Environmental, Social and Governance (ESG) report

"With our renewed focus on core operations, we remain steadfast in our responsibility to protect and enhance the wellbeing of our employees, customers, and communities, while minimising our environmental footprint and contributing to a sustainable future."

Gillian Kent, ESG Board representative

The Group has undergone significant changes in the past year, following the completion of the disposal of certain GRC software and service businesses in June 2024, and the subsequent demerger of its Occupational Health division in September. This sustainability report focuses on the Group's remaining businesses in Water & Air Hygiene and Fire Safety & Security within the Testing, Inspection, and Certification market. Additionally, we have provided several restated FY24 KPIs to reflect the new structure of the Group.

In FY24, we introduced a unified mission statement:

"Protecting What Matters: Safeguarding Our People, Preserving Our Planet, and Building a Sustainable Future."

This mission reflects our ongoing commitment to creating long-term value for all stakeholders while ensuring a positive environmental, social, and governance (ESG) impact.

UN Sustainable Development Goals (SDGs) Alignment

To reflect the new make-up of the Group, we have updated our internal strategic alignment to the United Nations Sustainable Development Goals (SDGs).

Five goals have been identified as core to Marlowe's sustainability ambitions both from an internal and external focus, it is where the Group can have the largest ESG impact to create a sustainable future for all. These goals are SDG 3 (Good Health and Wellbeing), SDG 6 (Clean Water and Sanitation), SDG 8 (Decent Work and Economic Growth), SDG 10 (Reduced Inequalities), and SDG 13 (Climate Action).

SDG 3: Good Health and Wellbeing

Both Marlowe Fire & Security Group and Marlowe Environmental Services place significant emphasis on promoting health and wellbeing. Our initiatives include mental health support through training, counselling services, and wellness programmes such as free flu vaccinations and potential annual health checks. Additionally, our Water & Air Hygiene division works to ensure water and air systems are free from harmful contaminants, directly contributing to public health by preventing diseases such as legionella.

3 GOOD HEALTH AND WELL-BEING

SDG 6: Clean Water and Sanitation

Marlowe Environmental Services focuses on ensuring the sustainable management of water systems. Our Water & Air Hygiene division conducts regular inspections and maintenance to prevent contamination, ensuring safe water quality. We also provide bespoke water recycling solutions that meet environmental and trade effluent compliance standards, reinforcing our commitment to sustainable water use and management.

6 CLEAN WATER AND SANITATION

SDG 8: Decent Work and Economic Growth

Marlowe is dedicated to providing equal opportunities for personal and professional development. Our divisions offer extensive training and development programmes, including state-of-the-art technical academies and in-house training facilities. We support decent work by promoting safe working environments through our fire and security services and ensuring the safety of water and air systems. Our commitment to economic growth is evident through our expansion and innovation strategies, creating stable employment opportunities.

8 DECENT WORK AND ECONOMIC GROWTH

SDG 10: Reduced Inequalities

Our approach to reducing inequalities is embedded in our policies and practices, such as equal opportunities policies and diversity initiatives. Marlowe actively recruits from diverse backgrounds, including ex-armed forces personnel, and is a signatory to the Armed Forces Covenant. We are working towards BS 76005 accreditation to further cement our commitment to inclusivity and fairness. By promoting diversity and offering merit-based career progression, we strive to create an equitable workplace for all employees.

10 REDUCED INEQUALITIES

SDG 13: Climate Action

Climate action is a key focus for Marlowe. We have set a net zero target for scope 1 and 2 emissions by 2035, with each division contributing through their carbon reduction plans. Initiatives include increasing the fuel efficiency of our vehicle fleet, promoting the use of electric vehicles, and implementing energy-efficient technologies in our operations.

13 CLIMATE ACTION

By integrating these SDGs into our operations, Marlowe is committed to making a tangible impact on the environment and society, ensuring that we contribute to a sustainable and equitable future.

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We are committed to reducing the environmental impact of our own activities and that of our supply chain. We firmly believe that every business needs to take ownership and be responsible in ensuring the sustainability of how we use our planet's resources.

tC02	FY25	FY24
Gas	208.1	225.3
Company Vehicle	11,484.2	11,269.7
Scope 1	**11,692.3**	**11,495.0**
Electricity	349.7	256.6
Scope 2	**349.7**	**256.6**
Total scope 1 & 2	**12,042.0**	**11,751.6**
Intensity measure per £m revenue	59.2	60.6
Intensity measure per FTE	6.9	7.1

Kwh	FY25	FY24
Natural Gas	1,051,655	1,231,481
Fleet	21,296,787	22,618,441
Electricity	5,723,517	5,655,839
Total energy consumption	28,071,959	29,505,761

Waste	FY25	FY24
Total tonnes of waste	151.1	152.4
Waste diverted from landfill	99%	98%

In FY25, total Scope 1 and 2 emissions increased to 12,042 tCO_2e (FY24: 11,752 tCO_2e), primarily due to expanded emissions coverage across a larger proportion of the Fire Safety & Security division, now 83% of the segment, up from 64% in FY24. Despite this, both intensity measures improved year-on-year, with emissions per £m revenue decreasing from 60.6 to 59.2 tCO_2e, and emissions per FTE falling from 7.1 to 6.9 tCO_2e. This reflects the positive impact of initiatives such as the rollout of more fuel-efficient fleet vehicles and increased use of renewable electricity.

Scope 1 and 2 emissions are calculated in accordance with the GHG Protocol, using an operational control boundary. Each division is responsible for collating relevant environmental data including fuel use, electricity consumption and vehicle mileage, and submitting a year end report using a standardised template.

These submissions are reviewed centrally for completeness and consistency. Emissions are then calculated using published emissions factors, primarily from UK Government (Defra) and IEA sources, and are reported in tonnes of CO_2 equivalent. Scope 2 emissions are disclosed using both the location based and market-based approaches. We also report emissions intensity per full time equivalent and per £m revenue to track operational efficiency over time.

Waste performance also improved, with total waste volumes slightly reduced to 151.1 tonnes (FY24: 152.4 tonnes) and 99% of waste diverted from landfill, up from 98% in the prior year. Further information on emissions, energy, and waste initiatives can be found in the sections below.

Tackling Climate Change

Recognising the critical importance of addressing climate change, our Group remains steadfast in its commitment to achieving net-zero emissions. Building on the targets introduced in 2022, we continue to aim for net-zero Scope 1 and Scope 2 emissions by 2035. Both of our continuing segments are looking at how to introduce a Scope 3 net-zero target with the aim of aligning this with UK legislation of 2050. Whilst we are not in a position to report on this, both segments are implementing programmes to accurately track our scope 3 emissions with Fire Safety & Security segment introducing a dedicated ESG hire. While we strive to surpass the 2050 goal, we understand the complexities involved in managing supply chain emissions and are committed to working closely with our supply chain partners to catalyse collective action.

Sustainability Leadership Across Divisions

Our Environmental Management policy, which underscores our dedication to climate change action, has been fully implemented across the Group. This policy applies to all employees and contractors, ensuring that climate considerations are integral to our operations. The board is responsible for overseeing adherence to this policy and fostering a culture of environmental responsibility.

Each of our business units operates autonomously, developing tailored strategies to effectively address climate change within their specific contexts. This decentralised approach allows each division to set and pursue its unique sustainability goals. To enhance transparency and accountability, both divisions have their detailed sustainability reports which are available on the Marlowe plc website.

By empowering each division to take the lead on sustainability while aligning with the Group's overall vision, we are well-positioned to drive meaningful progress across all aspects of our operations, ensuring continuous improvement in our efforts to combat climate change.

Carbon Reduction & Offsetting

As of FY25, Water & Air Hygiene now receive 100% of energy for its offices from renewable sources. Additionally, an increased use of LED lightening has been implemented across all office and, where appropriate, hybrid working continues to be incorporated to reduce transport emissions.

Fire Safety & Security have made good progress in the year and now receive 100% of energy from renewable sources. In FY24, the Fire Safety & Security division committed to a carbon offsetting initiative, planting one tree for every fire door installed. This initiative was implemented in partnership with the National Trust, where we donated £5 per fire door installed, and in return, the National Trust planted a tree on our behalf. The division received a receipt for each donation as part of our commitment to offsetting its carbon emissions.

As part of the Group's efforts to reduce our carbon footprint, the Fire Safety & Security division aim to offset a minimum of 10% of their CO2 emissions per year over the next five years and have been working with carbon offsetting specialists to further accelerate our progress in 2025.

We recognise that while direct action is essential, offsetting will play a key role in reducing our macro impact on the environment in areas where we cannot immediately make substantial reductions. We look forward to sharing further updates on our progress in this area throughout the coming year.

Cycle to work

We have now implemented cycle to work schemes across the majority of the Group and are pleased to report strong uptake in the scheme which will hopefully help continue to reduce grey fleet emissions.

Waste Management

Over the past year, we have strengthened our data collection process, which has allowed us to track and report more accurate waste management metrics. We now have access to waste management data across our Group businesses via online portals, enabling us to consistently monitor and report on our waste activities.

Our commitment to sustainability is evident across both our Water & Air Hygiene and Fire Safety & Security businesses. In Water & Air Hygiene, we prioritise initiatives such as avoiding single-use plastics and opting for long-lifespan products in our complex engineering projects. To prevent pollution in the rare event of a chemical spill, we have implemented flap stoppers in our production facilities. Our recycling efforts extend beyond paper and plastics, with dedicated recycling for batteries in our offices and work with Clarity, a sustainability platform, for our statutory waste return. Additionally, we actively support our local communities by offering old assets like laptops and phones for continued use rather than disposal. These initiatives reflect our ongoing dedication to minimising our environmental impact, and we are committed to further improving our waste management practices in the future. Over the past 12 months, we have ensured the safe removal of asbestos from 1,340 buildings, contributing to both environmental protection and the safe repurposing of spaces, reducing the need for new construction and minimising waste generation.

Similarly, in our Fire Safety & Security business, we pride ourselves on the procurement of refurbished IT equipment rather than purchasing new. Four years ago, only around 20% of our field engineers had laptops, but today all engineers are equipped with laptops to better support our customers and improve our first-time fix rate.

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We source refurbished laptops from a trusted partner who upgrades the memory and storage to meet our needs, providing us with cost-effective 'remanufactured' units. This approach not only supports our environmental goals by giving equipment a second life, but it also delivers significant cost savings. In FY25, 283 laptops were purchased, 80% of which were refurbished, resulting in a saving of over 65% on purchase costs and generating environmental savings by reducing waste. Additionally, we replace damaged screens, batteries, and other components in-house to extend the lifespan of our equipment. Only when items are beyond economical repair do we strip them for reusable parts, such as storage and Wi-Fi cards, and ensure the remaining waste is processed through the appropriate WEEE procedures. This approach allowed the business to generate around £100K in savings while contributing to our sustainability objectives.

Recycling Fire Extinguishers

No. of Extinguishers	FY25	FY24	FY23
Foam	24,700	26,529	23,567
CO2	31,202	21,020	23,537
Water	15,716	19,811	15,964
Powder	29,100	13,534	9,624
Total	**100,718**	**80,894**	**72,692**

Additional to the recycling of fire extinguishers, the Fire Safety & Security business reused or recycled more than 90% of its security system components at the end of their life.

Group Sustainability Commitment and Achievements

We recognise the growing importance that sustainability holds for our customers and partners. We are dedicated to fostering a robust approach to environmental protection, not only within our own operations but also by supporting our partners to achieve their sustainability goals.

We are proud to demonstrate our commitment through significant achievements, such as our recent Silver Medal in our Fire Safety & Security division from EcoVadis, the world's most trusted sustainability ratings platform. This recognition places us in the top 25% of companies assessed by EcoVadis, showcasing our ongoing dedication to maintaining high sustainability standards across the business.

Water & Air Hygiene has now received ISO9001 accreditation showcasing the segment's commitment to integrating sustainability into business operations.

Partnerships and Future Sustainability Reporting

In line with our commitment to transparency and continuous improvement, both divisions continue to collaborate closely with EcoVadis to support performance reporting. This partnership enables us to rigorously assess our sustainability practices, track our progress, and ensure that we remain proactive in achieving our environmental and sustainability targets.

As we look ahead, we will continue to review and refine our strategies, driving innovation and operational efficiencies to meet our sustainability goals and exceed the expectations of our customers, partners, and stakeholders.

Our Fleet

Our Group is dedicated to advancing sustainability across all divisions, with a core focus on reducing our carbon footprint and transitioning to environmentally responsible practices. Both the Fire Safety & Security and Water & Air Hygiene divisions play critical roles in achieving these objectives through strategic fleet management and sustainable initiatives. Sustainability is integral to our fleet operations, encompassing environmental stewardship and economic responsibility. We aim to minimise the negative environmental impact of our fleet while ensuring cost-efficiency and operational effectiveness.

Fire Safety & Security Fleet Initiatives

Our key segmental goal with Fire Safety & Security is to become carbon neutral by 2035, with a 10% annual reduction in carbon emissions. The division is now looking at implementing more carbon offsetting initiatives as part of strategy meetings.

Our fleet team constantly reviews the feasibility of introducing electric vehicles into our fleet, especially as batteries within electric vans continue to improve. Currently, the limitations on the range of electric vans make them unsuitable for our engineers who travel extended distances daily and carry heavy equipment. However, electric vans are likely the future for businesses and the environment, and we aim to fully leverage this technology once it becomes practical.

In FY24, we introduced fuel-efficient vans with 1.5-litre engines, replacing the older 2.0-litre diesel models. This continual transition resulted in approximately 10% fewer CO_2 emissions in FY25. The average CO_2 emission per vehicle in our fleet is now 111g/km, outperforming the national average of 129g/km.

Key initiatives in the coming year are the onboarding of a new scheduling tool which will cover a large proportion of our business, and we then look at efficiencies in route density modelling, both for engineer wellbeing and fuel efficiency

As of FY25, 22% of our total vehicle fleet consists of electric vehicles, up from 15% in FY23 and 19% at the end of FY24.

Fleet Size
2,209 vehicles

1.5-litre Van CO_2 Emissions
176g/km

2.0-litre Van CO_2 Emissions
205g/km

Electric Vehicle (EV) Integration on company cars:

FY25 EV Percentage
22%

FY24 EV Percentage
19%

FY23 EV Percentage
15%

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Water & Air Hygiene Fleet Initiatives

Our core fleet objective is that all new cars leased from 2027 will be hybrid or electric, with a fully hybrid/electric fleet by 2029. For us, fleet sustainability involves the day-to-day management and operation of our vehicles in an environmentally and economically responsible manner. Our aim is to minimise the environmental impact of our fleet while ensuring cost-effectiveness and operational efficiency.

Fleet Size
2,209 vehicles

Electric Vehicle (EV) Integration :

FY25
484 Hybrid/EV

FY24
388 Hybrid/EV

FY23
247 Hybrid/EV

We employ various strategies to reduce our fleet's carbon footprint and promote long-term financial sustainability. These strategies include reducing emissions, utilising alternative fuels, and focusing on efficient vehicle utilisation. We also emphasise maintenance and repairs to ensure vehicles operate at peak efficiency, leading to better fuel economy, fewer emissions, and enhanced customer service.

All routes are planned by our dedicated planning team, supported by a vehicle tracking system that enables us to optimise journeys for efficiency and sustainability. We have installed EV charging points at key office locations to support the transition to low-emission vehicles. As we transition to a new fleet provider, all non-commercial vehicle leases will be electric (EV), plug-in hybrid (PHEV), or hybrid models. No new internal combustion engine (ICE) vehicles will be procured as part of this change.

To further our sustainability goals, we prioritise route optimisation by using fleet management software and telematics technology. These tools help determine the most efficient routes, decreasing fuel consumption and reducing time spent on the roads. Additionally, we implement emissions reduction initiatives and monitor our progress through comprehensive reporting.

We recognise the importance of technology in optimising our operations. This includes designing and identifying jobs local to specific operatives, using technology to assign the nearest engineer to a job, and ensuring a seamless process that enhances efficiency and reliability. Our entities control fleet optimisation to maximise performance and efficiency daily, supporting both environmental and customer service goals.

Fleet overall

Sustainability is at the core of our fleet operations, encompassing environmental stewardship and economic responsibility. Our Geotab fleet management system supports sustainable driving, enhances driver safety, and monitors key metrics to reduce collision rates. To support the transition to a more electric fleet, charging stations have been installed at a vast majority of Group office locations ensuring that our growing EV fleet is adequately supported. By focusing on life cycle analysis, implementing sustainable practices, and leveraging fleet management software, we aim to achieve our sustainability objectives and foster a more resilient, eco-friendly operation.

Innovation in our Fire Safety & Security: Electric Dry Riser Pumps

We are proud of the innovations introduced throughout last year, particularly our collaboration with the sprinkler departments across the Group, where we trialled a new electrical pump for our dry riser work. Previously, our diesel Godiva pumps were used for flush testing at customer premises. These pumps presented several challenges: they were heavy, contributing to increased vehicle fuel consumption during transit, required carrying spare diesel to ensure readiness, and emitted fossil fuels during operation, all of which had a direct environmental impact.

In FY24, we addressed these challenges by replacing the diesel pumps with electric pumps that are self-charging through the company vehicle, eliminating the need for diesel fuel. While we are still measuring the full benefits of this change, the immediate improvements in safety and reduced fuel consumption are industry-leading, making the work safer and more sustainable for our engineers.

Innovation in Our Water & Air Hygiene Segment: Chemical Manufacture & Supply

B&V, a Marlowe Environmental Services Group Company that manufactures chemicals, has implemented several innovative sustainability initiatives aimed at reducing environmental impact and improving cost efficiency:

- Reduction of Zinc-Containing Products: We have reduced the number of products containing zinc by 20% over the last three years. This reduction addresses zinc's environmental hazards and underscores our commitment to sustainability.
- Reduction of Borax-Containing Products: The number of products containing borax, a Substance of Very High Concern (SVHC), has been reduced by 20% over the past three years. This initiative mitigates environmental risks and supports our sustainability objectives.
- Reduction of Cyclohexylamine Products: We have cut the number of products containing cyclohexylamine by 30% in the last three years. Known for its reproductive toxicity, reducing cyclohexylamine also contributes to cost savings.
- Increased Product Concentration: Over the past five years, we have increased the concentration of five products, achieving significant sustainability and cost-saving benefits. For our most substantial product, this change has eliminated the need for 1,000 25-liter drums annually, reducing associated transport costs.
- Launch of Film Forming Amines in 2024: Our new range of Film Forming Amines aims to deliver substantial energy savings when used in steam boilers. One customer has reported potential savings exceeding £100,000 annually, highlighting the energy efficiency benefits.

These innovations reflect our ongoing dedication to sustainability within the chemical manufacture and supply sector of our Water & Air Hygiene business. Through these efforts, B&V continues to deliver environmentally conscious solutions while advancing our sustainability goals.

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Task Force on Climate-related Financial Disclosures ('TCFD')

The Group continued to make good progress in aligning our practices with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), after initially analysing the recommendations for the year ended 31 March 2023.

The TCFD was established in 2015 and is based on a set of 11 recommendations from the UK Financial Stability Board (FSB) detailing how organisations should disclose their climate-related financial risks and opportunities in a clear and consistent way.

The table below sets out the 11 TCFD recommendations and summarises where additional information can be found. We have considered our 'comply or explain' obligation under TCFD and the Companies (Strategic Report) (Climate-related Financial Disclosures) Regulations 2022.

Table 1 – TCFD Compliance

	TCFD recommendation	Compliance Status	Alignment
Governance			
a.	Describe the board's oversight of climate-related risks and opportunities	Compliant	The ESG Committee is the Board-level delegation for reviewing and monitoring climate-related risks. Additionally, any material climate related risks and opportunities will be presented to the Board through divisional Board Packs
b.	Describe management's role in assessing and managing climate related risks and opportunities	Compliant	Divisional management teams are responsible for identifying, addressing, and integrating climate risks and opportunities into their business strategies
Strategy			
a.	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	Compliant	Climate scenarios have been analysed to identify material risks and opportunities across short, medium, and long-term horizons, alongside mitigation actions
b.	Describe the impact of climate related risks and opportunities on the organisation's businesses, strategy, and financial planning	Compliant	The Group has identified several key risks, which have been integrated into our business continuity and risk management strategies However, as part of our ongoing sustainability efforts, we have not yet fully disclosed the financial impacts of identified climate-related risks and opportunities. We are actively progressing with comprehensive analysis to quantify these opportunities
c.	Describe the resilience of the organisation's strategy, taking into consideration different climate related scenarios, including a 2°C or lower scenario	Compliant	Marlowe plc has conducted an analysis of various climate scenarios, including both physical and transition risks, to evaluate the potential impacts on our operations, strategy, and long-term sustainability
Risk Management			
a.	Describe the organisation's processes for identifying and assessing climate-related risks	Compliant	Climate risks are identified through collaboration between the ESG Committee, divisional management teams, and the Board
b.	Describe the organisation's processes for managing climate related risks	Compliant	Climate risks are managed within divisional risk management processes, with financial impacts considered at Group level
c.	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	Compliant	Climate risks are assessed alongside operational and financial risks. While currently managed separately due to their unique nature, integration into the broader risk framework is ongoing

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	Compliant	Industry metrics and examples disclosed on waste, fleet transition and industry innovation
b.	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	Explain	Marlowe plc discloses its Scope 1 and Scope 2 greenhouse gas (GHG) emissions, in line with the Streamlined Energy and Carbon Reporting (SECR) requirements. The Group also outlines the associated risks related to our ambition of achieving net-zero emissions. While Scope 3 emissions are not yet reported, we are implementing systems to enhance data accuracy and support future disclosures
c.	Describe the targets used by the organisation to manage climate related risks and opportunities and performance against targets	Compliant	Marlowe describes its science-based net-zero emission targets including near-term and long-term targets within each division. The Group has partnered with EcoVadis on a divisional level to proactively improve our approach and strategy to meet the Group's Net Zero Target

Governance: a. Board oversight of climate-related risks & opportunities

The Board of Directors holds ultimate responsibility for Marlowe's ESG strategy, ensuring that sustainability remains at the core of our operations. In close collaboration with management and employees, the Board drives initiatives that create long-term value for the environment, society, and our stakeholders.

Since establishing the ESG Committee in 2021, we have strengthened our governance framework to align with global best practices. In 2022, we reaffirmed the appointment of Gillian Kent as the Board-level ESG representative to oversee the integration of ESG priorities across the Group, driving continued strategic evolution and oversight.

The ESG Committee meets quarterly to review progress and ensure alignment with the Group's sustainability objectives. This year, we have placed a stronger emphasis on achieving our net-zero target for Scope 1 and Scope 2 emissions by 2035, alongside new initiatives focused on our people, supply chain, and improving data capture.

We are fully committed to aligning our sustainability strategy with the UN Sustainable Development Goals (SDGs), ensuring that our ESG efforts contribute to broader global objectives for a more sustainable and equitable future. We recognise that our actions must have a positive impact on both the environment and society, and we continuously assess our activities in light of the SDGs to ensure meaningful contributions.

We actively engage with our stakeholders, including investors, employees, customers, and suppliers, to ensure our strategy addresses global environmental challenges while integrating diversity, inclusion, and social impact. In response to stakeholder feedback, we have introduced new diversity and inclusion programmes and strengthened our commitment to social impact through community-driven initiatives. More information on our diversity and inclusion programmes can be found in the "People" section of this report.

Our governance structure also supports continuous improvement, with regular reviews of our strategy in line with the latest scientific insights, regulatory changes, and stakeholder expectations.

Additionally, each of our divisions now has its own dedicated sustainability report, which can be found on the Marlowe plc website. These reports provide further insight into the specific ESG initiatives and progress made within each division, ensuring transparency and accountability at every level of the Group.

Each division is responsible for risk management oversight and regularly reviews and reports on significant risks. Where deemed impactful enough, this includes climate-related risks, both transitional and physical. A broad climate-related risk is included in the Group risk register; however, no specific climate-related risks have been identified as substantial enough to be included in the Group Risk Register. Gillian Kent, the Board representative, has been made aware of key climate related risks and opportunities through presentations and meetings.

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Governance: b.
Management Role in assessing & managing climate-related risks & opportunities

Marlowe adopts a tiered governance framework to ensure effective management of climate-related risks and opportunities across our two key business lines. This approach ensures that both operational and strategic actions to reduce carbon emissions are aligned with our long-term sustainability goals while addressing customer needs through climate-positive solutions.

Each division is equipped with dedicated management resources to assess and manage climate-related risks. In our Water & Air Hygiene business, the divisional CFO has been appointed to lead on the integration of climate-related considerations into operational practices. In the Fire Safety & Security business, the 'Group HR Director and ESG Lead' focuses on embedding climate-related priorities and advancing sustainability initiatives within the division. Both of these key roles are members of the ESG Committee, which is responsible for guiding the Group's sustainability agenda. Additionally, both divisions are increasing their sustainability resource to meet our sustainability goals, improve transparency and meet requirements from larger customers.

These roles report directly to their respective divisional CEOs, ensuring that climate-related risks and opportunities are consistently reviewed at the highest management levels. Through segmental Board meetings climate related risks and opportunities are discussed. Through this governance structure, we are able to drive both operational efficiencies and strategic innovations, positioning Marlowe well in reducing environmental impact and delivering sustainable solutions to our customers.

Remuneration and climate-related objectives

While we do not currently have direct ESG performance measures tied to executive bonuses, the Board recognises the importance of sustainability and climate-related objectives in our broader business operations and is considering implementing such measures in due course. Looking ahead, we will continue to assess the integration of climate-related objectives into remuneration practices, with a view to developing a more formal structure that directly links executive incentives to the Group's environmental performance. This may include considering environmental factors as part of executive compensation, particularly as the importance of ESG continues to grow in our industry. The effectiveness of ESG-related targets and performance within the Group will remain a key consideration as we adapt and evolve our remuneration policies over time.

In recent years, the tender process for large customer contracts has evolved to require stringent ESG criteria. As a result, the success of our management team in securing new business is now indirectly linked to the fulfilment of these rigorous ESG requirements. If the management team does not meet the necessary environmental and sustainability standards, there is a significant risk that we would not be awarded these new contracts. This effectively connects ESG performance with business outcomes, aligning leadership actions with the long-term sustainability goals of the Group.

Training

While Environmental Management training is available to our employees, it is not currently a mandatory requirement across the business. However, we recognise the importance of equipping our team with the necessary knowledge and skills to effectively manage and mitigate environmental impacts. As part of our ongoing commitment to sustainability, we are actively working to improve and expand our training programmes.

In our Water & Air Hygiene business 64% of staff have undertaken environmental training through Hisako Environmental Training. Similarly, the Fire Safety & Security business offers environmental training, however we are looking to enhance and make sustainability training compulsory in due course.

In the future, we aim to improve participation rates and improve accessibility with the goal of fostering a more environmentally conscious workforce. We will provide relevant statistics and progress updates on this initiative in due course.

Strategy: a.
The climate-related risks and opportunities identified over the short, medium and long term

In FY22/23, Marlowe undertook a comprehensive review of its climate-related risks and opportunities, involving subject-matter experts from across the organisation, including teams from procurement, facilities, network management, finance, products, and business continuity. This review, led by the ESG Committee, was supported by data provided by an external consultant, which used various climate change scenarios and assumptions about global warming trajectories.

Marlowe's ESG Committee conducted a comprehensive review of climate-related risks and opportunities, considering short-term (up to 2030), medium-term (up to 2035), and long-term (up to 2050) horizons using the data from the comprehensive review above alongside internal research and consultants when required.

For the short-term horizon, the committee concentrated on immediate physical risks, such as extreme temperatures and flooding, which could directly impact business operations. This short-term horizon examines risks and opportunities over the next five years, chosen as the first milestone towards our Net Zero target for Scope 1 and Scope 2 emissions by 2035. It also aligns with the UK Government's Nationally Determined Contribution (NDC), which commits the UK to reducing economy-wide GHG emissions by at least 68% by 2030 compared to 1990 levels.

The medium-term horizon is set to 2035, in line with our goal to achieve Net Zero for Scope 1 and Scope 2 emissions. This period also provides an opportunity to explore new technologies and solutions that can support our sustainability efforts and create value for the business. Finally, the long-term horizon extends to 2050, enabling us to assess the impact of operations and explore potential opportunities over a longer period, ensuring we remain on track to meet our environmental targets and adapt to future climate-related challenges.

Climate scenario analysis methodology

Climate scenario analysis provides valuable insights into potential future outcomes and is essential for understanding the risks and opportunities associated with climate change. We have used climate scenario analysis to inform its risk identification and to better understand how climate change could impact its operations.

Marlowe plc uses climate scenario analysis to assess potential climate-related risks and opportunities across different emissions and policy trajectories. This analysis helps the Group to understand the impact of climate change and ensure that climate considerations are incorporated into its decision-making and risk management processes.

To conduct this analysis, Marlowe plc uses the Network for Greening the Financial System (NGFS) climate scenarios, which represent three possible future climate outcomes based on varying levels of greenhouse gas (GHG) emissions and policy reactions. These scenarios help Marlowe plc assess both physical and transition-related risks under different global climate futures.

The three NGFS scenarios considered by Marlowe plc are:

- **Orderly –** Net Zero 2050: This scenario assumes a smooth and immediate policy response, limiting global temperature rise to 1.6°C by the end of the century. This is consistent with the transition to net-zero emissions by 2050, in line with the EU and UK's commitments made at COP26.
- **Disorderly –** Delayed Transition: This scenario predicts a temperature rise of 1.6°C, but with a delayed policy reaction, which could result in more abrupt transition risks as governments implement corrective measures later in the process.
- **Hot House World –** Current Policies: This scenario anticipates a rise in global temperatures of 3°C+ by 2100, assuming no additional policy measures are implemented, and current policies remain in place without any significant shift toward achieving climate targets.

These scenarios provide insight into the potential climate risks Marlowe plc may face, including both physical risks (such as changes in temperature, precipitation, and extreme weather events) and transition risks (such as changes in policy, market conditions, and regulatory frameworks).

The Net Zero 2050 scenario is particularly relevant to Marlowe plc, as it aligns with the UK and EU's commitment to reaching net-zero emissions (scope 1, 2 & 3) by 2050. While physical risks under this scenario are expected to remain relatively low, transition risks could increase as the Group navigates evolving climate policies, carbon pricing, and market shifts.

This scenario analysis allows Marlowe plc to understand how different climate futures could affect its operations and strategic decisions, helping the Group to build resilience and identify opportunities in the transition to a lower-carbon economy.

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Principle Climate Related Risks

Risks have been evaluated based on a combination of business impact, financial impact, and likelihood. The climate-related risks outlined below are considered to have the potential for a material impact on Marlowe's operations.

More detailed modelling is taking place with the below being based on questionnaires and segmental reviews.

Likelihood (post mitigation)

Category	Definition	Criteria
D	Very likely >80%	D>80%
C	Likely (between 50% to 80%)	50% < C < 80%
B	Possible (10%-50%)	10% < B < 50%
A	Unlikely (<10%)	A <10%

Financial impact (exposure post-mitigation)

Category	Definition	Criteria
Severe	Greater than £10m	>£10m
Significant	Between £4m and £10m	£4m < significant < £10m
Moderate	Between £1m and £4m	£1m < moderate < £4m
Minor	Between £0k and £1m	£0k < minor < £1m

1. Orderly – Net Zero 2050 (1.6°C with smooth and immediate policy reaction)

Risks:

Regulatory Risks

Increased regulatory requirements related to energy efficiency, carbon emissions, and sustainability could impose new compliance obligations on Marlowe.

Time horizon	Financial impact	Likelihood
2030	Moderate	B
2035	Moderate	B
2050	Moderate	B

Mitigation: Marlowe has initiated a transition to electric and hybrid vehicles across its fleet. Both the Fire Safety & Security and Water & Air Hygiene divisions have implemented policies to ensure compliance with evolving regulations, with Water & Air Hygiene using an external provider to manage regulatory requirement and legal registers. Additionally, Marlowe continues to invest in employee training and internal audits to stay ahead of regulatory changes.

Operational Risks:

Regulatory-driven changes may increase costs for certain materials, particularly those with high carbon footprints, potentially disrupting supply chains.

Time horizon	Financial impact	Likelihood
2030	Minor	B
2035	Minor	B
2050	Minor	B

Mitigation: Marlowe's reliance on a service-based model minimises exposure to complex supply chains. However, to mitigate fuel supply risks, the Group is progressing the shift to fuel-efficient and electric vehicles. Marlowe's in-house chemical blending facilities for the Water & Air Hygiene division also help reduce dependence on external suppliers.

Transition Costs:

Regulatory-driven changes may increase costs for certain materials, particularly those with high carbon footprints, potentially disrupting supply chains.

Time horizon	Financial impact	Likelihood
2030	Minor	A
2035	Minor	A
2050	Minor	A

Mitigation: Marlowe is proactively integrating sustainability into its operations. The Group is developing innovative solutions such as electric dry riser pumps and enhancing sustainable chemical manufacturing processes. These measures help manage costs while aligning with customer and regulatory expectations.

2. Disorderly – Delayed Transition (1.6°C with delayed policy reaction)

Risks:

Market Volatility:

Sudden regulatory changes could create uncertainty and disrupt operations.

Time horizon	Financial impact	Likelihood
2030	Significant	A
2035	Moderate	B
2050	Moderate	B

Mitigation: Marlowe is progressively transitioning to a sustainable fleet, which could be accelerated if required. The Group's services are underpinned by regulatory frameworks, some of which might become more stringent but also potentially beneficial, driving demand for Marlowe's efficiency-improving and sustainable solutions.

Stranded Assets:

Products and technologies not aligned with future regulations might become obsolete.

Time horizon	Financial impact	Likelihood
2030	Minor	A
2035	Minor	A
2050	Minor	A

Mitigation: Marlowe's compliance teams continuously monitor regulatory developments. Recent transitions, such as moving away from environmentally harmful foam extinguishers, illustrate the Group's proactive approach to preventing asset obsolescence.

Reputation Risk:

Failing to meet climate goals could damage Marlowe's reputation, affecting customer relationships.

Time horizon	Financial impact	Likelihood
2030	Moderate	B
2035	Moderate	B
2050	Moderate	B

Mitigation: Marlowe actively collaborates with large customers and suppliers to meet sustainability metrics. The Group's compliance teams regularly review and ensure adherence to the latest regulations, reinforcing its reputation as a sustainability leader.

3. Hot House World – Current Policies (3°C+ with no additional policy reaction)

Risks:

Physical Risks:

Increased severity of climate impacts such as extreme weather events could disrupt operations and damage infrastructure.

Time horizon	Financial impact	Likelihood
2030	Minor	A
2035	Minor	B
2050	Moderate	C

Mitigation: Marlowe's extensive service network across the UK allows for operational flexibility. In the event of extreme weather, the Group can reallocate resources and ensure continued service delivery. Marlowe also diversifies its customer base to minimise revenue loss from localised disruptions.

Insurance Costs:

Higher risk of extreme weather could lead to increased insurance premiums, impacting operational costs.

Time horizon	Financial impact	Likelihood
2030	Minor	A
2035	Moderate	B
2050	Moderate	C

Mitigation: Marlowe maintains multiple office and service locations, reducing reliance on any single high-risk area. This strategy minimises potential cost increases associated with heightened insurance premiums in vulnerable regions.

Operational Disruptions:

Supply chain issues due to extreme climatic events could lead to delays in product availability and service delivery.

Time horizon	Financial impact	Likelihood
2030	Moderate	A
2035	Moderate	A
2050	Moderate	B

Mitigation: Marlowe's service-oriented business model reduces dependence on physical supply chains. For the Water & Air Hygiene division, in-house chemical blending facilities provide flexibility to adapt to supply chain disruptions, ensuring continuity of service.

Environmental, Social and Governance (ESG) Committee report continued

Planet

Opportunities

As part of the Group's commitment to achieving net-zero emissions for Scope 1 and 2 by 2035, we have identified several key opportunities to support this goal:

- Rising demand for sustainable solutions: As global awareness of climate change increases and regulatory pressures intensify, the demand for environmentally responsible products and services is expected to grow. Marlowe can leverage this trend by expanding its portfolio of sustainable offerings across its Fire Safety & Security and Water & Air Hygiene businesses, which are specifically designed to improve efficiency and reduce environmental impacts. This enables us to meet the evolving needs of our customers while aligning with regulatory requirements.
- Innovative solutions for enhanced efficiency: There is a clear opportunity for Marlowe to develop new and innovative solutions that address efficiency challenges within our business sectors. By focusing on energy-efficient technologies and sustainable practices, we can both reduce operational costs and contribute to broader environmental goals. These solutions will not only enhance the value of our offerings but also strengthen our competitive position.
- Circular economy opportunities: Embracing a circular economy model, where products are reused, repaired, or recycled rather than disposed of, can present substantial opportunities for Marlowe. This could involve repurposing fire safety equipment, water filtration units, and air hygiene systems, contributing to sustainability while reducing waste and offering customers a cost-effective, environmentally friendly solution.

Strategy: b.
Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning

Marlowe plc's strategy is focused on becoming a leading provider of critical services in Fire Safety & Security and Water & Air Hygiene, with a commitment to integrating sustainability into its operations. While Marlowe is in the mid-stages of its sustainability journey, significant steps are being taken to build a more sustainable business model. The Group's exposure to climate-related risks and opportunities influences its ability to deliver services efficiently, manage supply chains, and ensure that its workforce can operate effectively in a changing climate. We are actively working towards incorporating climate scenario planning and risk assessments into key decision-making processes, such as forecasts, going concern reviews, impairment reviews, and assessments of the useful life of assets. Additionally, significant judgements in the accounts will consider climate-related factors, ensuring that these risks are embedded into our financial planning and reporting processes.

Assessment and Mitigation of Climate-Related Risks

Reputation – Stakeholder Concerns and Compliance

Marlowe recognises that achieving its sustainability goals is a work in progress. The Group has initiated several measures to address stakeholder concerns around climate change and align with regulatory requirements.

Key initiatives include:

- **Sustainable Product Development**: Marlowe is exploring innovations in sustainable product offerings, such as energy-efficient fire safety equipment and greener chemical solutions for water and air hygiene.
- **Stakeholder Engagement:** Active engagement with customers, suppliers, and regulators ensures that Marlowe stays ahead of evolving sustainability standards, reinforcing its commitment to long-term environmental responsibility. Several larger contracts now require detailed sustainability metrics and standards to be disclosed, and Marlowe are working with these customers to ensure compliance.

Operational Risks – Acute and Chronic Climate Impacts

A key operational risk for Marlowe involves the accelerated phasing out of existing equipment and petrol vehicles due to tightening environmental regulations. This rapid transition could affect the availability and compliance of essential assets.

Mitigation strategies include:

- **Fleet Transition:** Marlowe is progressing with the phased transition of its fleet to electric and hybrid vehicles. This strategy is designed to stay ahead of any regulatory mandates that might accelerate the phase-out of petrol vehicles, minimising operational disruption.
- **Legislative Monitoring:** A robust system is in place to monitor changes in environmental legislation, allowing Marlowe to anticipate and prepare for quicker phasing out of non-compliant assets. This ensures a smooth transition with minimal impact on operations.

Financial Planning – Integrating Climate Considerations

Climate-related risks and opportunities are starting to be factored into Marlowe's financial planning. While the integration is not yet comprehensive, steps are being taken to align investments with sustainability goals and to anticipate potential cost impacts.

Future Commitments and Targets

Marlowe is committed to advancing its sustainability goals, with a clear focus on achieving net-zero emissions and enhancing its environmental performance.

Current commitments include:

- Net-Zero Target: The continuing business remains committed to the net zero target (Scope 1 and Scope 2) emissions by 2035 introduced in 2022.
- Scope 3 target: The Group aims to achieve Scope 3 net zero emissions by 2050 in line with UK legislation.
- Sustainable Innovation: Continuous investment in innovative, sustainable solutions is at the core of Marlowe's strategy, ensuring that the Group not only meets but exceeds regulatory expectations.

Ongoing Monitoring and Adaptation
The ESG Committee oversees the integration of climate considerations into Marlowe's business strategy, ensuring that the Group remains agile and responsive to emerging risks. By maintaining a proactive approach to sustainability, Marlowe is well-positioned to navigate the evolving regulatory landscape and deliver long-term value to stakeholders while contributing to a more sustainable future.

Strategy: c.
Describe the resilience of the organisation's strategy, taking into consideration different climate related scenarios, including a 2°C or lower scenario

Marlowe's strategy is designed to be resilient to a range of climate-related scenarios, including those outlined in the Network for Greening the Financial System (NGFS) climate scenarios. Under an "Orderly – Net Zero 2050" scenario, Marlowe is well-positioned due to its proactive transition to electric and hybrid vehicles, energy-efficient fire safety solutions, and sustainable practices in its Water & Air Hygiene divisions. These efforts align with regulatory requirements and the growing demand for products and services that reduce environmental impact, positioning Marlowe to benefit from tightening regulations and emerging market opportunities.

In a "Disorderly – Delayed Transition" scenario, Marlowe's resilience stems from its agile business model, including a service-oriented approach that limits exposure to supply chain disruptions. The Group's ongoing investments in sustainability, such as its local chemical blending facilities and electric fleet, help mitigate the risk of delayed regulatory shifts. Additionally, Marlowe's strong relationships with customers and suppliers on sustainability issues help manage reputational risks in this scenario.

Under a "Hot House World – Current Policies" scenario, while physical risks from extreme weather events and rising insurance costs pose challenges, Marlowe's geographic diversification and robust business continuity plans help reduce exposure. Furthermore, Marlowe's continued focus on energy-efficient technologies and sustainable service offerings ensures it remains competitive, even in a scenario with limited policy action.

Overall, Marlowe's strategy is resilient across all climate scenarios due to its ongoing commitment to sustainability, innovation, and adaptation to regulatory and market changes.

Risk Management: a.
Marlowe's Processes for Identifying and Assessing Climate-related Risks

The ESG Committee works closely with divisional management teams and their respective ESG representatives to identify and evaluate these risks across the business. This collaborative approach ensures that climate-related risks are effectively integrated into Marlowe's broader risk management framework.

Once identified, the risks are reviewed by the divisional CEO and subsequently signed off by the Group CFO. Any material climate-related risks are recorded in the risk register for ongoing management and monitoring. These risks encompass both physical risks, such as extreme weather events, and transition risks, including evolving regulations, market demand for sustainable products, and technological advancements. To assess these risks, Marlowe employs climate scenarios to evaluate the potential impacts of climate change over various time horizons, with particular focus on medium- and long-term risks.

This structured process ensures that climate-related risks are thoroughly identified, assessed, and managed in alignment with Marlowe's strategic objectives.

Risk Management: b.
Marlowe's Processes for Managing Climate-related Risks

The Board recognises that climate change risks could impact the Group's operations in various ways and is satisfied with the current processes for identifying those risks, both in the short and long term. While immediate effects may not be significant, the Group anticipates that climate-related risks will increasingly influence its business over the medium and long term. Using the Group's established risk management framework, a broad climate-related risk is included on the Group's risk register, but no other specific climate-related risks have been considered significant enough to raise with the Board. However, the potential for material impacts is actively monitored, and these risks will continue to be assessed as part of the ongoing risk management process.

Environmental, Social and Governance (ESG) Committee report continued

Planet

Risk Management: c.
Integration of Climate-related Risks into Marlowe's Overall Risk Management Framework

Climate-related risks are identified through collaboration between the ESG Committee, divisional leads, and the Board. These risks are assessed separately from other risks due to their unique nature, but the aim is to integrate this process into the broader risk management framework in the future. The Board evaluates any identified risks for materiality, and those deemed significant are added to the risk register for ongoing monitoring. At present, no specific climate-related risks have been deemed significant enough to raise with the Board. Risks such as regulatory changes are managed within relevant business areas, with business continuity plans in place to address potential disruptions. However, climate-related risks are included in divisional risk registers and actively monitored at that level.

Metrics and Targets: a.
Metrics Used to Assess Climate-related Risks and Opportunities in Line with the Strategy and Risk Management Process

Marlowe is embedding climate-related metrics into its strategic and risk management processes. Group-level targets include achieving net-zero Scope 1 and 2 emissions by 2035 and Scope 3 by 2050. Each division tracks specific metrics relevant to their operations, such as energy usage, fleet efficiency, and waste management, which support these broader goals. Detailed divisional metrics are available on pages 24 to 26 and in the divisional sustainability reports available on the Group's website.

Metrics and Targets: b.
Disclosure of Scope 1, Scope 2, and Scope 3 Greenhouse Gas (GHG) Emissions, and Related Risks

As reported in the "Planet" section, Marlowe's FY25 emissions include Scope 1 at 11,692.3 tCO_2e and Scope 2 at 349.7 tCO_2e. While we are currently focused on these categories, we are preparing to report on Scope 3 emissions in next year's reporting to provide a more comprehensive view of our climate impact and related risks, aligning with our long-term net-zero targets.

Metrics and Targets: c.
Targets Used to Manage Climate-related Risks and Opportunities and Performance Against Targets

Each division plays a crucial role by implementing specific initiatives, such as reducing fleet emissions and enhancing waste management practices. While the current targets reflect significant progress, the Group is committed to continuously improving its performance targets. If any of these targets are not met, corrective actions will be taken to ensure that we stay on track to meet our long-term climate objectives. Performance is tracked annually using verified Scope 1 and 2 emissions data, with year on year changes monitored across both absolute and intensity metrics. These metrics are reviewed by the ESG Committee and inform the development of divisional carbon reduction initiatives, including the transition to a more fuel efficient fleet and increased use of renewable electricity.

Environmental, Social and Governance (ESG) Committee report continued

People

At Marlowe plc, our people are central to our mission of ensuring the safety, compliance, and resilience of our customers' operations. We are committed to creating a working environment where employees feel supported, challenged, and recognised, and where they can develop to their full potential.

We recognise the mutual value that results from investing in our people and culture, and we are proud of the progress we have made over the past year across training, diversity, wellbeing, and employee engagement.

Training, Development and Recognition

We remain focused on attracting, developing, and retaining the best talent in our sector. All UK employees are paid at least the national living wage and are offered a minimum of 15 hours of work per week. We continue to maintain an above-market staff retention rate, with voluntary turnover at 25.1% for the year ended 31 March 2025 (2024: 26.0%).

Fire Safety & Security

Our Marlowe Academy provides state-of-the-art training to upskill existing employees and support new talent through our apprenticeship programme. We currently support over 50 apprentices, consistent with the prior year, and have delivered formal training to more than 30 individuals through Level 3 to Level 7 qualifications.

Our internal quality control team monitors service delivery, with underperforming fee earners receiving 'top-up' training to maintain our high service standards. More than 70% of our workforce have participated in at least one personal development and goal-setting discussion through our VIP continuous development programme.

Our people manager onboarding programme is progressing well, and we are implementing a competency framework to strengthen leadership and managerial effectiveness.

Water & Air Hygiene

We operate five dedicated training centres across the UK that support both apprentices and the continuous development of existing employees. These centres underpin high compliance standards and enable engineers to handle increasingly complex customer requirements.

All staff undergo biannual reviews incorporating both personal and business goal setting. During the year, the division invested £300,000 in training, including apprenticeships and the use of the apprenticeship levy. We currently support nine apprentices and seven graduates and offer tailored development programmes for both current and aspiring managers.

Environmental, Social and Governance (ESG) Committee report continued

People

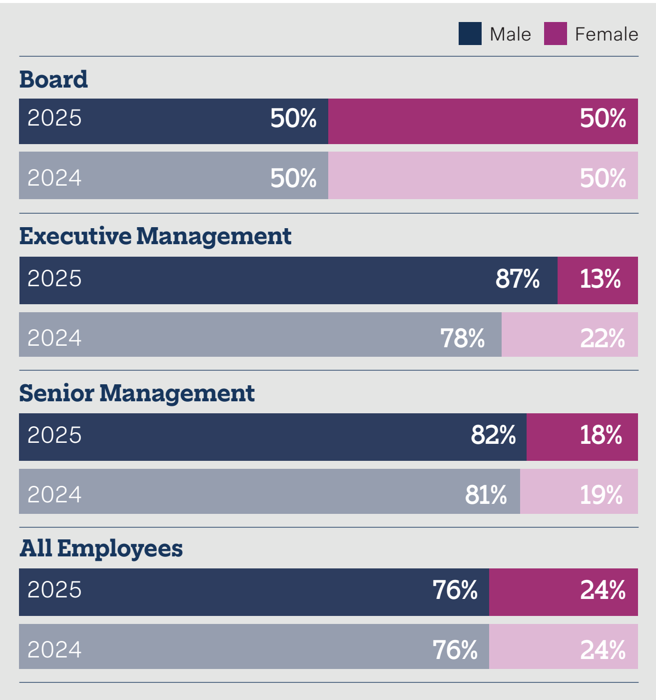
Inclusion and Diversity

Our approach to inclusion is grounded in respect, empowerment, and equal access to opportunity. We believe that diversity enhances our performance and culture, and we are committed to building a workforce that reflects the communities we serve. Our Group Code of Conduct and Diversity & Inclusion Policy guide our commitments and actions in this area.

We have created safe spaces in offices for religious observance and nursing mothers, and divisional EDI groups contribute to awareness initiatives and policy development across the Group. We are particularly proud of the work within our Fire Safety & Security division to support and encourage women in traditionally male-dominated roles.

Gender Equality

We continue to build a diverse leadership pipeline and support gender balance at all levels of the business. As at 31 March 2025, the percentage of employees identifying as female was as follows:



Notably, both the Chair of the Audit Committee and Chair of the Remuneration Committee are women. In line with UK reporting requirements, we disclose gender pay gap data for relevant Group entities on a transparent, standalone basis.

Health, Safety and Wellbeing

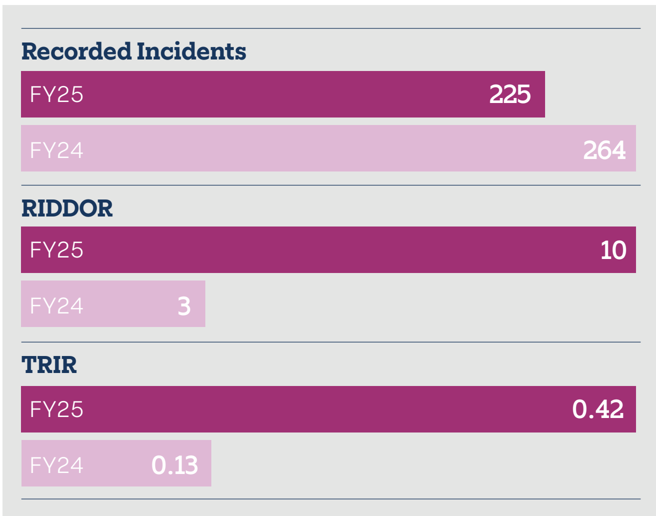
Ensuring the safety of our people remains a core operational priority. All Group businesses hold ISO 45001 accreditation, and we maintain comprehensive processes for training, risk assessment, incident reporting, and the provision of PPE. We seek to reduce incidents through proactive engagement and root cause analysis. For example, Marlowe Fire & Security's Board regularly reviews incident data to identify trends and implement preventative actions under its Protecting Tomorrow Policy.

All staff receive health and safety training, with a strong focus on mandatory, site-specific training for fee-earning employees. Competent advisers operate across the Group, supporting a consistent and sustained focus on safety culture, led by the executive leadership team.

Since our formation in 2015, we have had no work-related fatalities among employees or contractors. Our long-term goal remains zero significant lost-time incidents.

We continue to invest in mental health and wellbeing through a Group-wide Employee Assistance Programme, over 50 trained Mental Health First Aiders, and divisional wellbeing groups focused on mental, physical, spiritual, and social wellbeing. We also support flexible working where possible, including job sharing, adaptable hours, and return-to-work flexibility for parents.

While both RIDDOR-reportable incidents and our Total Recordable Incident Rate (TRIR) increased in FY25, we believe this reflects a one-off increase against an unusually low comparable in the prior year. Importantly, we continue to maintain robust governance, comprehensive training, and well-established health and safety processes across all divisions. Incident data is reviewed regularly at both divisional and Group level to ensure that any trends are quickly identified and addressed. We remain confident that the controls and culture we have in place are appropriate and effective in supporting our long-term goal of zero significant lost time incidents.



Engagement and Culture

We are committed to fostering a culture where employees feel heard and valued. Regular divisional meetings and Group-wide engagement surveys ensure ongoing communication and feedback. Employee-led committees influence culture and working practices, and their ideas are reviewed by divisional and Group management. As we continue to integrate newly acquired businesses, maintaining a cohesive, people-focused culture remains a top priority.

Community Engagement

Our businesses remain actively engaged in their local communities. The Water & Air Hygiene division, for example, has participated in various fundraising events, including a cold plunge challenge, and continues to support an armed forces employee network. We also offer matched funding for employee-led charitable initiatives.

In FY25, we achieved record levels of charitable donations, totalling £13,600 (FY24: £8,030), largely driven by employee-led fundraising and team-based activities supporting local causes.

Environmental, Social and Governance (ESG) Committee report continued

Products and Governance

The services we provide continue to play a critical role in supporting sustainability, compliance, and responsible business practices. Through our Fire Safety & Security and Water & Air Hygiene business units, we help organisations manage operational risk, comply with regulation, and protect their people, assets, and the environment — delivering benefits for both customers and wider society.

Quality and Responsible Service Delivery

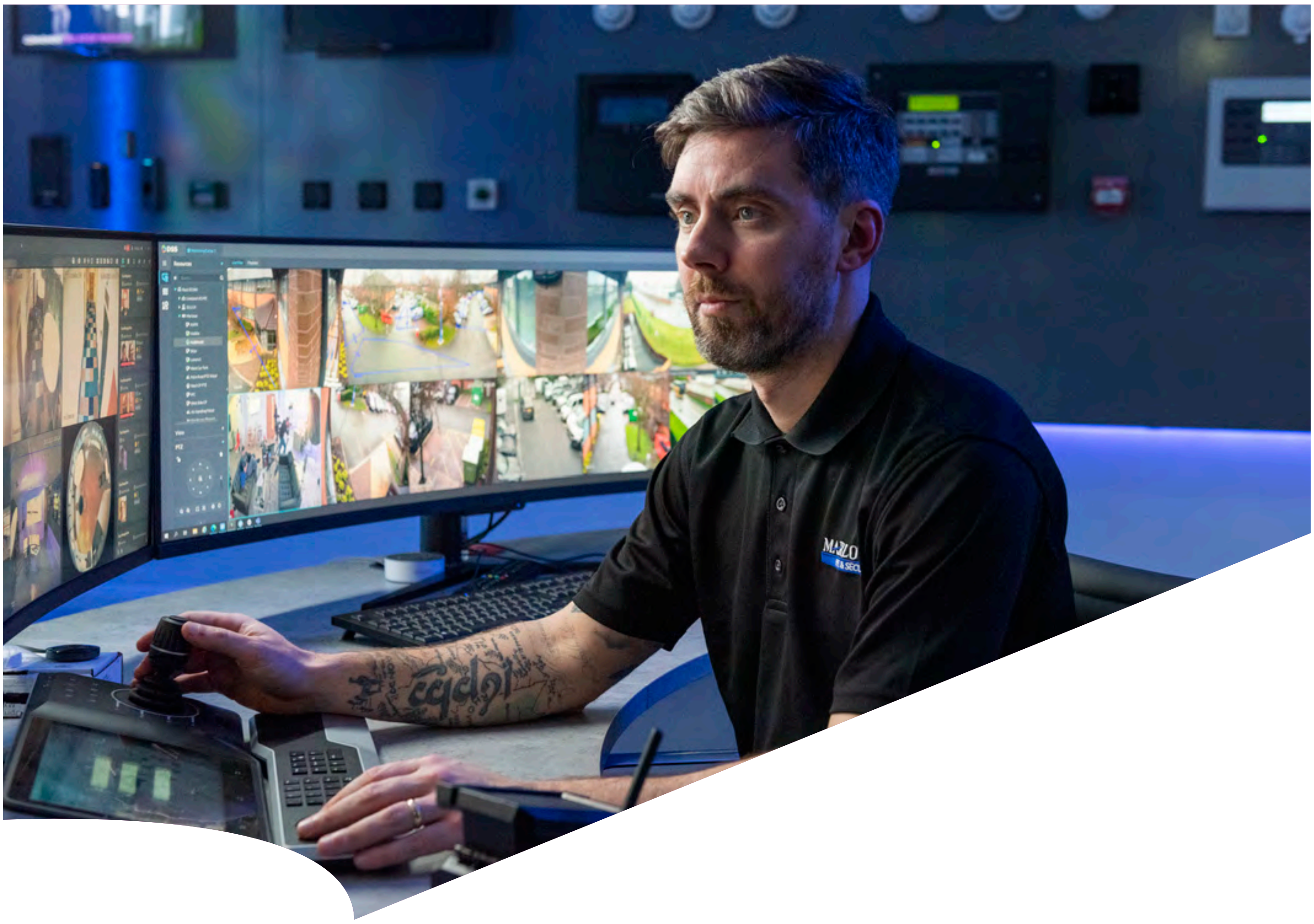
All major businesses across the Group hold ISO 9001 accreditation, underscoring our commitment to quality and responsible service delivery.

Our **Water & Air Hygiene** division helps organisations maintain high environmental and health standards. Through services such as air and water quality testing, legionella and asbestos inspections, and the manufacture of environmentally-conscious treatment chemicals, we directly support clients in safeguarding human health and minimising their environmental footprint.

Our **Fire Safety & Security** division protects life and property by delivering fire risk assessments, fire safety training, compliance inspections, and security system design and servicing. These services empower customers to manage hazards effectively, strengthen emergency preparedness, and promote governance and operational resilience. Internal innovations — including a new sales analytics dashboard and the upcoming launch of a mobile training and sales unit — aim to further improve customer responsiveness and decision-making.

Cybersecurity and Data Protection

Cybersecurity remains a priority across the Group. Our Water & Air Hygiene business unit continues to implement Group-level data protection and IT security policies, with training provided to all employees via mandatory online courses. Our Fire Safety & Security businesses hold Cyber Essentials accreditation, with several progressing to Cyber Essentials Plus and ISO 27001 in the coming year. Monthly phishing simulations and targeted training are used to ensure vigilance and continuous improvement. There have been no reported cyber incidents across either division in FY23–FY25.



Ethics, Whistleblowing and Supplier Conduct

Our Group Code of Ethics, Anti-Bribery Policy, Modern Slavery Statement, and Supply Chain Policy are in place across all divisions and regularly reviewed. Key compliance documents are distributed to staff at induction, displayed on site, and monitored through internal audits.

To strengthen our approach to whistleblowing, both Fire Safety & Security and Water & Air Hygiene divisions have transitioned to a unified, Group-wide platform operated by Crimestoppers, launched in April 2025. This platform allows employees to raise concerns anonymously via a 24/7 telephone line or digital form. Awareness campaigns and ongoing communications ensure all employees are informed of access routes and protections in place. The move to a single, independent platform marks a key step in standardising and enhancing our governance practices Group-wide.

Supplier due diligence practices are also in place across both divisions. Water & Air Hygiene conducts onboarding checks via a questionnaire that includes modern slavery-related questions. Fire Safety & Security requests supplier modern slavery policies at engagement, with a refreshed supplier compliance check process planned for FY26.

Circular Economy and Innovation

Innovation is a core part of our environmental responsibility strategy. In Water & Air Hygiene, this includes the development of sustainable treatment processes (e.g., phosphate removal using algae and nitrate reduction in effluent) and circular practices such as equipment refurbishment, long-lifespan product design, and reuse schemes under Build, Own, Operate models. These measures help customers reduce waste and resource consumption over the lifecycle of their systems.

While circular economy initiatives are at an earlier stage in the Fire Safety & Security division, the business is evaluating opportunities to expand reuse and refurbishment practices as part of its wider environmental strategy.

ESG Data for Customers

We increasingly support customers, particularly larger organisations, with ESG-related data as part of tender submissions and contract reviews. Our ability to consistently gather and present this information across the Group has become a valued aspect of our service offering and is an area where we are often better positioned than smaller competitors.

The strategic report on pages 7 to 43 has been approved by the Board and signed on its behalf by:

Adam Councell
Chief Financial Officer

2 July 2025