal: Ensure our team is reflective of 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

9.1 Percentage of female senior leaders

Definition Percentage of senior leaders that are female

Scope, boundary and method

- From the current employee database, we select our senior leaders who are employees and determine the percentage of those leaders who are legally identified as female
- The Company's definition of a senior leader is: employees who operate at a senior level

(Global Grade 15 and above) in the Group and typically, although not exclusively, are the senior management team and their direct reports

- In objective terms this is anyone in a role sized as a Willis Towers Watson Global Grade 15 or above (or equivalent in new acquisitions)
- Contractors and agency workers are not included
- Data is taken as at 31 March every year

Data collection: People data taken from our Group HR system

Unit of measure: Percentage of senior leaders that are female

9.2 Percentage of ethnically diverse senior leaders

Definition

Percentage of senior leaders who identify as being part of an ethnic group other than white

Scope, boundary and method

- From the current employee database, we select our senior leaders, in countries where we are able to collect ethnicity data, who are employees, and select those who responded to the ethnicity question (including 'Prefer not to say'). We then determine the percentage of those respondents who are ethnically diverse
- The company's definition of a senior leader is: employees who operate at a senior level

(Global Grade 15 and above) in the Group and typically, although not exclusively, are the senior management team and their direct reports

- In objective terms, this is anyone in a role sized as a Willis Towers Watson Global Grade of 15 or above (or equivalent in new acquisitions)
- Contractors and agency workers are not included. Data is taken as at 31 March each year

Data collection: People data from our Group HR system

Unit of measure: Percentage of ethnically diverse senior leaders



EMPOWERING OUR PEOPLE

9.3 Group-wide gender split

Definition

Percentage of employees that are male or female

Scope, boundary and method

- From the current employee database, we select our employees by legal gender
- Contractors and agency workers are not included
- Data is taken as at 31 March each year

Data collection

- People data from our Group HR system

Unit of measure

% of employees male

% of employees female

10 HEALTH & SAFETY

2030 goal: Aim for zero accidents involving our people

All accident frequency rate

Definition

Number of reported accidents per 200,000 hours worked. An accident is defined as an injury that required the injured person to leave site for medical treatment

Scope, boundary and method

- An accident rate is an indicator of health and safety in the workplace and is determined by number of accidents per 200,000 hours worked
- Includes all the Group permanent employees and temporary and agency workers. Contractors and subcontractors are excluded
- All reported accidents are reported to the Global Environmental Health & Safety (EH&S) Team within three days of occurrence
- Hours worked are calculated from a headcount basis using an average 40-hour week and 48-week year

Data collection

- Global EH&S accident and near miss data

Unit of measure

All work-related accidents per 200,000 hours worked





CHAMPIONING YOUTH & COMMUNITIES



11 CHAMPIONING ENGINEERS OF TOMORROW

2030 goal: Support one million young people with educational technologies, learning content and skills development to support future engineers and innovators

Definition:

Number of young people (under 30) supported by educational content and skills programmes delivered by RS and our youth partners

Scope, boundary and method

- The total number of young people that have directly participated in RS youth and community education activities such as student project funding, competitions, skills training, etc.
- The total number of young people or those that have benefited from student sponsored activities, our strategic sponsorship activities captured by our partner organisations, and other unique engagements
- Cumulative total of DesignSpark community members under 30 which is calculated

using age demographic data from Google Analytics. The number of new young members that have joined each year is added to the cumulative total from baseline year 2020/21

Data collection

- Data is collated from existing databases and reporting mechanisms including: DesignSpark reporting systems and RS Youth & Communities global reports

Unit of measure

Number of young people (under 30) supported

12 SOCIAL IMPACT PARTNERSHIPS

2030 goal: Support our social impact partners to develop innovative engineering solutions that improve the lives of 200,000 people in need

Total Number of Lives Impacted

12.1 The Washing Machine Project (TWMP) (2021-2025)

Definition

A calculation of the number of people who benefit from washing machines distributed by The Washing Machine Project (TWMP)

Scope, boundary and method

- To calculate the number of lives impacted for households who receive machines, we count the size of the family in each household
- For machines which are placed in a community setting (i.e. not for individual households), we use a number of different options:





CHAMPIONING YOUTH & COMMUNITIES

- Schools – calculated based on the number of children at the school with access to the machine(s)
- Hospitals - calculated based on the number of patients that receive in-patient care over a six-month period
- Specific distributions - for machines in a settlement centre in Greece, there was a booking process in order to accurately track the number of people that have used the machines
- TWMP run monitoring and evaluation for a period of six months post-distribution to track the machine’s use and measure impact

Data collection: Data collated from TWMP reports

Unit of measure: Number of persons impacted by TWMP support, enabled by RS fundraising activities



12.2 SolarAid (2025 - ongoing)

Definition

A calculation of the number of people who benefit from solutions provided through the work of our partnership with SolarAid

Scope, boundary and method

- SolarAid calculate the impact of donations by looking at the net cost of their full operations and using this to determine the net cost per solar light distributed. They then apply proven impact data about what one solar light delivers over its lifetime
- SolarAid’s long-term research (30,000+ customer studies) shows that one solar light delivers significant social, economic, and environmental benefits
- With their new strategic focus on harder-to-reach communities and investment in innovations like Energy-as-a-Service, repair programmes and entrepreneur support, the current net cost per light distributed is £25
- This cost reflects not just the light itself, but the investment needed to reach communities that would otherwise be left behind
- Every £25 donated enables SolarAid to improve the lives of 5 people by providing clean, safe solar light

Data collection

- Data collated from SolarAid reports

Unit of measure

Number of persons impacted by SolarAid’s support, enabled by RS fundraising activities

12.3 Amount raised for our global social impact partner

Definition

Total amount of money in GBP raised and donated to our global social impact partner through RS fundraising with our people, suppliers, customers, and other partners as well as RS matched giving activities and the associated value of benefit-in-kind donations

Scope, boundary and method

- This includes total raised through a combination of corporate and product donations, employee fundraising, matched giving, supplier collaborations and gifts in kind
- Payment is deposited directly to our global charity partner through: JustGiving fundraising page, corporate donations, and donations from our external partners (suppliers and customers). A quarterly report is produced to update on progress. This is match funded by RS up to the value of £50,000 per annum, plus an additional partnership commitment of £150,000 per annum
- This also includes benefit-in-kind donations (i.e. product donations) which are calculated based on their value to RS (i.e. sale price)

Data collection

- Calculated via JustGiving fundraising data, direct deposits into global charity partner’s account, and the value of benefit-in-kind donations

Unit of measure

£ raised for global charity partner through RS enabled fundraising activities





CHAMPIONING YOUTH & COMMUNITIES



13 VOLUNTEERING

2030 goal: Inspire over 50% of colleagues to volunteer to support their communities and build new skills

Definition

Percentage of employees volunteering within the last two years

Scope, boundary and method

- From the employee leave records in our internal HR system, or manually captured records in certain markets, we select all 'volunteer leave' entries recorded in the last 24 months and count the number of individual employees on that list
- The metric is the number of volunteering employees divided by the number of employees, expressed as a percentage

Data collection

- People volunteering data collected via Group HR system and further manual data collation for certain markets

Unit of measure

Percentage of RS employees who have volunteered within the past two years

14 LOCAL COMMUNITY FUND SPEND

Definition

Amount of money in GBP that RS Group has agreed to donate to charitable causes globally

Scope, boundary and method

- Donations to charities and registered organisations (as per our Group Charity Policy), selected and approved by local RS Community Committees
- Includes both paid and committed donations reported by Local Community Champions in each RS market globally
- Committed donations have been approved and are scheduled for payment within the current reporting period

Data collection

- Charity donations data updated to global spreadsheet by Local Community Champions and verified by Group ESG and financial reporting

Unit of measure

£ donations to charitable organisations via the Local Community Fund





DOING BUSINESS RESPONSIBLY



15 INCENTIVISING ESG PROGRESS

2030 goal: ESG related targets included in our employee rewards programme

Definition

Percentage of ESG targets in annual employee incentive plan

Scope and boundary

- The performance measure included in the Group Annual Incentive Plan (AIP) is Scope 1 and 2 CO₂e reduction (carbon from direct operations) and is worth 10% of the overall AIP depending on the scorecard the employee is linked to (Group or regional). See RS Group Annual Report and Accounts for further information

Data collection

- Group people data
- Group finance data

Unit of measure

Percentage of ESG targets in annual employee incentive

16 RESPONSIBLE SUPPLY CHAIN

2030 goal: Evaluate our suppliers against our high ethical and environmental standards and set ESG objectives for strategic suppliers

16.1 Percentage of suppliers by spend who have signed Ethical Trading Declaration

Definition

Percentage of suppliers by spend who have signed the Ethical Trading Declaration (ETD)

Scope, boundary and method

- Targeted at top 67% of group suppliers by spend
- Supplier spend data is collected from all group companies and aggregated to supplier parent company to identify the top 67% of suppliers by spend
- List of supplier names is cross-checked and mapped against suppliers recorded to have signed the ETD or have provided their own acceptable equivalent

- In some cases, a supplier may submit their own signed ETD which is acceptable if it is equivalent to or exceeds the standards set by the RS ETD
- One ETD at parent level company covers all partnerships across the Group
- By exception, the list of suppliers is taken as of 31 March but cross-referenced against calendar year spend data from 1 January to 31 December

Data collection

- Group supplier spend data
- ETD signatory database

Unit of measure

Percentage of suppliers by spend who have signed our ETD





16.2 Percentage of suppliers by spend with EcoVadis rating

Definition

Percentage of suppliers by spend who have a valid EcoVadis scorecard and rating, including an EcoVadis Vitals assessment

Scope, boundary and method

- Targeted at top 67% of group suppliers by spend
- Supplier spend data is collected from all group companies and aggregated to supplier parent company to identify the top 67% of suppliers by spend
- List of supplier names is cross-checked on EcoVadis platform to confirm if they have a valid assessment and scorecard
- Metric derived by confirming if a supplier has a valid scorecard via EcoVadis database
- By exception, the list of suppliers is taken as of 31 March but cross-referenced against calendar year spend data from 1 January to 31 December

Data collection

- Group supplier spend data
- EcoVadis database

Unit of measure Percentage of suppliers by spend who have an EcoVadis membership

16.3 Percentage of RS PRO suppliers by spend with a Sedex membership

Definition

Percentage of RS PRO suppliers by spend who have a Sedex membership

Scope, boundary and method

- List of RS PRO suppliers with an active Sedex membership is checked against Sedex database report
- Percentage of spend calculated for 12-month period by dividing all spend on direct goods from RS PRO suppliers with Sedex membership by all spend on direct goods from all RS PRO suppliers
- RS PRO supplier list and 12-month spend data is refreshed every six months
- By exception, the list of suppliers is taken as of 31 March but cross-referenced against calendar year spend data from 1 January to 31 December.

Data collection

- Group supplier spend data
- Sedex membership data

Unit of measure Percentage of RS PRO suppliers by spend who are Sedex members





GROUP

[rsgroup.com/sustainability](https://www.rsgroup.com/sustainability)

