



ESG in Action

ESG Report 2025

 **Adler & Allan**
ENVIRONMENTAL RISK REDUCTION

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Henrik Pedersen

Chief Executive Officer

CEO Introduction

This year marks another important step forward in our ESG journey. In 2024, we focused on building the foundations, setting up the right structures and collecting the data we needed. In 2025, we moved from planning to action. We've gained real momentum, embedding ESG into our business and started to see tangible results.

We've made strong progress on climate change, reducing our Scope 1 and 2 emissions intensity by 15% from our 2023 baseline and increasing the share of electric company cars in our fleet to 43%. We've introduced renewable energy tariffs across major sites and installed low-carbon heating solutions.

Beyond carbon, we've advanced our product lifecycle work, designing for circularity and extending product lifespans. We've strengthened our approach to biodiversity, health and safety, and employee engagement, ensuring that ESG is not just a set of targets but part of how we operate every day.

I am incredibly proud of the work we've done so far, but there is still much to do, and the direction is clear.

Next year, we will refine and accelerate our efforts, aligning ESG even more closely with our business strategy. Together, we will continue to deliver solutions that protect the environment, support our clients, and create a more sustainable future.

Henrik

Our Awards



Ranked in the top 35% companies for sustainability worldwide



Winner of Pollution Mitigation Initiative of the Year in the Water Industry Awards Contractor of the Year 2024 Finalist



Rising Star (Utility Partner) award at the Women in Utilities Awards



Score 'B' in Climate Change CDP 2025



Best Climate Resilience Project Award 2024 Finalist



Gold Award in the Armed Forces Covenant Employer Recognition Scheme



The King's Award for Innovation



British Ex-Forces in Business Employer of the Year 2025 Finalist



Sustainability Award 2024
Inland Responder - Large Incident 2025
Inland Responder - Small Incident 2025
Rising Star - Jack Anderson 2025
Inland Responder - Large Incident 2024



Shortlisted for:
Outstanding Employee Network of the Year
Outstanding Women's Network of the Year
Diversity Champion of the Year

02

Our Challenges

➔ Our Challenges

➔ Our Vision



Our Challenges

Creating solutions that protect the planet and our clients, while building a business that thrives sustainably.

As the UK's most trusted environmental services partner, our mission is to help organisations reduce risks to the environment and their operations. We focus on five of the most pressing challenges:

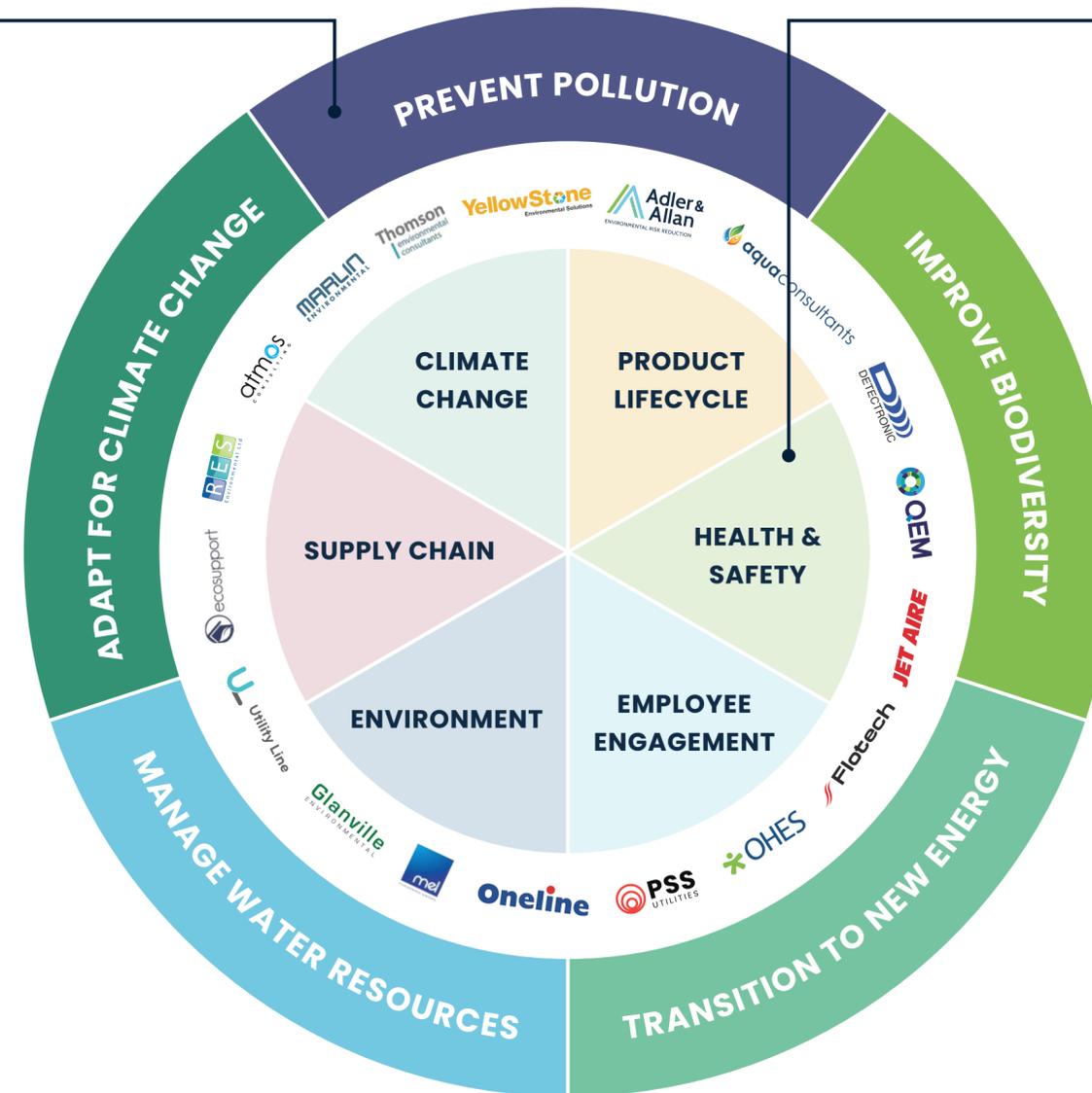
-  Preventing pollution
-  Transitioning to new, clean energy
-  Enhancing biodiversity
-  Effectively managing water resources
-  Adapting to the impacts of climate change

We know that as well as helping our clients to reduce risk to the environment and their businesses, we must also tackle our own impact. That is why we have set our own internal ESG challenges as we continue to become a more responsible and sustainable organisation.

Our Vision

Our vision is to help organisations to tackle these five challenges:

- ➔ **Preventing and managing pollution** - on land and in water, whatever the contamination.
- ➔ **Improving biodiversity** to create a healthy environment.
- ➔ **Reducing carbon emissions** by transitioning and creating energy assets to hit Net-Zero by 2050.
- ➔ **Managing water resources** in a changing climate – both wastewater and fresh water.
- ➔ **Managing the consequences of climate change**, floods, extreme temperatures, storms, and drought.



While delivering these solutions for our clients, we have also set our own ESG challenges:

- ➔ Design our products for a circular economy.
- ➔ Ensure that everyone returns home safe and healthy every day.
- ➔ Inspire and support all our employees to contribute to our shared values and goals.
- ➔ Have a positive impact on nature and biodiversity.
- ➔ Work proactively with our suppliers to ensure our operations are sustainable.
- ➔ Embed tackling climate change into our business strategically, financially and culturally.

Atmos Consulting and Thomson Environmental Consultants joined our Group in October 2025. They are not represented in the content and data within this report.

03

Client Challenges

- ➔ Client Challenges
- ➔ Preventing Pollution
- ➔ Improving Biodiversity
- ➔ Transitioning to New, Clean Energy
- ➔ Managing Water Resources
- ➔ Adapting to Climate Change

Helping our clients to **reduce risk** to the **environment** and their **businesses**

In this section, we highlight how Adler & Allan partners with clients to overcome their most complex environmental challenges - delivering innovative, practical solutions that protect the environment, safeguard operations, and drive progress toward a sustainable future.



Preventing Pollution

Client: Premier Marinas **Project:** Yacht Fire, Counter-Pollution & Salvage Chichester Marina, South England



Challenge:

Respond to a significant yacht fire within a busy marina environment, where:

- Two vessels had sunk following the fire.
- Fuel residues, debris, and chemical contaminants were released into the marina basin.
- Surface hydrocarbon sheens affected pontoons and adjacent vessels.
- Submerged wreckage posed navigational and safety hazards.
- Operations had to continue safely within an active marina.

Our Solution:

Immediate Counter-Pollution Response:

Deployment of containment and absorbent booms to control and recover surface hydrocarbons.

Specialist Survey & Salvage Operations:

Commercial dive surveys to assess submerged hazards and vessel stability. Coordinated lifting operations using a 175-tonne crane, timed to favourable weather conditions.

Decontamination & Waste Management: Manual cleaning of pontoons and marina infrastructure using low-pressure jetting and absorbents and compliant disposal of all recovered materials.

Investigation Support: Close coordination with fire investigators to preserve evidence and support cause determination.

Innovation:

- Integrated counter-pollution and salvage response within a live marina setting.
- Controlled decontamination methods designed to minimise secondary environmental impact.

Impact on ESG Outcomes:

Environmental Protection: No further spread of contamination beyond the initial impact zone, protecting marina waters and surrounding assets.

Waste & Pollution Control: Over 2,000 litres of contaminated liquid and 200 kg of solid hazardous waste.

Operational Continuity & Client Assurance:

Rapid mobilisation and coordinated delivery enabled the marina to progress recovery with minimal disruption.

Improving Biodiversity



Client: British Pipeline Agency

Project: Biodiversity Net Gain Feasibility Assessments – Six UK Sites

Challenge:

Support proposed development plans by assessing the ecological value of habitats across six UK sites and identifying opportunities to achieve Biodiversity Net Gain (BNG) in line with emerging legislation.

Our Solution:

Comprehensive on-site surveys – Flora species inventories and habitat condition assessments.

Tailored habitat management recommendations – Strategies to improve biodiversity and address poor habitat conditions.

QGIS mapping – Baseline habitat maps and projected maps for proposed enhancements.

BNG metric calculations – Using statutory tools to quantify baseline and projected biodiversity unit scores.

Collaborative approach – Scheduled surveys during optimal seasonal windows for accuracy.

Innovation:

Applied advanced habitat management planning and botanical expertise.

Integrated QGIS mapping and statutory BNG metric tools for precise calculations.

Delivered six detailed site reports plus a consolidated summary report for strategic planning.

Impact on ESG Outcomes:

Biodiversity Enhancement: Recommendations to improve habitats through reduced mowing and invasive species management.

Compliance: Aligned with biodiversity net gain principles and future regulatory requirements.

Knowledge Sharing: Introductory presentation to senior management to embed BNG understanding.

Future Potential: Provides a scalable framework for biodiversity assessments across multiple sites, supporting long-term sustainability and compliance with UK biodiversity legislation.

Transitioning to New, Clean Energy



Client: Ionity

Project: High-Power EV Charging Hub – Cove Road, Fleet

Challenge:

Support the UK's transition to low-carbon transport by addressing range anxiety and enabling widespread EV adoption, a key driver of carbon reduction.

Our Solution:

Full turnkey delivery – Civil works, electrical infrastructure, and charger installation.

12 ABB chargers (350kWh) – High-speed charging for long-distance EV travel.

Drainage system – Attenuation tank and pump to manage rainwater sustainably.

Long-term maintenance – Ensuring reliability and efficiency.

Innovation:

Integrated high-power charging technology for rapid EV adoption.

Delivered a future-ready hub aligned with Net Zero transport goals.

Combined civil and electrical expertise for seamless implementation.

Impact on ESG Outcomes:

Carbon Reduction: Enables thousands of EV journeys, cutting tailpipe emissions.

Sustainable Infrastructure: Built to last with efficient energy use and water management.

Community Benefit: Accessible charging reduces barriers to EV transition.

Future Potential: Scalable model for UK-wide EV infrastructure, accelerating decarbonisation of transport.

Managing **Water** Resources



Client: Severn Trent Water

Project: WINEP Overflow Programme

Challenge:

Meet stringent environmental regulations and reduce pollution from Combined Sewer Overflows (CSOs). Traditional reactive monitoring was no longer sufficient.

Our Solution:

Deployed 450 flow meters and 100 rain gauges across 130 catchments.

Real-time monitoring and predictive analytics.

Integrated data into Severn Trent Water's Data Driven Catchment (DDC) system.

Tailored approach with dedicated modellers and analysts.

Innovation:

Shift from reactive to proactive, data-led decision-making.

Embedded real-time monitoring into daily operations.

Scalable model for other utilities.

Impact on ESG Outcomes:

Environmental: Significant reduction in CSO spills, protecting rivers.

Operational: Fewer aborted site visits, better infrastructure prioritisation.

Regulatory: Enhanced compliance with WINEP and Environment Act.

Community: Improved public health and environmental stewardship.

Future Potential: Blueprint for UK-wide and international wastewater management.

Adapting to **Climate** Change



Client: The Environment Agency

Project: Local Resource Options (LRO) Programme – Northumberland & Telford

Challenge:

Water scarcity, climate change, and rising demand threatened farm productivity and food security. Traditional approaches were insufficient to ensure resilience and sustainability.

Our Solution:

Conducted comprehensive LRO screening across 10 farms.

Assessed 20+ potential options using desk research, site visits, and data analysis.

Ranked solutions based on feasibility, environmental impact, and sustainability.

Developed detailed evaluations for top 3 options (scope, yield, cost, benefits).

Delivered actionable, data-driven recommendations.

Innovation:

Shift from reactive to proactive water management.

Integrated stakeholder engagement with farmers, The Environment Agency, and Natural England.

Embedded sustainability and resilience into farm operations.

Created a scalable framework for future projects.

Impact on ESG Outcomes:

Environmental: Improved water resilience, reduced risk of drought and flooding.

Operational: Practical solutions tailored to local conditions, reducing uncertainty.

Regulatory: Alignment with EA and Natural England priorities.

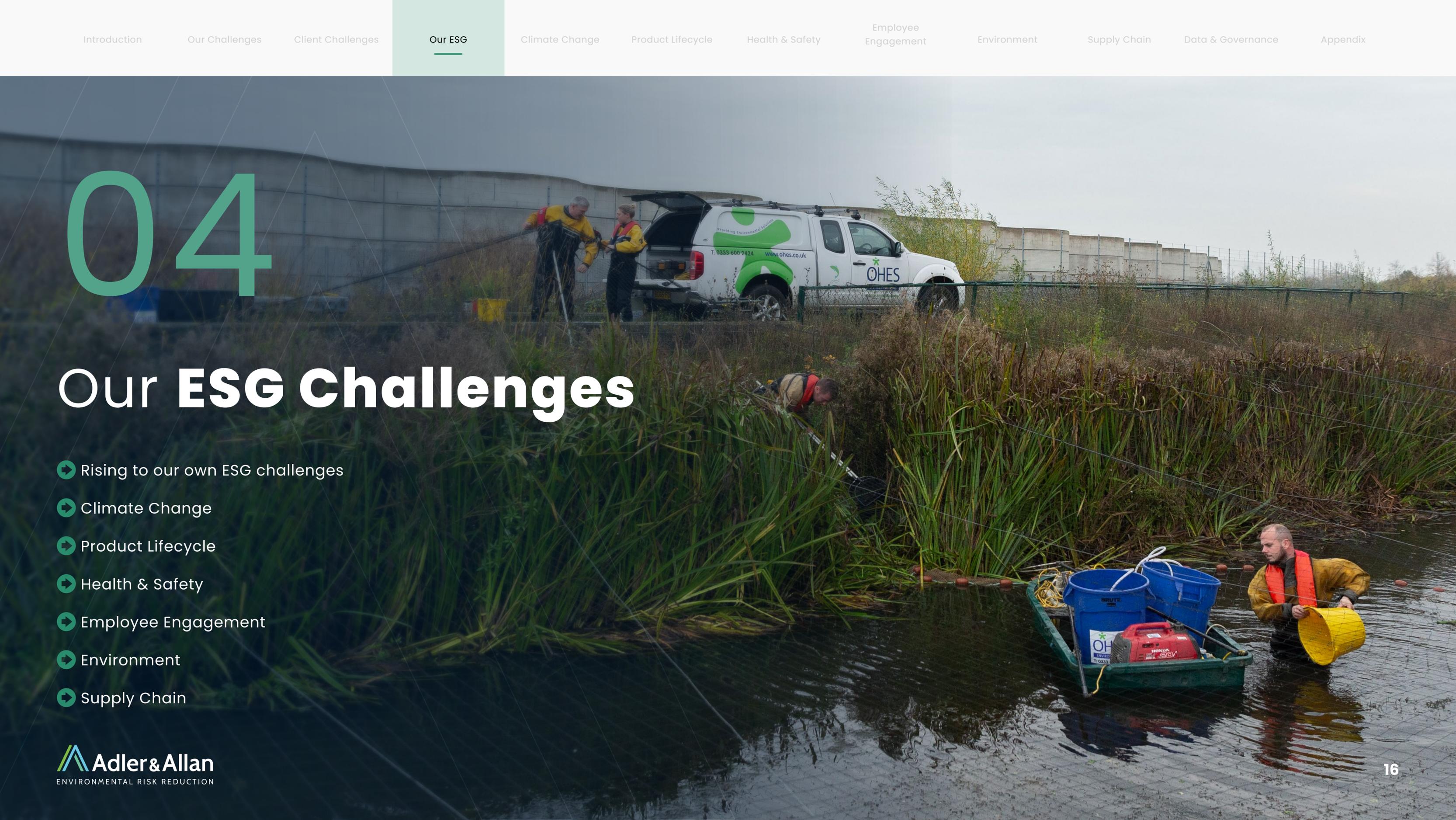
Community: Strengthened collaboration and trust among farmers and agencies.

Future Potential: Blueprint for sustainable water management across UK agriculture.

04

Our ESG Challenges

- ➔ Rising to our own ESG challenges
- ➔ Climate Change
- ➔ Product Lifecycle
- ➔ Health & Safety
- ➔ Employee Engagement
- ➔ Environment
- ➔ Supply Chain

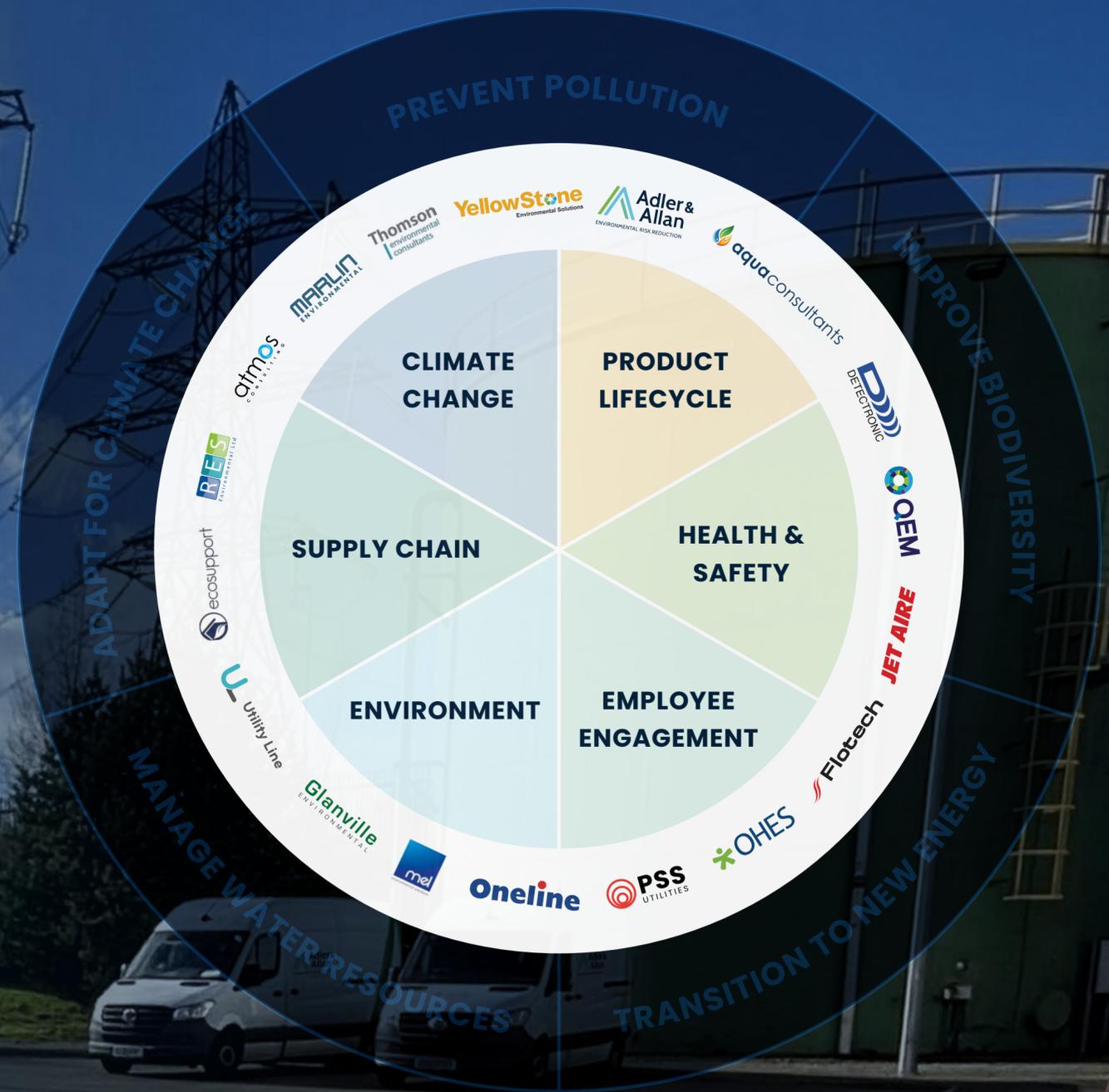


Rising to our own ESG challenges

In this section we will look at the work we are doing to improve our own sustainability across the six most material topics.

Our materiality assessment is conducted with reference to the Global Reporting Initiative standards and International Financial Reporting Standards S1 requirements. This process enables us to identify our key sustainability-related risks and opportunities.

The UN Global Compact sets out a list of Sustainable Development Goals (SDGs), and we have screened ESG topics that are relevant to our business.

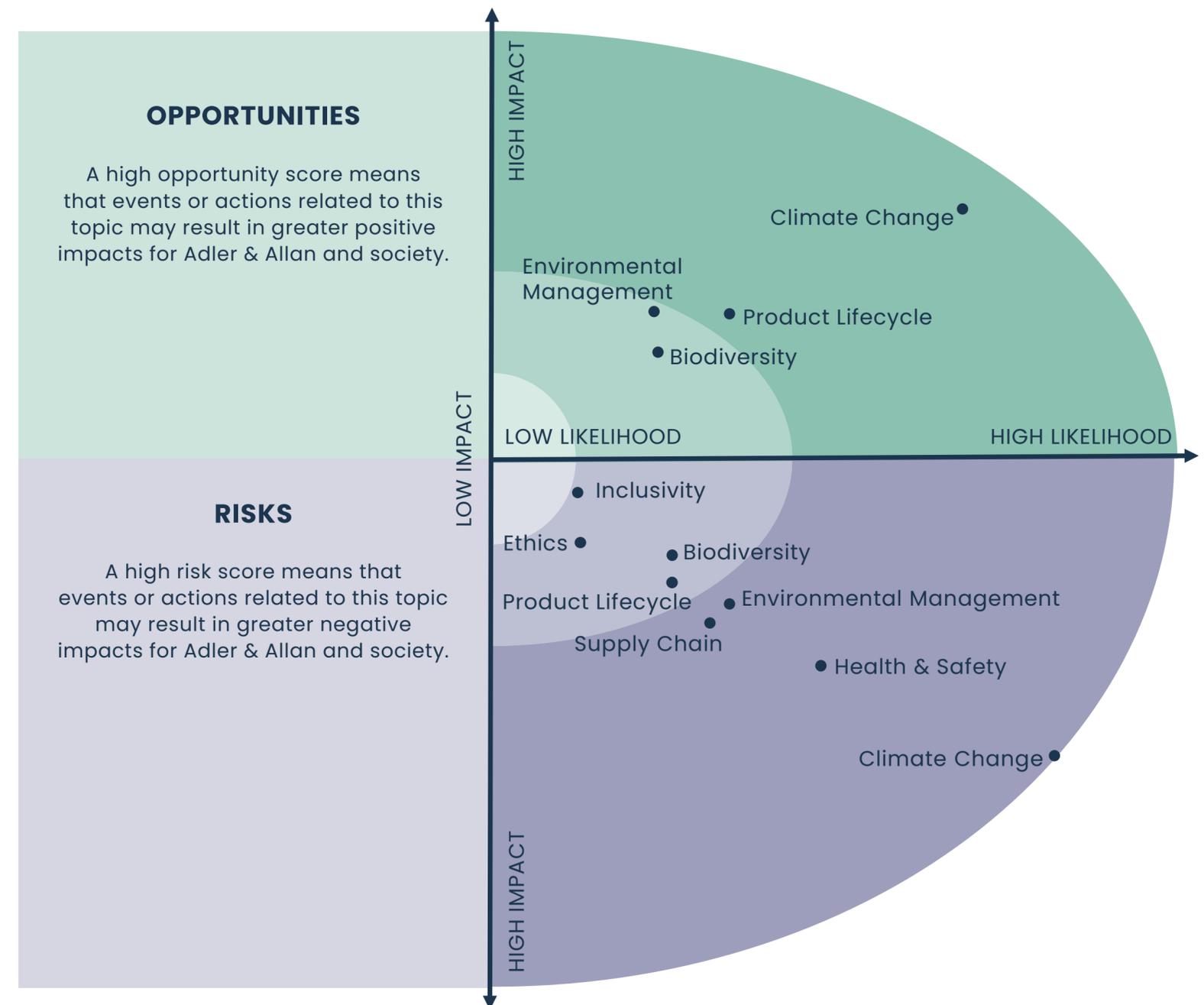


Rising to our own ESG challenges

The potential risks and opportunities of material ESG topics are assessed in terms of both their likelihood and overall impact. Each topic is mapped to a different materiality level (“High”, “Medium”, or “Low”).

In FY25, we successfully prioritised the ESG topics identified to have significant impacts for Adler & Allan: **Climate Change, Employee Engagement*, Environmental Management, Health & Safety, Product Lifecycle, and Supply Chain.**

We are committed to continuously monitoring our environmental, social and economic impacts and will ensure our ESG priorities remain up to date.



*Employee engagement materiality is assessed in a separate risk matrix.

Climate Change



Embed climate change into our business strategically, financially and culturally

This year, we achieved a further 9% reduction in Scope 1 & 2 emissions intensity, reducing our direct emissions intensity by a total of 15% from our 2023 baseline. We have also seen a reduction in our Scope 3 intensity, achieving a 4% reduction from our baseline. Here are some of the successes we have made this year:

Low-carbon site

We have installed an air source heat pump at our Droitwich site, reducing our gas consumption by 67,000 kWh from our baseline.

We have also put a renewable electricity tariff in place and are hoping to support future electricity consumption by installing solar panels in early 2026.

Electrified car fleet

The percentage of electric company cars has increased from 16% in 2024 to 43% in 2025.

Our employees choosing to make the switch to EV have been supported with a new home-charger grant, launched in October 2024.

Understanding climate risk

This year we worked with external consultants to understand our climate risk and opportunity profile, applying scenario analysis to stress test different outcomes.

Next, we will integrate this process and findings into Adler & Allan’s wider ERM systems and prepare for future voluntary disclosure.

Target	Progress
Net-Zero by 2050	
Halve gas consumption by 2030 from 2023 baseline	
Phase out kerosene by 2030	
Renewable energy tariffs covering 100% purchased electricity by 2027	
37% electric fleet by 2035	

For full disclosure of our data on this topic, please see pages 36–38.

← PAST

- Re-baselined our carbon footprint, including all new acquisitions to 2023.
- Conducted energy audits at high consuming sites.
- Introduced renewable energy tariffs across our locations.

↓ PRESENT

- Providing home charging grants to employees with electric company cars.
- Trialling low carbon equipment like air source heat pumps.
- Gaining a better understanding of our climate risks and opportunities.

→ FUTURE

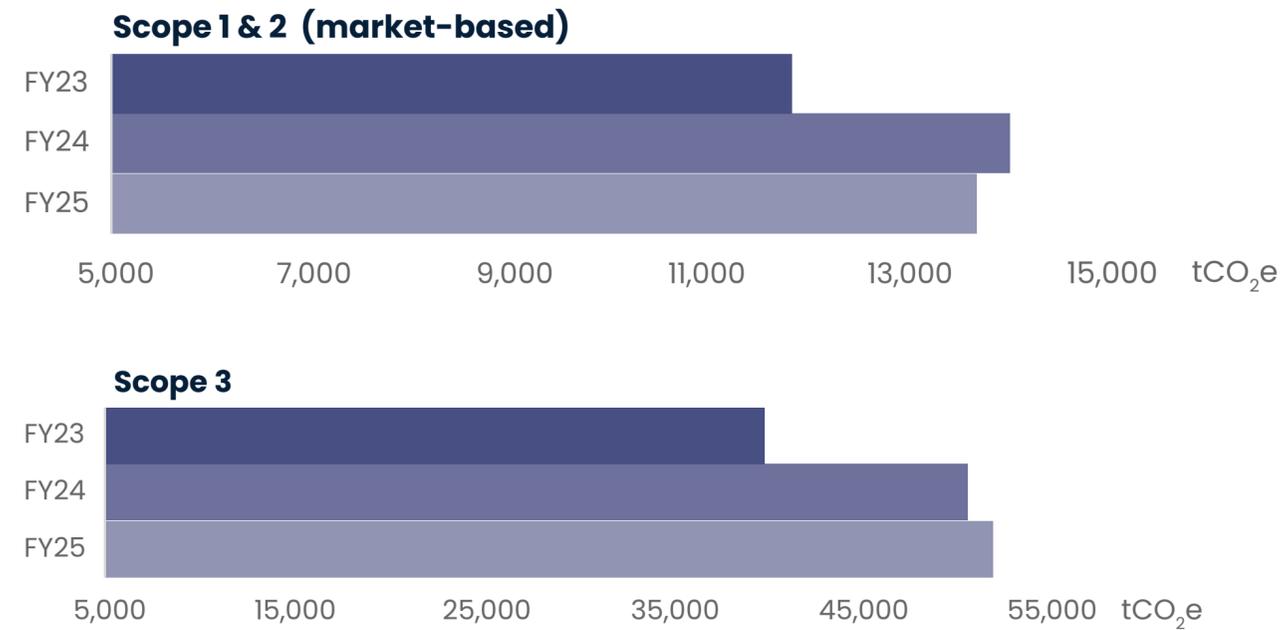
- Aiming for voluntary TCFD-aligned disclosure in 2027.
- Launching 10-year decarbonisation strategy with intensity reduction targets.
- Rolling out new fleet decarbonisation measures, including electric vans.

Climate Change



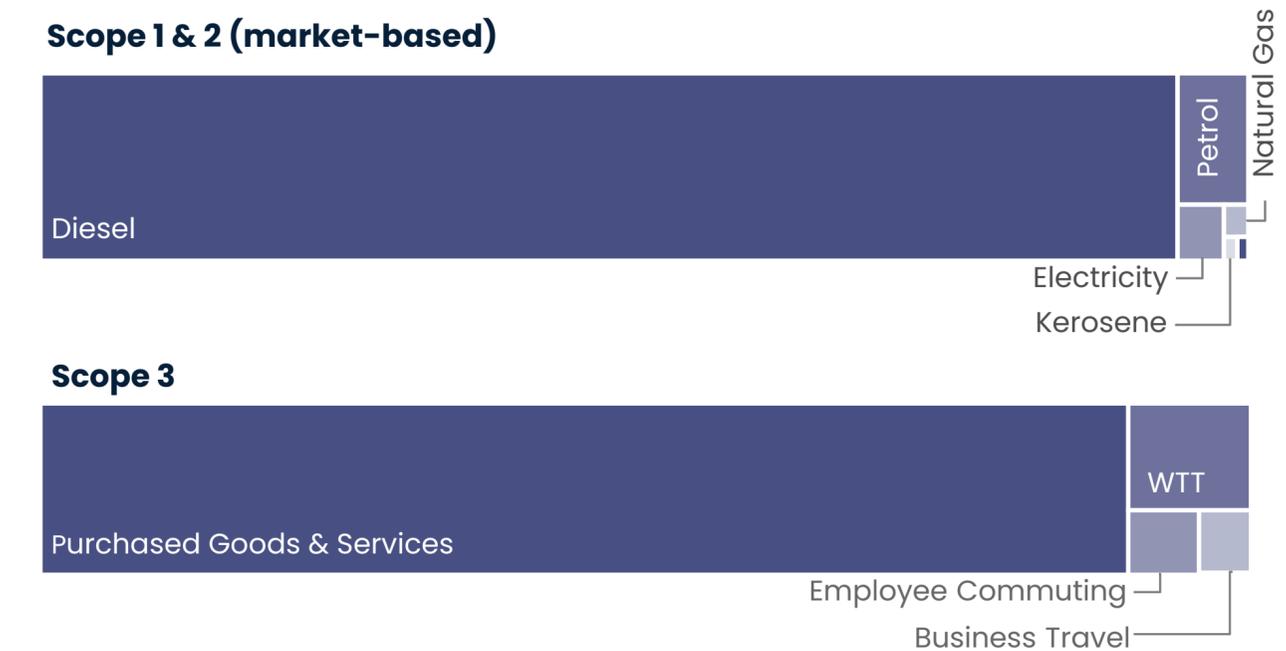
Our emissions profile

What are our emissions?



Due to the growth in our business through acquisitions and organic expansion, we decided to re-baseline our emissions to FY23. Between FY23 and FY24 we saw an increase of approximately 19% in Scope 1 & 2 emissions, and 27% in Scope 3 emissions. This year, we reversed that trend in our direct emissions, reducing by 2%, and slowed our Scope 3 emissions growth to 3%

Where do they come from?



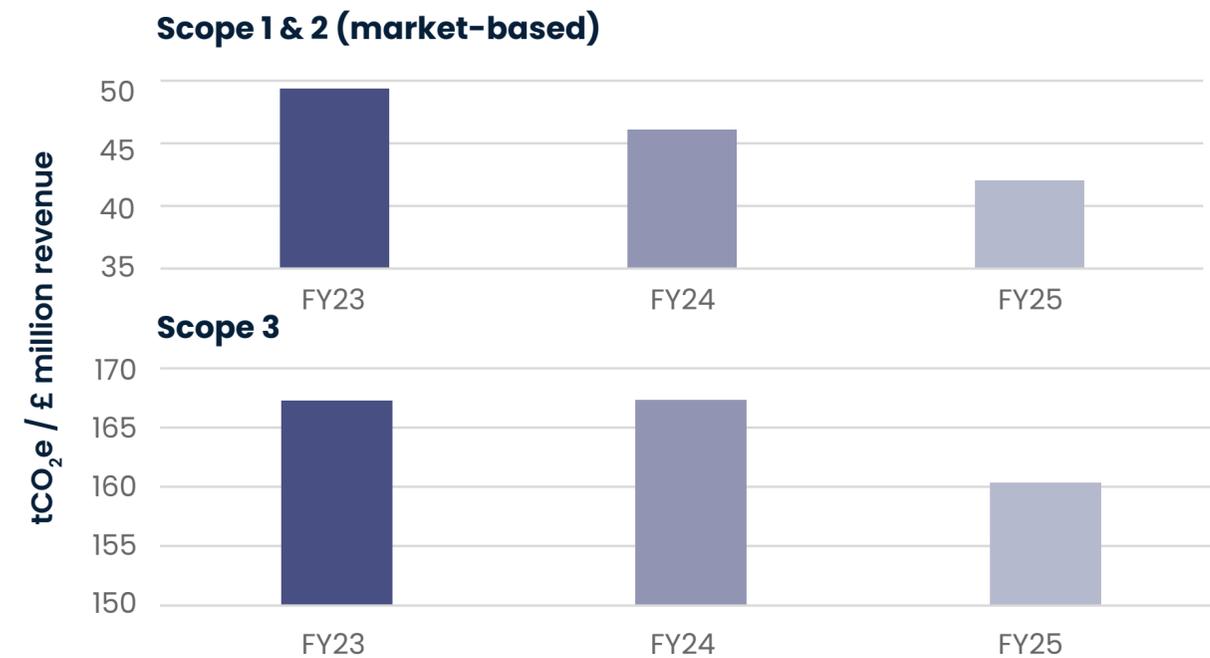
Our emissions are driven by diesel consumption and purchased goods & services. Both these emissions sources are connected to our service delivery and tend to expand as we deliver more services for our clients. That is why we are focusing on reducing our emissions intensity – finding ways to deliver more services but with fewer emissions.

Climate Change



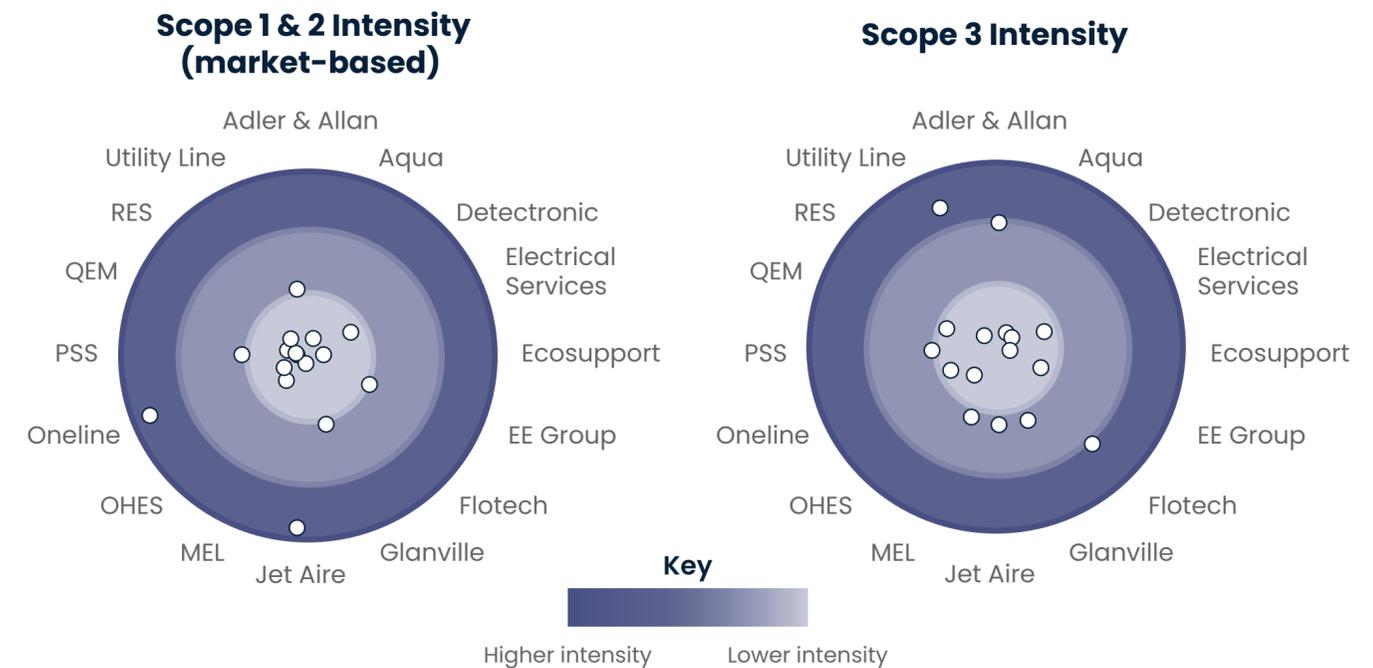
Our emissions profile

How do we measure intensity?



We measure our emissions intensity based on tCO₂e per £ million revenue generated. This is because our major emissions sources are tied to service delivery. Measuring tCO₂e per £ million revenue shows whether we are becoming less carbon intensive as a group – generating the same or more revenue through our services but with fewer emissions.

How does intensity vary across Adler & Allan?

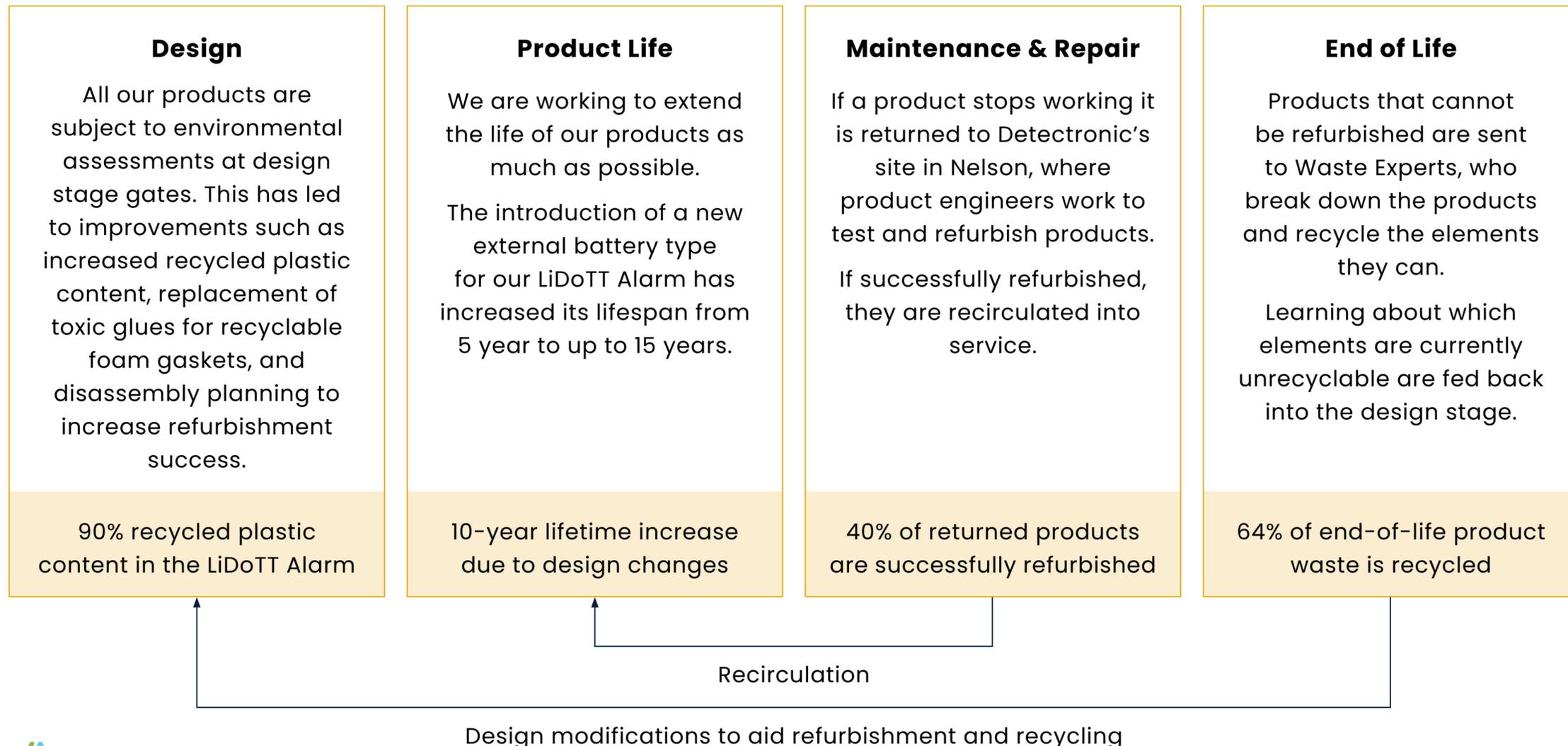


Our Adler & Allan entities deliver a wide range of services, from consultancy to jetting to EV charging installation. For this reason, we see differences in intensity across the Group. Our jetting businesses tend to have a higher Scope 1 & 2 intensity due to their use of HGVs, whereas our businesses that purchase more materials, such as electrical components, have a higher Scope 3 intensity.

Product Lifecycle



Our main product business, Detectronic, are working hard to make sure their products become as circular as possible. This includes designing for disassembly, extending product working life, and completing life cycle assessments.



Target	Progress
Complete LCA assessments on selected products	
Increase our refurbishment rate year on year	
Increase our end-of-life recycling rate year on year	

For full disclosure of our data on this topic, please see pages 36–38.



Product Lifecycle

LiDoTT Alarm: a case study in responsible consumption and production



In line with our ambition to reduce environmental impact and support the UN’s Sustainable Development Goal 12, Ensuring Responsible Consumption and Production, Detectronic’s LiDoTT ALARM has been redesigned to be more sustainable, efficient, and built to last.

The device now features an external battery which can be easily replaced once flat. Previously, the unit was sealed shut, meaning once the battery died, the whole device had to be discarded. By allowing only the battery to be replaced instead of disposing of the whole unit, this redesign has significantly reduced waste by extending the product’s lifespan from 2–5 years to up to 15 years. The team are already striving for further improvements and are aiming to introduce a rechargeable battery to cut waste even further.

Detectronic have also made strides in material sustainability. The recycled plastic content has increased from 80% to 90% in the LiDoTT ALARM, a standard that will soon apply across all products.

Toxic glues have been replaced with a fully recyclable foam gasket, making the design more environmentally friendly. The LiDoTT ALARM is now designed for disassembly, meaning it’s end-of-life destination, Waste Experts, can easily separate the product out into separate categories (such as electronics, plastics, and metals) for recycling.

It’s not just about materials – the internal firmware has been optimised for better energy efficiency. The device now utilises 4G instead of 2G to communicate information. This requires less energy and extends battery life. Future upgrades could see the introduction of Long-Range Wide Area Network (LoRaWAN), which is a low-power, wide area radio technology, which would improve the device’s ability to transmit and receive data over large distances.

With these changes, we are making great strides towards the circular economy by designing products that last longer, use more sustainable materials, and minimise waste.

Health & Safety

Ensure everyone returns home safe and healthy every day



Looking at age & time-served

During FY25 the SHEQ team carried out a full review of accident statistics in relation to age groups and time served, to explore the relationship between these factors and experience of the workforce safety.

The findings from this analysis have helped to identify the groups of workers who might be particularly at risk.

This has shaped targeted interventions to further improve health and safety performance across the Group.

Supporting the drive to end the stigma of mental health

The SHEQ team also led on a series of bitesize learning and awareness sessions across the Group.

These 45-minute sessions covered mental health and resilience, engaging information, safe and sound decision making and getting things done.

These sessions helped colleagues improve knowledge, build confidence and develop skills to help promote a supportive workplace.

Recycling PPE

In collaboration with our dedicated PPE Supplier, Adler & Allan have introduced a recycling scheme to collect used personal protective equipment and workwear for responsible recycling.

PPE recycling stations have been set up across the depot network to ensure collection of all used PPE and workwear which is then taken away for recycling through a secure process, which often includes shredding and energy recovery or repurposing the materials.

Target

Maintain AFR under 0.30



Progress

Reduce accidents occurring to employees with less than 2 years service by 30% in FY26



For full disclosure of our data on this topic, please see pages 36–38.

The Health and Safety Executive advises that the Accident Frequency Rate (AFR) for our sector is 0.45

0.12

Accident Frequency Rate

0.44

Lost Time Accident Frequency Rate

0

Major non-conformances in ISO45000 accreditation



Health & Safety

Reducing slips, trips and falls

During FY25 the SHEQ team ran a series of targeted H&S campaigns and awareness sessions to reduce the number of slips, trips and falls occurring. These sessions involved a combination of identifying hazards, implementing physical changes to the environment, establishing safe work practices, and providing ongoing training. The campaign sessions focused on 5 initiatives:



Site managers were encouraged to produce “slip, trip and fall heat maps” to identify areas where a significant slip, trip or fall could occur at their office or depot. With support from the SHEQ team these areas were then reviewed and steps were taken to either remove or reduce the potential risks identified.

A series of supporting toolbox talks, and themed posters were also distributed across the Group to promote good housekeeping.

As a result of campaign and awareness sessions we saw accidents relating to slips, trips and falls reduced by 20% over the course of the year and it is expected that these will reduce further during FY26 as the lessons from the campaign sessions are embedded across the Group.



Employee Engagement



Inspire and support everyone to contribute to our shared values and goals

In June 2025, we ran a Pulse survey, a shorter, interim survey to gauge engagement and sentiment at the mid-point of the year. Response rate was lower (as expected), but the insights were extremely valuable.

The majority of our employees see themselves at Adler & Allan in 12 months’ time, feel motivated to do great work and feel proud to be part of a company that delivers purposeful services that protects the environment to create a more sustainable future.

We also identified that the communications channels and function we have put in place this year is a having a positive effect and is linked to higher engagement and intent to stay. We also know that teams love what they do and the connection to purpose is strong. Our Making Waves programme and investment in managers is making a real difference, so we will keep building on this success.

And while there were many positives, we have identified areas we can improve particularly around local communications, reward and recognition and development and growth.

Target	Progress
Raise our Engagement Score to over 75%	
Reduce attrition to below 18%	




For full disclosure of our data on this topic, please see pages 36–38.

← PAST

Leveraging our capabilities and developed our Making Waves programme.

Launched new inclusive working groups through Women Making Waves.

Clear communications channels and introduction of internal communications channels and function.

→ FUTURE

Launch the behavioural framework and new values.

Develop Our Way, a reward and recognition scheme, to incorporate new values.

Introduce Work Chat, our new performance development framework.

Implement more localised and streamlined integration communications.



Employee Engagement

Military community and network

We recognise that Veterans and Reservists bring a diverse range of capabilities along with effective leadership skills and high levels of resilience that benefit colleagues and customers alike.

From achieving the Defence Employer Recognition Scheme Gold Award to hosting insight days and Armed Forces events, this network not only enhances our business, but also offers meaningful opportunities for Veterans and Reservists to apply their valuable experience in a commercial setting.

We've strengthened our support by embedding a Reservist Policy, offering an additional ten days' leave for reservists and three days for Cadet Force adult volunteers. We offer military community insight days via the Career Transition Partnership, and host events with British Forces Resettlement Services.

From January 2025 to date, we've recruited 43 individuals through our Armed Forces initiatives.

We share roles through our partnership with Hire Cracker, a veteran-led, military-focused recruitment agency, demonstrating our commitment to supporting suppliers that champion military backgrounds.

Our collaboration with British Forces Resettlement Services and active participation in Career Transition Partnership events will continue throughout the year.

We also celebrated Armed Forces Day, delivered talks at York College to inspire future applicants, and showcased powerful post-service case studies of colleagues, three of whom were shortlisted for national honours in the Forces in Business Awards.

Ultimately, our military community doesn't just support individuals, it strengthens our business by embedding resilience, leadership, and collaboration across every level at Adler & Allan.





Employee Engagement

Managers Making Waves



Investing in managers is delivering a real impact, and we will keep building on this success.

We have now delivered two waves of our bespoke Managers Development Programme, with more than 100 managers taking part.

The programme is designed to equip our managers with the right tools and insights so they can thrive in their roles, enhance capability across management disciplines from self-management and coaching to organisational leadership.

Women Making Waves



Women Making Waves is Adler & Allan's award-nominated network encourages involvement, improves awareness, and greater understanding, and is driving real change. Launched under the theme Accelerate Action, the initiative tackles real challenges through core working groups.

Over the past year, more than 150 employees have engaged with Women Making Waves initiatives. Through initiatives addressing menopause, menstruation, working carers and career development, the network has shaped policy improvements, created a culture where every voice matters. These initiatives and working groups have delivered a comprehensive programme designed to inform, educate, and support colleagues while equipping managers to lead confidently and compassionately.

Alongside this, Women Making Waves has been shortlisted for the Outstanding Women's Network of the Year in the British Diversity Awards.

Led by passionate advocates across the business, the networks are committed to supporting colleagues, recognising our ongoing commitment to build and maintain supportive and inclusive workplaces across Adler & Allan.

Employee Engagement



Menopause and Menstruation

This initiative was developed through a survey-led approach, engaging with female colleagues to identify practical improvements while also assessing awareness across the wider workforce. The results shaped a comprehensive programme focused on inclusion, wellbeing, and long-term cultural change.

As a result, we introduced the provision of free period products across all depots, the launch of a dedicated intranet hub, and access to Medicash's 24/7 menopause support line, offering clinical advice, GP guidance, and up to eight counselling sessions.

In partnership with external specialist FluxState, we delivered tailored training and awareness sessions for both managers and colleagues, established a network of menopause advocates, and enhanced exit interviews and sickness reporting to better capture menopause-related impacts.

Following a year of the programme, its impact was externally recognised with shortlisting for Diversity & Inclusion Initiative of the Year at the 2025 Energy & Utility Skills Awards, as well as Diversity Champion of the Year for the Menopause & Menstruation initiative lead in the British Diversity Awards.

Working Carers

With over 107 working carers across Adler & Allan, supporting colleagues who balance work and caring responsibilities is a key social priority.

Recognising that many carers need support, we established a dedicated Working Carers Network to provide visibility, practical support, and a trusted space. The network meets monthly and enables carers to share experiences, exchange advice, and build confidence in discussing their circumstances with managers. It also plays an active role in identifying areas for improvement and influencing positive change across the business and we have been able to provide more focus on flexible working, family leave, wellbeing, and access to support. These have all been supported by a dedicated intranet page featuring guidance and real colleague case studies and regular communications with our working carers workforce.

Alongside addressing challenges, the forum celebrates successes, promotes self-care, and signposts additional resources, helping to foster a supportive and inclusive culture.

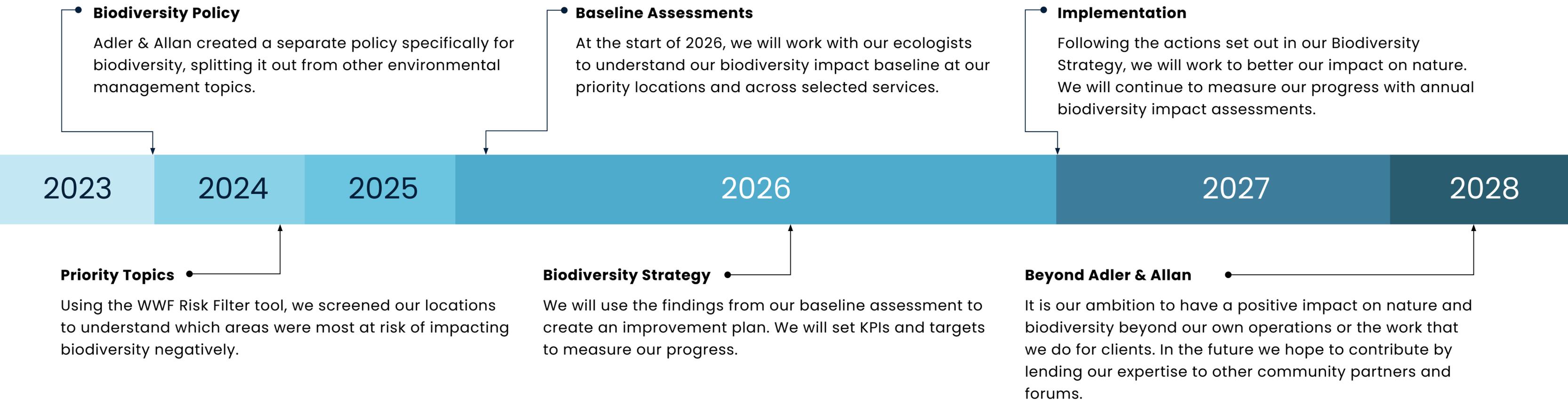
Through collaboration with Carers UK, we continue to support the national awareness week and roll out new initiatives for our working carers and future training for our managers, while the network continues to strengthen our approach to employee wellbeing and inclusive employment practices.



Environment

Have a positive impact on nature and biodiversity

Biodiversity is one of our five future focus topics. We will be working hard over the next 18 months to develop a Biodiversity Strategy, informed by impact assessments of our priority sites and services completed by our in-house ecology teams.



Environment



Have a positive impact on nature and biodiversity

Reducing waste

This year, we have rolled out the Simpler Recycling Requirements across our Group.

Separate designated recycling containers have been provided at our sites to facilitate the segregation of dry mixed recycling, paper and card, food, and residual non-recyclable waste.

Internal waste audits have been undertaken to verify compliance with the requirements.

This year, we have achieved a recycling and recovery rate of 98.5%.

98.5% of our waste is recycled or energy recovered

Environmental MOTs

To improve the consistency of our high environmental standards across the Group, we are developing a new Environmental MOT system.

This process will include an assessment for all premises to benchmark environmental performance. The site will then be given a score based on instances of non-conformances, good practices or best in class practices.

The Environment team will then use these scores to target actions for improvement and share good practice.

Ensuring consistent environmental best practice

Robust management

65 external BSI audits later, we have successfully onboarded Group members: PSS Utilities, Aqua Consultancy, Jet Aire and QEM onto our ISO 14001: Environmental Management Systems group certificate.

The SHEQ team achieved this with zero major non-conformities and only a few minors, demonstrating robust integration and system maturity.

Next year we hope to add ISO 50001: Energy Management Systems to our existing accreditations (ISO 9001, 14001, 45001 & 27001).

Zero major non-conformances across our ISO accreditations

Target

Progress

A long-term biodiversity strategy in place by 2027



Achieve ISO50001 accreditation by 2027



Introduce Environmental MOTs across the Group in 2026



Establish a freshwater consumption baseline by 2027



For full disclosure of our data on this topic, please see pages 36–38.

Supply Chain



Work proactively with our suppliers to ensure our operations are sustainable

Our objectives are to prioritise suppliers who maintain fair labour practices, protect human rights, safeguard the environment, and seek to develop sustainability solutions. To achieve this aim, we will be developing and implementing the following:

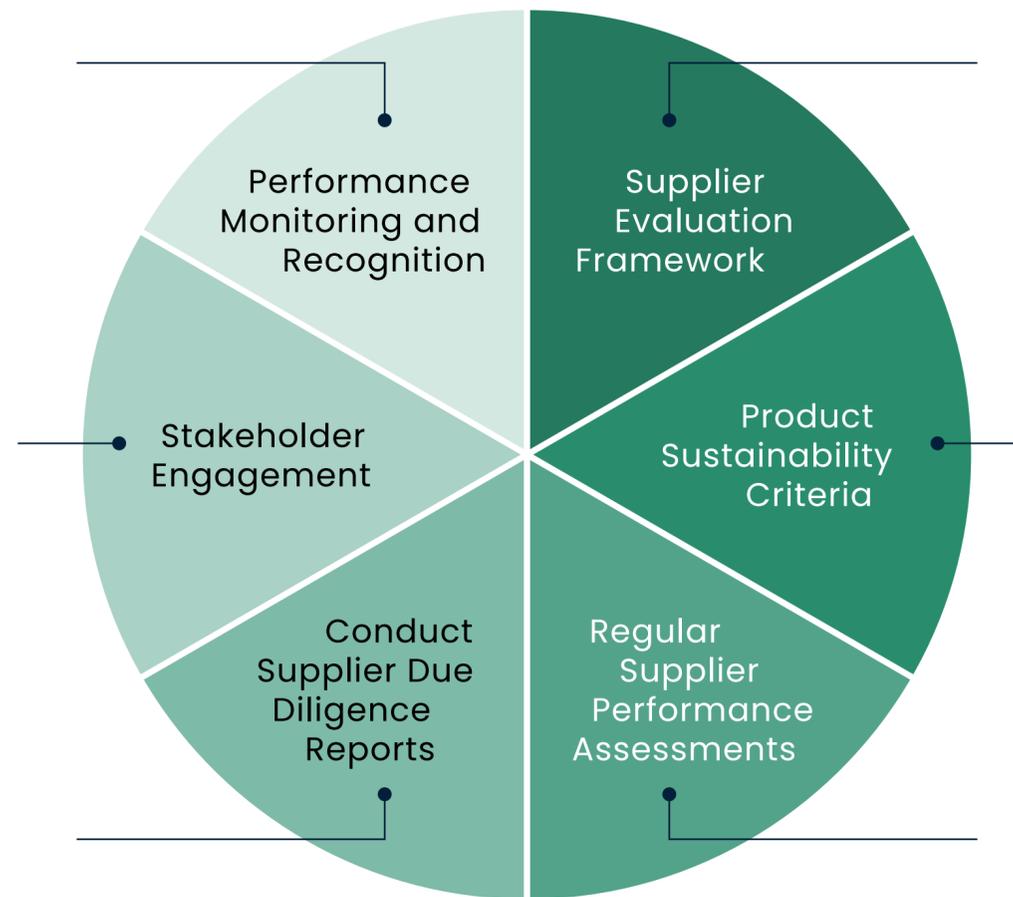
Track supplier compliance with sustainability requirements.

Participate in awards and certifications that recognise suppliers' commitment to sustainable procurement.

Communicate our sustainable procurement expectations to suppliers and collaborate to identify opportunities for improvement.

Educate internal stakeholders on the benefits and importance of sustainable product procurement.

Review supplier policies, certifications, and third-party audits to verify compliance with environmental and social standards.



Assess suppliers on their environmental, social, and ethical performance alongside traditional criteria such as price, quality, and reliability.

Assign weightings to different criteria based on their relevance to the supplier and tender.

Establish clear criteria encompassing environmental impact, ethical sourcing, and product lifecycle considerations.

Use performance scorecards and key performance indicators (KPIs) to measure and evaluate environmental and social performance.

05

Data & Governance

▶ Data & Governance

▶ Tracking our Progress

Data & Governance

ESG Governance Structure

Board Level Committees

The Board is the highest governing body of Adler & Allan. It consists of executive and non-executive members. It oversees the Group's strategies, policies, risks and targets related to sustainable development and ESG.

Leadership

Our CEO and CFO hold overall responsibility for the ESG strategy and performance.

They are engaged through:

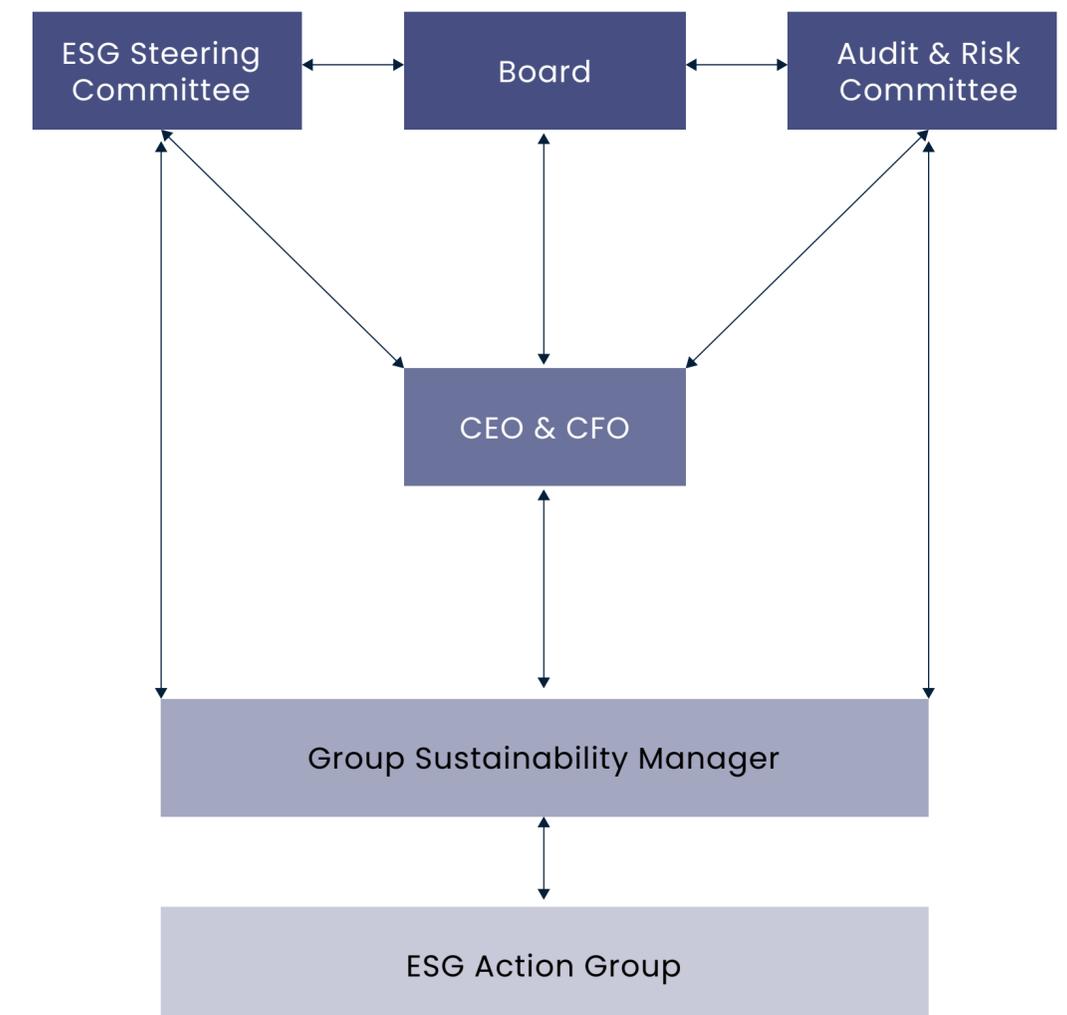
- Monthly ESG reports
- Monthly progress meetings,
- Ad-hoc ESG Steering Committee meetings which provide in-depth guidance on selected topics.

Management

The Group Sustainability Manager is responsible for developing and implementing our ESG strategy.

Cross-Departmental Collaboration

The ESG Action Group is formed of leaders from across business areas and departments. This group provides guidance, feedback and implementation support for the Group Sustainability Manager.





Tracking our Progress

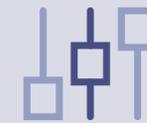
Continually improving our ESG data by tracking more KPIs; representing our new acquisitions; and tightening measurement quality

As our Group continues to grow and change, so does our data collection processes. Please note that different entity boundaries apply for different KPIs. Please check the asterisk notes for more information.



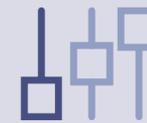
We're exceeding our expectations

- Carbon intensity
- Fleet electrification
- Accident frequency rates
- Health & safety training hours
- Product refurbishment



We're maintaining performance

- Waste recycling rates
- Waste product recycling rates
- Executive safety walks completed
- Proportion of female employees



We're working on it

- Business ethics training
- Supply chain monitoring

Tracking our **Progress**

Topic	KPI	FY24	FY25
Positive Impact	Number of sites where we have installed or upgraded EV chargers for customers	278	385
	Number of customers supported with preventative maintenance	610	619
Climate Change	Scope 1 tCO ₂ e	13,759	13,504
	Scope 2 tCO ₂ e (market)	249	172
	Scope 2 tCO ₂ e (location)	249	259
	Scope 3 tCO ₂ e	50,841	52,183
	Scope 1 & 2 tCO ₂ e / £ million revenue (market)	46	42
	Scope 3 tCO ₂ e / £ million revenue	167	160
	% of company car fleet that is electric*	16%	43%
	% of total fleet that is electric*	3%	9%

Tracking our **Progress**

Topic	KPI	FY24	FY25
Product Lifecycle	% of waste product material that is recycled	63%	64%
	% of products that are successfully refurbished for recirculation	37%	40%
Environment	Total non-hazardous waste (tonnes)**	-	178
	% waste recycled or recovered**	-	98%
	% waste sent to landfill**	-	2%
	Total hazardous waste (tonnes)**	-	79
Employee Engagement	Attrition %*	19%	20%
	Engagement score %***	Not measured	72%

Tracking our **Progress**

Topic	KPI	FY24	FY25
Health & Safety	AFR*	0.07	0.12
	LTAFR*	0.47	0.44
	Number of RIDDORs*	2	5
	Total lost days to accident and injury	Not measured	502
	Number of H&S training hours completed*	34,951	49,386
	Number of executive safety walks completed	13	13
Inclusivity	% employees are female*	20%	22%
	Number of employees who are ex-service personnel***	115	160
Ethics	% employees with business ethics training*** (Drug & Alcohol; Anti-Bribery & Corruption; Anti-Money Laundering)	80%	76%
	% employees with cybersecurity training***	93%	59%

* Data from our most recent acquisitions is not included in the FY24 figures for this KPI. Therefore, year-on-year comparison is not possible.

** Method change due to new waste management supplier. 12-month figure has been estimated based on ~5 months data.

*** These KPIs do not include data from our most recent acquisitions.

06

Appendix

- ➔ About Us
- ➔ About this Report
- ➔ GRI Index Page

About Us

At Adler & Allan we provide market leading environmental risk reduction through preventive and responsive solutions offering an expert 24-7 service to our customers. Our board range of risk mitigation products and services keep business strong, reducing the prospect of litigation, costly fines and bad publicity, as well as reducing the threat to the environment.

Founded in 1926 and headquartered in Harrogate, we are a privately owned incorporated entity. We provide environmental advisory, maintenance and management services to most industries across the UK.

We now have a team of over 2000 employees, supporting 2500 customers and delivering over 200 services from over 70 locations across the UK.

To find out more about Adler & Allan and the services we provide to our clients, visit adlerandallan.co.uk.

About this Report

Report Coverage

Our ESG in Action Report 2025 describes Adler & Allan's ESG initiatives and our performance for the financial year 2025 (FY25) from 1 October 2024 to 30 September 2025.

All entities of Adler & Allan, as of the end of FY25, are included in the scope of this report. Thomson Environmental Consultants and Atmos Consulting, joined the Group in November 2025 and therefore have not been included in the scope of this report.

Reporting Standards and Principles

Our ESG in Action Report is approved by the Board and is prepared with reference to the GRI Standards 2021.

We have applied the reporting principles of the GRI 1: Foundation 2021 standards to ensure accurate and high-quality disclosure.

The GRI content index table in the Appendix lists out the information reported with reference to the recommended disclosures.

We Welcome Your Feedback

Our team is eager to hear your feedback. Please contact maisie.cook@adlerandallan.co.uk for more information about this ESG in Action Report and our ESG performance.

Our Group

Group Members	Products & Services
Aqua Consultants	Environmental consultancy
Detectronic	Wastewater monitoring equipment
E&E Group	Engineering, waste management & environmental services
Ecosupport	Ecological services & consultancy
Flotech	Specialised industrial infrastructure engineering
Glanville Environmental	Drainage & civil engineering
Jet Aire	Specialist drainage engineering
MEL Environmental	Specialist environmental consultancy
OHES	Specialist environmental consultancy
Online	Specialist engineering services
PSS Utilities	Specialist engineering services
QEM	Quality assurance, engineering, and management services
RES Environmental	Urban drainage modelling consultancy
Utility Line	Electrical infrastructure solutions
Atmos Consulting	Environmental consultancy
Thomson Environmental	Environmental consultancy

GRI Index Page

Adler & Allan has reported the information cited in this GRI content index for the period 1 October 2024 to 30 September 2025 with reference to the GRI Standards.

GRI Standards	Disclosure	Location
GRI 2: General Disclosures 2021	2-1 Organizational details	About us (page 40)
	2-2 Entities included in the organization's sustainability reporting	About this Report (page 41)
	2-3 Reporting period, frequency and contact point	About this Report (page 41)
	2-4 Restatements of information	Tracking our progress (page 38)
	2-6 Activities, value chain and other business relationships	About us (page 40)
	2-7 Employees	Tracking our progress (page 38)
	2-9 Governance structure and composition	Governance summary (page 34)
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance summary (page 34)
	2-13 Delegation of responsibility for managing impacts	Governance summary (page 34)
	2-14 Role of the highest governance body in sustainability reporting	About this Report (page 41)
	2-22 Statement on sustainable development strategy	CEO Introduction (page 4)
	2-29 Approach to stakeholder engagement	Employee Engagement (page 26) Supply Chain (page 32)

GRI Index Page

GRI Standards	Disclosure	Location
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Rising to Our Own ESG Challenges (page 17–18)
	3-2 List of material topics	Rising to Our Own ESG Challenges (page 18)
	3-3 Management of material topics	Rising to Our Own ESG Challenges (page 18)
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	Biodiversity Policy
	101-2 Management of biodiversity impacts	Biodiversity Policy
	101-5 Locations with biodiversity impacts	Biodiversity Policy
GRI 102: Climate Change 2025	102-1 Transition plan for climate change mitigation	Climate Change (page 19)
	102-5 Scope 1 GHG emissions	Climate Change (page 20) Tracking our progress (page 36)
	102-6 Scope 2 GHG emissions	Climate Change (page 20) Tracking our progress (page 36)
	102-7 Scope 3 GHG emissions	Climate Change (page 20) Tracking our progress (page 36)
	102-8 GHG emissions intensity	Climate Change (page 20) Tracking our progress (page 36)
	301-2 Recycled input materials used	Tracking our progress (page 37)

GRI Index Page

GRI Standards	Disclosure	Location
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Environment (page 31)
	306-2 Management of significant waste-related impacts	Waste Management Policy
	306-3 Waste generated	Tracking our progress (page 37)
	306-4 Waste diverted from disposal	Tracking our progress (page 37)
	306-5 Waste directed to disposal	Tracking our progress (page 37)
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Tracking our progress (page 37)
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Health & Safety (page 24)
	403-3 Occupational health services	Health & Safety (page 25)
	403-5 Worker training on occupational health and safety	Health & Safety (page 24–25)
	403-7 Prevention and mitigation of occupational health and safety impacts likely directly linked by business relationships	Health & Safety (page 24)
	403-9 Work-related injuries	Health & Safety (page 24) Tracking our progress (page 38)
	403-10 Work-related ill health	Tracking our progress (page 38)
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	Tracking our progress (page 38)
	405-2 Ratio of basic salary and remuneration of women to men	Gender Pay Gap Report



 **Adler & Allan**
ENVIRONMENTAL RISK REDUCTION