

ESG IS CORE TO THE WAY WE DO BUSINESS



PURPOSE

VISION BEING FIRST CHOICE FOR ALL OUR STAKEHOLDERS: OUR PEOPLE, CUSTOMERS, SUPPLIERS, COMMUNITIES AND SHAREHOLDERS

VALUES







WE DO THE







ENVIRONMENT







GOVERNANCE

OUR 2030 ESG ACTION PLAN





ADVANCING SUSTAINABILITY

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



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.



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.



DOING BUSINESS RESPONSIBLY

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

AND A KEY ENABLER OF OUR STRATEGY

OPERATIONAL EXCELLENCE

 Delivering a greener distribution service (DCs, packaging and logistics) to provide a better service to our customers and reduce our environmental impacts

Logistics emissions intensity cut by 26% since 2019/20; 94% of packaging is recyclable; 93% of group electricity is from renewable sources

EXPERIENCE

 Enabling customers to select more sustainable and responsible product choices they can trust: clear, credible and verified product sustainability claims on RS websites with a human touch from our highly engaged, customer focused RS team

30k products across 345 product families, digitally tagged on RS websites in 30 countries

Customers

Target high lifetime value customers who buy a broad mix of industrial MRO products in small volumes

People

Operational excellence

Leverage efficient physical, digital and process infrastructure sustainably

Products and suppliers

Focus on technically led and specialist ranges within a broad product offer, with a focus on A&C and electrification

Experience

Strengthen and tailor our digitally enabled, seamless customer experience across all interactions with us

Solutions

Scale solutions that pull through product and drive customer loyalty

CUSTOMERS

 ESG is an increasing differentiator with higher-value customers, supported by our leading ESG ratings and our Better World product range, helping them make greener product choices they can trust

Platinum EcoVadis medal and CDP A-list

PRODUCTS AND SUPPLIERS

 Providing suppliers with an industryleading framework to advance sustainable product development and ESG action, along with exciting go-to-market opportunities to promote their sustainable product innovations

Over 132 suppliers contribute 30k Better World products; 55% by spend are EcoVadis rated, 38% have science-based carbon targets to reduce ${\rm CO}_2$

SOLUTIONS

 Providing value-added procurement and maintenance solutions (like RS ControlStock®) to boost efficiency, cut costs and reduce waste through automated inventory management

Butternut Box saved £30k+ pa while eliminating product & logistics waste

ESG SUPPORTS OUR VISION TO BE FIRST CHOICE WITH ALL OUR **STAKEHOLDERS**

Our collaboration with RS has resulted in a significant improvement in both safety and operational efficiency."

> **Specialist Engineer Siemens Gamesa Renewable Energy**

We're proud to be part of a company that takes sustainability seriously. But we know that real change takes more than just one company. It's about all of us, working together and taking responsibility for the world we'll pass on to future generations."

> **Chair of Bloomers - RS Group Employee resource group for young people**

FOR OUR PEOPLE

Creating a high performance, inclusive and engaging culture

FOR OUR SHAREHOLDERS

Delivering consistent and sustainable economic returns that benefit people, planet and profit



FOR OUR COMMUNITIES

Improving lives, inspiring future generations and supporting a more sustainable world

FOR OUR **CUSTOMERS**

Developing sustainable products and service solutions and helping to address skills gaps with future engineers and technologists

FOR OUR **SUPPLIERS**

Guidance to advance and positioning with ESG standards across

STRONG PERFORMANCE THIS YEAR ACROSS OUR ESG ACTION PLAN

OUR 2030 ESG ACTION PLAN - GLOBAL GOALS

PERFORMANCE HIGHLIGHTS 2024/25

ENVIRONMENT

ADVANCING SUSTAINABILITY

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

64%

reduction in Scope 1 and 2 emissions since 2019/201

82%

of our packaging has >50% recycled content, an increase of 16% pts since 2023/24² 26%

reduction in Scope 3 transport emissions intensity since 2019/20³



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.

72

employee engagement score down from 75 in 2023/24

37%

of our senior leaders are women and 10% are ethnically diverse **36%**

reduction in our all accident frequency rate⁴ since 2019/20



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.

913k

young engineers and innovators supported since 2020/21

£963K

raised to support The Washing Machine Project to improve lives since 2020/21 30%

of our employees volunteered to support their local communities in the last two years

GOVERNANCE



DOING BUSINESS RESPONSIBLY

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

48%

of employees had their annual incentive aligned to carbon reduction targets

38%

of suppliers by spend have set science-based targets

75%

of RS PRO suppliers are



DEVELOPING SUSTAINABLE OPERATIONS



OUR NET ZERO PLAN

DECARBONISING OUR SITES



4% reduction in premises energy use in 2024/25



SWITCHING TO RENEWABLE ELECTRICITY



93% renewable electricity use in 2024/25



CREATING A NET ZERO FLEET



86% of our UK fleet are electric or hybrid (39% across the Group)

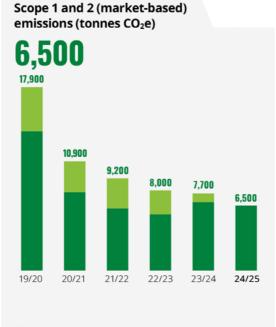




DEVELOPING SUSTAINABLE OPERATIONS

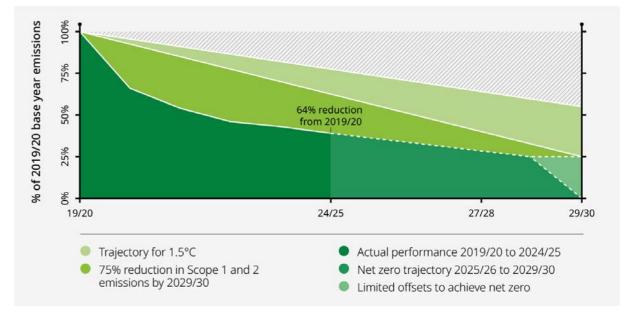


LEADING TO STRONG PROGRESS IN REDUCING OUR GROUP SCOPE 1 AND 2 EMISSIONS



- CO₂e (tonnes) including emissions from acquired businesses prior to RS ownership²
- CO₂e (tonnes) including emissions from acquired businesses from the point of RS ownership³

OUR PATHWAY TO NET ZERO IN OUR DIRECT OPERATIONS



Scope 1 and 2 emissions have been updated to reflect improvements to our reporting methodologies with more detail provided in our basis of reporting.

1. In year progress reduction is on a like-for-like basis with 2023/24 and excludes full year emissions from Trident and quarter one (Q1) emissions from Distrelec.

- 2. Progress includes emissions from acquisitions within all reporting years from 2019/20 to 2024/25.
- 3. Includes post-acquisition data from acquired businesses Trident Australia Pty Ltd (Trident) (completed in 2024/25), Distrelec B.V (Distrelec) (completed in 2023/24), domnick hunter-RL (Thailand) Co., Ltd. (DH) (completed in 2022/23) and Risoul y Cia, S.A. de C.V. (Risoul) (completed in 2022/23).



7% **REDUCTION FROM 2023/24** (LIKE-FOR-LIKE BASIS)



64% **REDUCTION FROM 2019/20**



ON TRACK TO REACH OUR SBT OF **75% REDUCTION FROM** 2019/20 TO 2029/30



One of the ways we are delivering operational excellence, as well as reducing our direct carbon footprint, is by transitioning our company car and van fleet to electric and hybrid vehicles and encouraging adoption among our people.

In 2024/25, we increased the proportion of company cars that are electric or hybrid for the Group to 39% (2023/24: 30%) and for the UK to 86% (2023/24: 82%).

39%

OF GROUP COMPANY CARS ARE ELECTRIC OR HYBRID





DEVELOPING SUSTAINABLE OPERATIONS



PACKAGING, RECYCLING AND WASTE

RECYCLED PACKAGING

Reducing packaging tonnage by optimising carton sizes and selecting more recycled and recyclable alternatives



82%

of Group packaging made from >50% recycled content

94%

of packaging is reusable or recyclable



37% **REDUCTION IN PACKAGING INTENSITY FROM 2019/20** (4% REDUCTION FROM 2023/24)

REDUCE, REUSE AND RECYCLING WASTE

Waste segregation, recycling and reuse remained a priority



84% of Group waste is recycled



8% **REDUCTION IN WASTE INTENSITY SINCE 2019/20** (3% REDUCTION FROM 2023/24)



In 2024/25, our regional distribution centre in Beauvais, France, implemented initiatives to reduce product waste, particularly for items that cannot be sold as new or returned to suppliers.

A cornerstone of this effort is RS France's dedicated secondhand platform, where eligible products are offered to customers at a discounted rate for up to six months. If unsold, these items are then made available to industry brokers or responsibly processed by specialist recycling partners.

Thanks to this circular approach, we successfully diverted over £600k worth of products from waste in 2024/25 alone, demonstrating both environmental responsibility and commercial impact.

>£600k

WORTH OF PRODUCTS PREVENTED FROM GOING TO WASTE





ADVANCING SUSTAINABILITY IN OUR VALUE CHAIN



OPTIMISING LOGISTICS

TRANSPORTATION EMISSIONS





26% reduction

in product transportation carbon intensity since 2019/20 (unchanged from 2023/24)

GREENER TRANSPORT MODES

PRODUCTS CLOSER TO SUPPLIERS **AND CUSTOMERS**

OPTIMISED ROUTING



ADVANCING SUSTAINABILITY IN OUR VALUE CHAIN



DEVELOPING SUSTAINABLE PRODUCT AND SERVICE SOLUTIONS FOR OUR CUSTOMERS

BETTER WORLD PRODUCTS



c. 30,000 **Better World products**

From 132 suppliers across 345 product families in 30 countries

Better World products address the growing market demand for sustainable solutions by providing transparency. It empowers customers to make more informed purchasing decisions, which supports their journey towards a more resource efficient future."

ABB RS GROUP STRATEGIC SUPPLIER PARTNER



We have identified sectors where we can make a tangible impact by encouraging suppliers to achieve Better World product credentials. Our first area of focus is suppliers of PPE and workwear products added to the Better World product range.

These products are essential but typically have short lifecycles. A shift towards sustainability will reduce waste and create a commercial opportunity with customers who have strong ESG commitments. So far, we have engaged 32 PPE and workwear suppliers to add 235 products to the range.

235

PRODUCTS ADDED TO THE BETTER WORLD RANGE





ADVANCING SUSTAINABILITY IN OUR VALUE CHAIN



SUSTAINABLE SERVICE SOLUTIONS

SUSTAINABLE SERVICE SOLUTIONS



Sustainability solutions for MRO customers (e.g. energy, water saving and air quality surveys) promote operational efficiency, cut costs & reduce energy and carbon emissions.

Trial of sustainability MRO surveys for select customers in the UK and Ireland identified potential savings of c. £84,000 and around 150 tonnes CO₂e for 20 customers across 101 sites.

SERVING LOW-CARBON INDUSTRIES



We partner with the UK renewables sector to enable fast access to critical MRO products and solutions, which support asset longevity and efficient infrastructure in both offshore and onshore wind.



In 2024/25, we launched an initiative to supply spares and parts for aging wind turbines, addressing long-standing supply chain issues. Our bespoke catalogue, simplified product categorisation, increased product inventory and availability of high-failure items and our new obsolescence notification process set new standards in reliability and efficiency.

We started by identifying 10 strategic suppliers and expanding our catalogue with over 200 relevant spares and parts to support maintenance of aging turbines.

10

STRATEGIC SUPPLIERS AND 200 PRODUCT LINES





BECOMING FIRST CHOICE FOR OUR PEOPLE





ACHIEVE AND MAINTAIN AN

EMPLOYEE ENGAGEMENT

SCORE IN THE TOP 10% OF HIGH-PERFORMING COMPANIES

ENGAGED EMPLOYEES



employee engagement scoredown by 3 points in 2024/25

4 VALUES

to guide behaviour and accelerate our strategy

71% **RESPONSE RATE IN OUR MOST RECENT ENGAGEMENT SURVEY**

DIVERSE AND INCLUSIVE CULTURE



37% of senior leaders are women

10%

of senior leaders are ethnically diverse

7% pts **INCREASE IN FEMALE LEADERS** FROM 2020/21

HEALTH & SAFETY



12% increase in near miss reporting (per head)

sites certified to ISO 45001 or equivalent

REDUCTION IN ALL-ACCIDENT FREQUENCY RATE FROM 2019/20 (CURRENTLY 0.44)



In September 2024, we introduced our first global Employer Value Proposition: Go Beyond Amazing, which captures the essence of what it means to be part of RS Group. It's the foundation of our employer brand and is woven into our recruitment, onboarding and induction experiences. It reflects the promises we make to our people and celebrates the skills, capabilities and contributions that drive our success.

Since launch, the response has been powerful. We've seen a 106% increase in organic search traffic and a 3.5% rise in job applications – clear signs that our message is resonating and our culture is attracting the talent we need to thrive.

106%

INCREASE IN ORGANIC SEARCH TRAFFIC





INSPIRING THE NEXT GENERATION OF INDUSTRIAL INNOVATORS AND SUPPORTING OUR **COMMUNITIES**



INSPIRING FUTURE ENGINEERS AND INNOVATORS



913k

young engineers and students supported from 2020/21

c. 5,200

educational institution partners

INCREASE IN YOUNG ENGINEERS SUPPORTED FROM 2023/24

SOCIAL IMPACT PARTNERSHIPS



46k

lives improved through The Washing Machine Project (TWMP) from 2020/21

£963,000

raised for TWMP from 2020/21

INCREASE IN FUNDRAISING FROM 2023/24

SUPPORTING LOCAL COMMUNITIES AND VOLUNTEERING



30%

employees volunteered in last 2 years

£142,000

donated to local charity and community initiatives

7% pts INCREASE IN EMPLOYEE VOLUNTEERING FROM 2023/24



Through our RS Student Project Fund, we've invested £46k in 2024/25 to support student-led initiatives across EMEA, offering products, prize funds and skills development opportunities. This initiative empowers future engineers and innovators by supporting hands-on learning and collaboration.

Among the supported projects were Women in Robotics UK, which developed Launchbox workshop kits to inspire young women and non-binary individuals to explore robotics and the FemEng society at the University of Glasgow, which hosted a week-long wind farm design competition. The event brought students together with industry leaders to explore the technical, commercial and social dimensions of renewable energy.

£46K

INVESTED THROUGH STUDENT PROJECT FUND





STRONG GOVERNANCE, ETHICS AND COMPLIANCE – **ACROSS RS AND OUR VALUE CHAIN**



EMBEDDING ESG STANDARDS AND INCENTIVISING PROGRESS



ECOVADIS

platinum medal for third consecutive year

ESG metrics in our scorecard - carbon is a key metric in our annual incentive

48% OF EMPLOYEES HAD THEIR ANNUAL **INCENTIVE ALIGNED TO CO₂ REDUCTION IN 2024/25**

RESPONSIBLE SUPPLY CHAIN



38%

of our suppliers by spend have set SBTs

55%

of our suppliers by spend have an EcoVadis rating

64%

of our suppliers by spend have a signed Ethical Trading Declaration

75%

of RS PRO suppliers are Sedex members





At the SPS exhibition in Nuremberg (December 2024), RS highlighted the importance of collaboration in advancing sustainability across value chains. We shared how our 2030 action plan embeds ESG into core operations, aligning with Siemens' newly launched EcoTech Framework and Better World product claims system – both showcased during the session.

The discussion emphasised the need for transparency in data and certification to support informed, confident purchasing decisions. RS's Better World guidelines help customers identify sustainable alternatives, while our partnership with Siemens continues to drive shared learning and accelerate progress toward a greener future.

55%

OF SUPPLIERS BY SPEND ARE ECOVADIS RATED



OUR APPROACH IS RECOGNISED BY LEADING ESG RATINGS

66

We are delighted that RS was included in the S&P Global Sustainability Yearbook for a second time, which places us in the top 15% of companies in our industry"

ANDREA BARRETT
CHIEF SUSTAINABILITY OFFICER





Climate change leadership score: A



Platinum medal



MORNINGSTAR SUSTAINALYTICS

AA rating

4.5 (negligible risk)

Member of

Dow Jones Sustainability Indices

Powered by the S&P Global CSA

Constituents

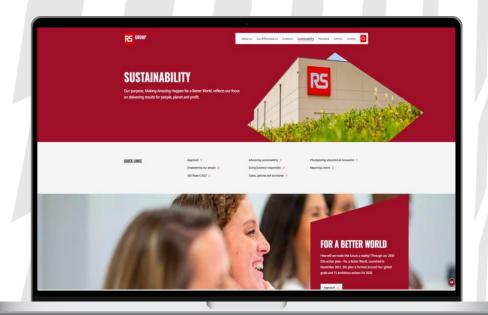


Sustainability yearbook inclusion

THANK YOU

READ MORE AT:

rsgroup.com/sustainability



APPENDIX ESG Action Plan Update 2024/25

ESG PERFORMANCE SCORECARD

Action	Ambition ¹	Metric	Status	Baseline (2019/20)	Progress since 2019/20	Current progress (2024/25)	Goal (2029/30)
Advancing sustain	ability						
Carbon	Reduce absolute emissions from our own operations by 75% by 2029/30	Scope 1 and 2 emissions – including emissions data from acquired businesses back to our 2019/20 baseline ^{2,3}		17,900	(64)%	6,500	4,475
	Reduce absolute emissions from our own operations by 75% by 2029/30	Scope 1 and 2 emissions – like-for-like with 2023/24 ²		13,900	(55)%	6,300	N/A
Packaging	Reduce packaging intensity by 45% by 2030	Tonnes packaging/£m revenue ^{2,4}		2.47	(37)%	1.55	1.36
	100% of packaging widely reusable or recyclable by 2030	% of packaging by weight		80%	+14% pts	94%	100%
	Our packaging is made with 50% recycled content by 2030	% of packaging by weight		N/A	N/A	82%	100%
Waste	Reduce waste intensity by 50% by 2030	Tonnes waste / £m revenue ^{2,4}		1.50	(8)%	1.38	0.75
	Achieve zero waste to landfill in our direct operations by 2030	% waste to landfill		6%	(1)% pt	5%	0%
	Recycle >95% of our waste by 2030	% waste recycled		79%	+5% pts	84%	>95%
Transport	Reduce our Scope 3 transport emissions by 35% per tonne of sold product by 2030	Tonnes of CO_2 e from Scope 3 transport emissions/tonne of product sold 2,4		1.66	(26)%	1.23	1.08
Products & solutions	Develop innovative and sustainable product and service solutions for all our customers	Number of products included within the Better World range		c. 20k (2022/23)	N/A	c. 30k	100k
Supplier carbon	Engage 67% of our suppliers by spend to set science-based targets by 2025	% of suppliers by spend to set SBTs		15% (2020/21)	+23% pts	38%	67% (2024/25)
Empowering our	people						
Engagement	Achieve and maintain an employee engagement score in the top 10% of high-performing companies	Employee engagement score ²		72	-	72	82 (top 10%)
Leadership diversity	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	% of female leaders ²		N/A	N/A	37%	N/A
		% of ethnically diverse leaders ²		N/A	N/A	10%	N/A
Health and safety	Aim for zero accidents involving our people	All accident frequency rate (per 200,000 Hrs) ²		0.69	(36)%	0.44	0

- All ambitions are from a 2019/20 baseline to 2029/30 unless otherwise stated.
- Independent limited assurance for 2024/25 by ERM CVS.
- Scope 1 and 2 emissions from recent acquisitions included in prior year data back to 2019/20 baseline and updated to reflect improvements to our reporting methodologies, with more detail provided in our ESG basis of reporting: rsgroup.com/sustainability.
- KPIs are on a constant exchange rate basis and are updated to reflect changes in reporting methodology and/or emissions factors.

ESG PERFORMANCE SCORECARD

Action	Ambition ¹	Metric	Status	Baseline (2019/20)	Progress since 2019/20	Current progress (2024/25)	Goal (2029/30)			
Championing youth & communities										
Education	Support one million young people with educational technologies, learning content and skills development opportunities	No. of young people supported		255k (2020/21)	+258%	913k	1 million			
Social impact partnerships	Support our social impact partners to develop solutions that improve lives – including supporting The Washing Machine Project (TWMP) to help 100,000 people in need	Amount raised for TWMP		£0	-	£963k	N/A			
		Total number of lives impacted through our support to TWMP		0	-	46k	100k (2024/25)			
Volunteering	Inspire 50% of our colleagues to volunteer to support their communities and build new skills	% of employees volunteering within the last two years		3% (2021/22)	+27% pts	30%	50%			
Doing business r	esponsibly									
Incentivising ESG progress	ESG related targets included in our employee rewards programme	% of ESG targets in annual bonus		N/A	N/A	10-15%	N/A			
Responsible supply chain	Evaluate our suppliers against our high ethical and environmental standards. Set ESG objectives for strategic suppliers.	% of suppliers by spend signed new ethical trading declaration		29% (2021/22)	+35% pts	64%	100%			
		% of suppliers spend with EcoVadis membership		40% (2021/22)	+15% pts	55%	80%			
		% of RS PRO suppliers by spend with a Sedex membership		30% (2021/22)	+45% pts	75%	90%			

^{1.} All ambitions are from a 2019/20 baseline to 2029/30 unless otherwise stated.