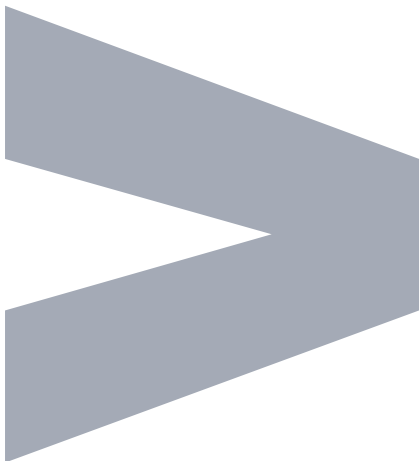


# ESG Report 2025

Environmental, Social & Governance



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This report brings together our approach to Environmental, Social and Governance (ESG) issues. Our objective is to present a comprehensive and transparent overview of our programme, the progress we have made, and our overall approach to doing business in the right way.

## WHO WE ARE

Riello UPS Ltd aspires to be the leading manufacturer of uninterruptible power supplies in the UK, in line with the wider Riello UPS (RPS S.P.A.) intent to become the leading manufacturer in the world.

Underpinning this overarching ambition are our core brand values and principles:

- **Energy And Engagement:** We have a passion for the business, where we embrace change and seek continuous improvement in all that we do.
- **Think Customer:** We are committed to providing exceptional service by putting customers at the centre of everything we do.
- **Winning Team:** We develop strong team ethics through integrity and personal development, in an environment of mutual respect, encouragement and recognition.
- **Drive For Results:** We drive the business focusing on results through technical excellence, quality, efficiency and sustainability.

*“Reliable power for a sustainable world”* – that’s the Riello UPS philosophy condensed into a few simple words. In practice, we’re a global brand always searching for the most innovative, energy efficient solutions.

Through intensive R&D and technological innovation, we’re constantly developing uninterruptible power supplies that increase power quality whilst being more energy efficient, reducing the amount of power consumed and wasted.





## COMPANY MERGER - A NEW ERA FOR RIELLO UPS

As of **1 January 2025**, the 3 Riello Elettronica UK subsidiaries (Riello UPS Ltd, Constant Power Services, and Powertecnicque) merged into a single, unified entity operating under the brand **Riello UPS Ltd**.

The merger saw our number of employees nearly double from just under 90 to approximately 170, with our engineering resource specifically more than trebling. In addition to the 27,500 square foot Riello UPS head office in **Wrexham**, North Wales, the unified company offers a truly UK-wide presence thanks to our two offices in the south of England (**Letchworth** and **Fareham**), plus our Scotland office (Cumbernauld).

The successful merger delivers several significant benefits for our customers, including enhanced service capabilities, an expanded product portfolio, improved customer support, and a stronger market presence.





## ENVIRONMENTAL

Riello UPS recognises the impact our day-to-day operations may have on the environment.

We are committed to protecting and promoting sustainable development, as well as reducing – where practicable – our carbon footprint with the aim of meeting the needs of the present without compromising future generations.

### Environmental Accreditations & Certifications

We have successfully achieved and held the **ISO 14001:2015 for Environmental Management Systems** since 2005, whilst also earning the **ISO 50001:2018 for Energy Management Systems** since 2018.

Adhering to these internationally recognised certifications helps us ensure we have the rigorous policies and procedures in place to minimise carbon emissions and energy use, promote sustainable and ethical sourcing, and support the transition to a low carbon economy.

### Environmental & Sustainability Officer

2025 saw the business introduce a brand new role in our Compliance department to support the implementation and development of our environmental and sustainability strategies.

**Max Keel** joined us as our first **Environmental and Sustainability Officer** to help ensure compliance with environmental legislation and drive forward continuous improvement.

Since taking on the role, he has already implemented several enhanced policies and procedures, including the new **Significant Energy Use (SEU) Control Procedure and Energy Improvement Procedure**.



## Net Zero Roadmap

Riello UPS is committed to **achieving Net Zero greenhouse gas emissions by 2040** by reducing emissions across our operations, products, and supply chain.

Key Milestones include:

- 2027: 100% renewable electricity
- 2030: 50% absolute emissions reduction
- 2035: 90% reduction in Scope 1 & 2 emissions
- 2040: Net Zero across all emissions.

Our roadmap outlining the route to achieving this objective aligns with UK climate targets, Science Based Targets initiative (SBTi) principles, and best practice in both the power electronics and data centre infrastructure sectors.

Tangible steps we will take to reduce our emissions include:

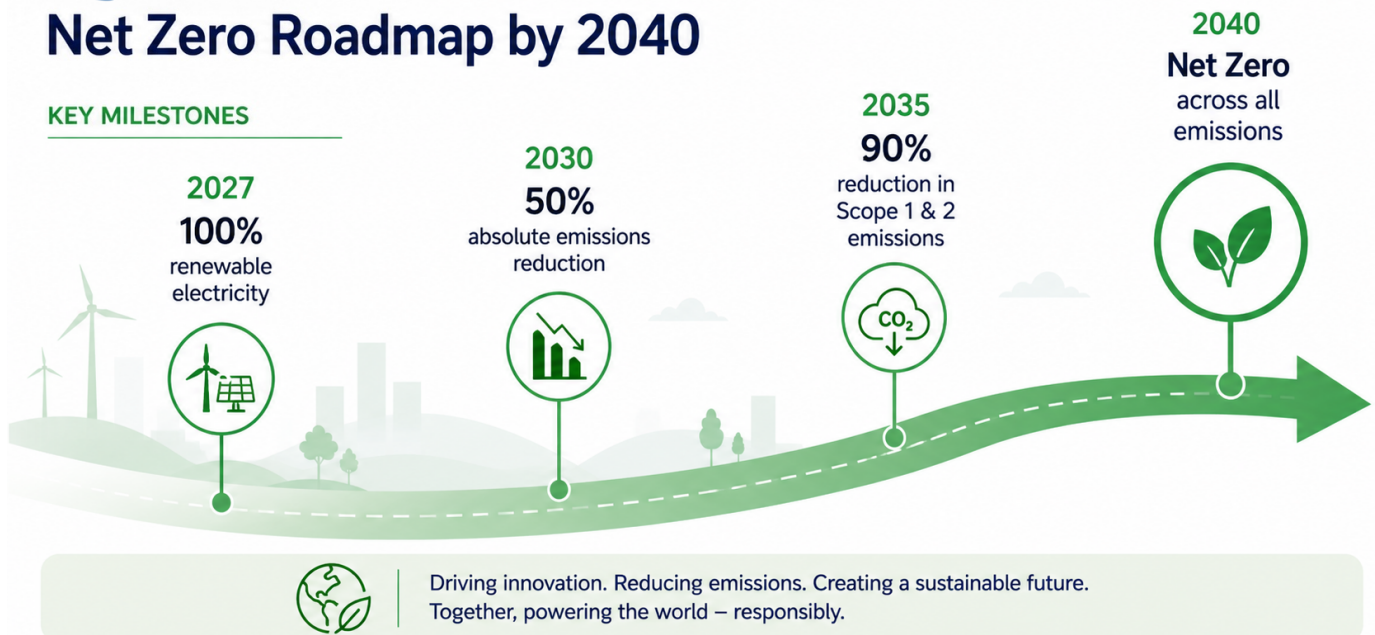
- Improving energy efficiency across all our buildings and test facilities
- Designing high-efficiency, long-life UPS systems and promoting a lifecycle approach
- Reducing emissions from transport and logistics (i.e. electrification of fleet)
- Working with partners to lower carbon impacts and Scope 3 emissions throughout our supply chain (i.e. sustainable procurement).

On that final point, several of our customers and key suppliers already run special initiatives to mitigate their environmental impact.

Examples of this include Metcraft, who we source generator fuel tanks from, and Heatons, our stationery supplier, who have both planted several trees to offset the carbon involved in the production and delivery of their products.

## Net Zero Roadmap by 2040

### KEY MILESTONES



## Climate & Carbon Management

To delve deeper into the data regarding our climate and carbon management, 2024 saw us enter a partnership with **Normative**, a carbon accounting platform that offers scientific, comprehensive, and actionable emissions insights to support us on our journey towards net zero.

Through this collaboration we track our **Scope 1** (direct emissions), **Scope 2** (indirect emissions from purchased energy), and **Scope 3** emissions (other indirect emissions).

2025 was the first full year where we have been able to accurately measure these emissions.

## Emissions Overview for 2025

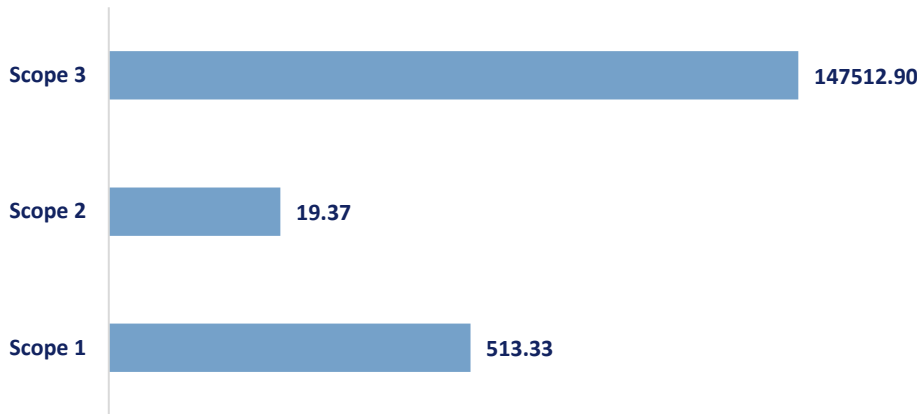
- Scope 1 = 513.33
- Scope 2 = 19.37
- Scope 3 = 147,512.9
- Total = **148,045.6**

*(tCO<sub>2</sub>e - tonnes of carbon dioxide equivalent)*

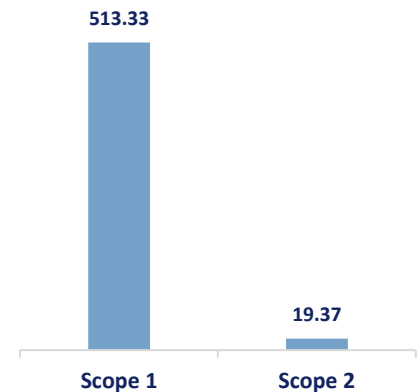
Scope 3 emissions account for approximately **96.6%** of total emissions, reflecting the significant impact of value chain emissions relative to direct operational emissions.

### Emissions By Scope (tCO<sub>2</sub>e) 2025

*Logarithmic Scale*



### Scope 1 & 2 Emissions (tCO<sub>2</sub>e)



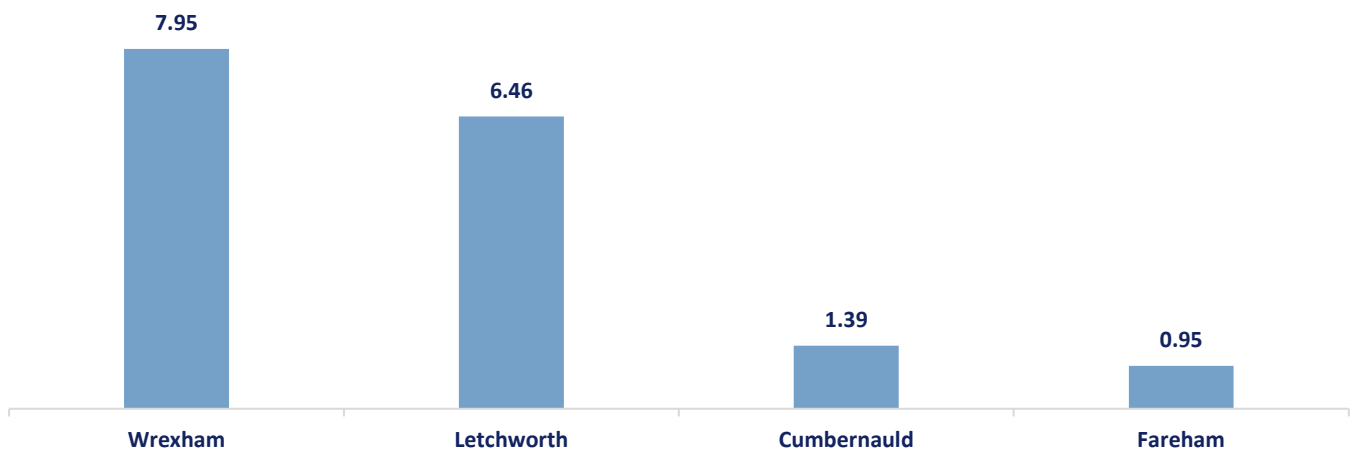
## Benchmarking Across All Sites

Following our company merger, 2025 is the first year where we have a unified dataset for emissions and energy across all our 4 sites – this provides us with the benchmark to measure, monitor, and evaluate future progress.

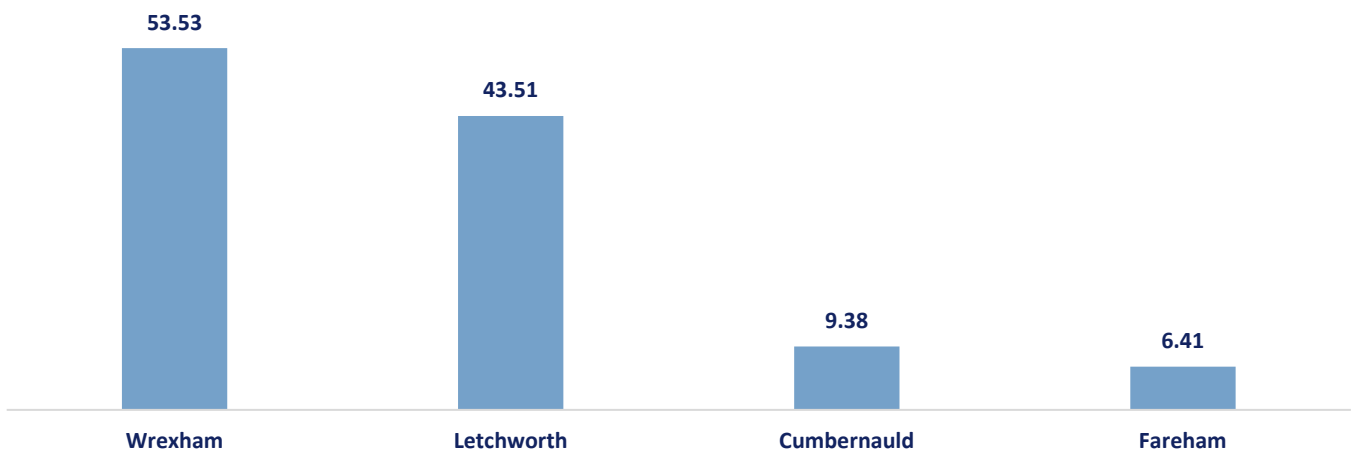
For example, we now have clear points of reference per site for energy usage and Scope 2 emissions for all purchased electricity and gas.

We will continue to collaborate with Normative to improve the quality and accuracy of the data we measure in the months and years to come.

### Scope 2 Emissions Per Site (tCO<sub>2</sub>e) 2025



### Scope 2 Purchased Energy Per Site (MWh) 2025



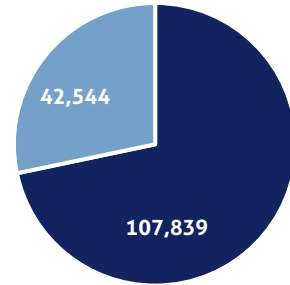
## Renewable Energy

In May 2021, we began the process of installing 160 solar panels across the roof of our head office in Wrexham, North Wales. We subsequently doubled this initial capacity of 60 kW to 120 kW.

This solar bank allows us to self-generate around 30% of our energy needs, as well as helping us reduce carbon emissions by more than 20,000 kg a year. Our Letchworth branch also has solar panels installed on its roof.

Looking to the future, we're also planning on exporting some of the energy generated by the solar panels back into the grid.

## Solar Generation Per Site (kWh) 2025



■ Wrexham ■ Letchworth



## Transportation & Fleet

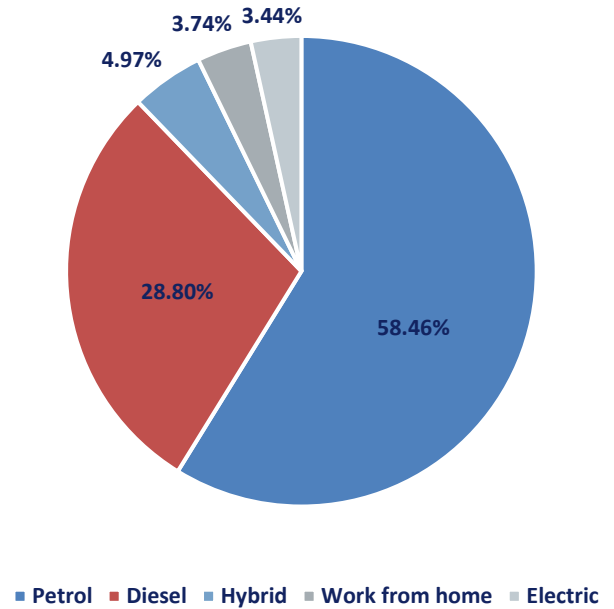
Transportation is identified as a key decarbonisation lever in our Significant Energy Use (SEU) Control Procedure.

We have a long-standing policy of encouraging electric vehicle use across the business. In terms of commercial vehicles, **nearly 60% of our operational fleet are either full EV or hybrid**. We are aiming for 100% transition to EVs by 2030.

Our Wrexham head office is currently home to 10 EV “smart” fast-charging stations, while recharging facilities are also available at Letchworth and Fareham. This infrastructure is available to staff for free to encourage more sustainable commuting.

We have also introduced an **EV Salary Sacrifice Scheme** available to all staff, giving them a simple, tax-efficient way to get behind the wheel of a new or pre-loved electric car.

Share Of Emissions By Commuting Type (tCO2e)



## Waste Management & Circularity

We work closely with several authorised waste management contractors licensed by the Environment Agency to reuse and recycle as much of our waste as we can.

Thanks to our work with Veolia and Biffa, we're pleased to be nearly **"zero waste to landfill"** regarding our general waste, glass, plastic, and tins (we **divert 99.7% of our waste from landfill**).

We have also **practically eliminated single-use plastics** within the business, replacing plastic cups with ceramic containers, plastic water bottles for visitors with glass that can be recycled, and plastic stirring spoons with an organic bamboo alternative.

We hold both **upper and lower-tier waste carrier licenses**, as well as **S1 and S2 waste exemption licenses** across all 4 sites.

For hazardous waste management, we implement a controlled handling process and have robust systems in place to document these processes.

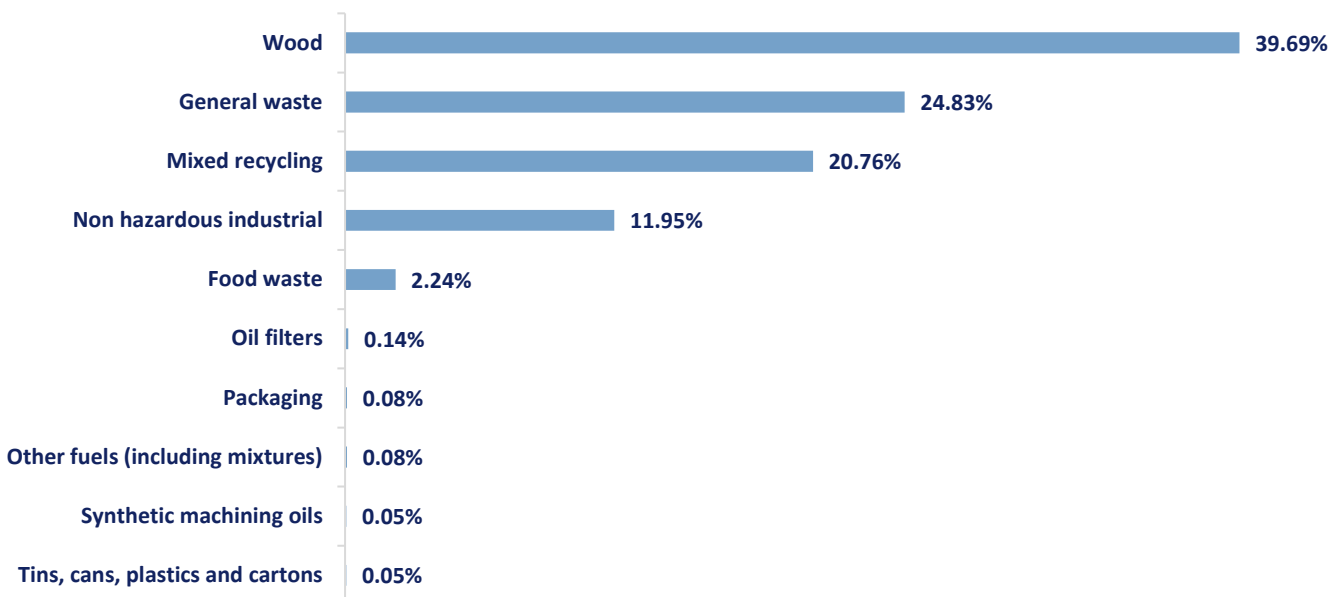
## Product & Lifecycle Sustainability

While we aim to reduce the environmental impact of our day-to-day operations in any way we can, we acknowledge that the products we supply to customers also need to be factored into consideration.

We address this through **product efficiency** – ongoing R&D to ensure our products are as efficient as possible, reducing customers' energy usage and leading to lower downstream emissions – and promoting a **lifecycle approach** that maximises equipment lifespan.

As part of this, we've implemented a **UPS Take-Back Scheme** where if a customer replaces an old or end-of-life UPS with a new Riello UPS product, we will safely dispose of the old one, with the equipment stripped and processed through compliant waste streams using licensed contractors.

### Share Of Emissions By Waste Type



## Promoting Biodiversity & Nature

Our Wrexham site is located in one of only 5 areas in Wales where you'll find the Grizzled Skipper butterfly, a rare and threatened species.

We work closely with conservation charity **North Wales Wildlife Trust** through the '**Wrexham Industrial Estate Living Landscape**' project to conserve and manage the habitat around our site, creating a sustainable environment where the endangered insect can survive and eventually thrive.

In addition, we've invested considerable time and money into developing a garden area next to the main car park.

This work has significantly brightened up previously unused land, giving our staff a nice outdoor environment to sit and eat lunch. We have also planted attractive flower beds and plenty of fruit trees to improve the environment.

2025 saw us extend our partnership with **GreenTheUK**, a nationwide wildlife conservation scheme that helps businesses get involved with projects that increase biodiversity, protect species, and enhance local communities.

In our first year with the scheme (2023-24) we planted 2,000 climate resilient trees. For 2024-25, we increased planting to 4,000 trees, while we also supported the restoration of 150m<sup>2</sup> of native oysters in the Solent. Now for 2025-26 we will again plant 4,000 trees – taking our total to **10,000** – as well as restoring another 150m<sup>2</sup> of native oysters.

As part of the collaboration, many of our team have also participated in several woodland management and oyster restoration **volunteering days**.

October 2025 also saw us welcome the **Letchworth Garden City Heritage Foundation** to our Letchworth office to discuss enhancing the green space around the site to tie in with local biodiversity initiatives.





## SOCIAL

Like any thriving organisation, Riello UPS's success is based on the energy, enthusiasm, and expertise of our winning team.

We currently employ nearly 180 staff. Several of our team have worked for the business since day 1, including Leo Craig, who has overseen operations since 2013 firstly as General Manager, before becoming Managing Director in 2020.

The vast majority of our people have been with us on our journey for at least 5-10 years, forming a formidable team with a wealth of experience that deliver the best results for our customers.

### Living Wage Employer

We passionately believe in the principle of delivering a "fair day's pay for a hard day's work", so are proud to be a **Living Wage Employer** to not just all our own employees, but any external subcontractors who we work with too.

### Putting Our People First

We know people perform at their best when they feel valued and are able to achieve the right work-life balance. That's why we're constantly looking for ways to make Riello UPS an even better place to work for our team.

From 2019, we have successfully achieved **Investors in People** accreditation. We are proud to have retained this status following reassessments in both 2022 and 2025, the latter of which covers the entire post-merger business.



## Wellbeing & Mental Health

We expect our team to bring the passion, enthusiasm, and energy to work as a team to deliver the best for our customers.

In return we provide an exceptional range of benefits to ensure our people are well-rewarded and have the resources to make the most of their professional and personal lives.

As well as generous annual leave entitlement (a minimum 26 days up to a maximum 32 days), we also have **early Friday finishes before every bank holiday** (and for every Friday during August).

We have introduced **'24 Useful Hours'** so that staff can take 1-4 hours ad-hoc time off to, for example, take a pet to the vets or attend their child's sports day, without having to take a holiday.

Similarly, we also brought in **'24 Wellbeing Hours'** to help our team achieve better work-life balance and broaden their horizons. Every year, staff get 24 hours in addition to their annual leave entitlement to use for training, development, volunteering or even exercise.

While as well as having several employees as trained first aiders, we also have a growing team of qualified **mental health first aiders** on hand for any employee to turn to for wellbeing support.

## Financial Wellbeing

We understand that financial wellbeing goes hand in hand with physical and mental wellbeing. 2025 saw the introduction of **Wagestream**, a financial wellbeing platform that gives our employees greater control and confidence over their financial affairs.

Users can create a 'savings pot' that pulls money from their monthly wage, as well as the opportunity to access part of their salary before payday.

We also rolled out an optional **Salary Sacrifice Pension Scheme** to help employees boost their retirement fund at the same time as reducing their personal tax liabilities, as well as an **EV Salary Sacrifice Scheme** offering staff access to cost and tax-efficient electric vehicles.



## Reward, Recognition & Employee Benefits

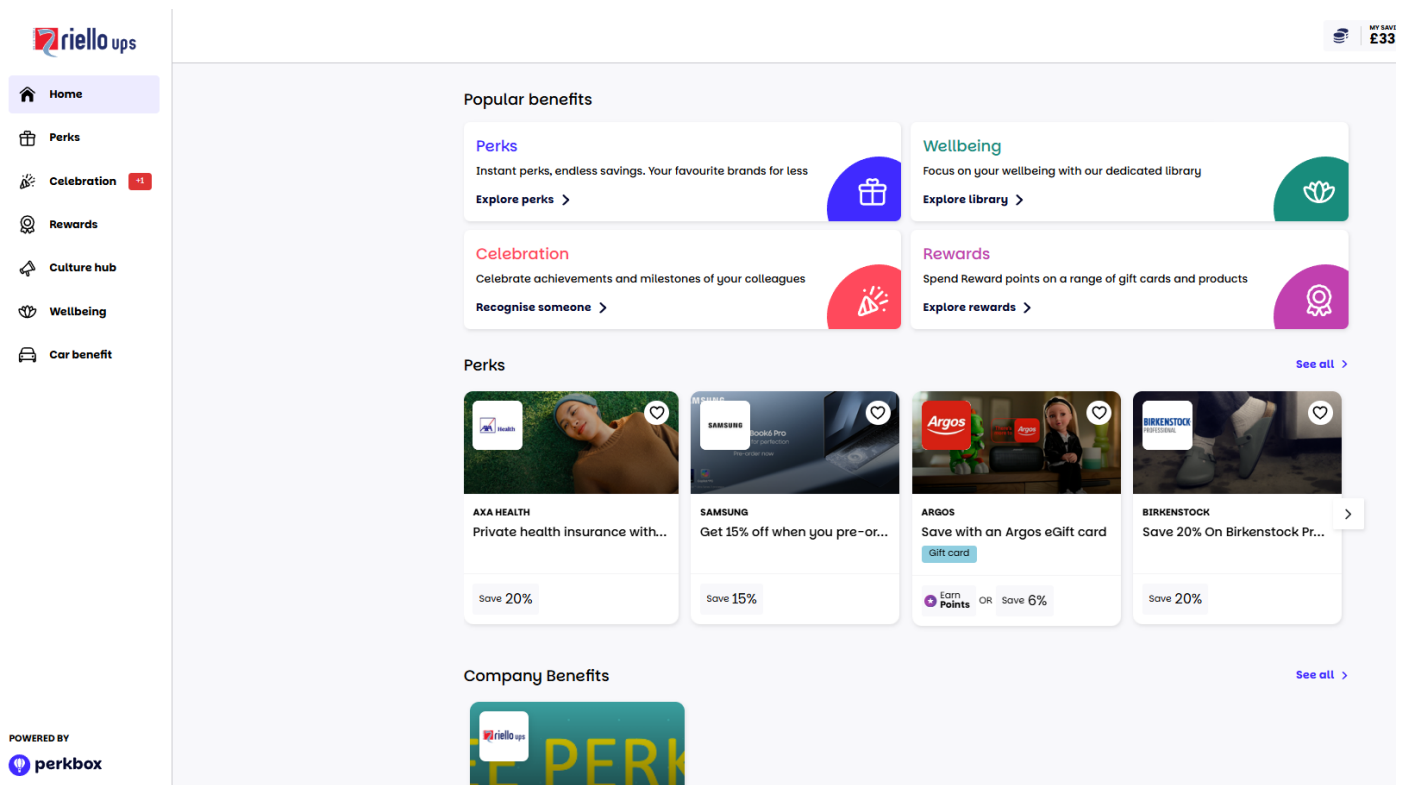
All Riello UPS employees get **free access to Perkbox**, a rewards app full of deals, discounts, and freebies. Staff receive monthly 'Flexi Points' they can redeem against hundreds of exclusive offers from high street and online retailers.

Perkbox is also home to **Online GP**, a free online medical consultation and prescription service, and our dedicated **Employee Assistance Programme (EAP)**, which offers employees 24/7 confidential access to qualified counsellors providing wellbeing support whenever it's required.

Staff – and partners too – have the option to join a **subsidised private healthcare scheme**, whilst we also **cover the cost of a private flu vaccination** for those who aren't eligible for a free NHS jab.

On the back of feedback from our regular 'Workbuzz' staff surveys, we also run a popular **'Power People' employee of the month scheme**. Staff use the Perkbox app to celebrate colleagues who have best demonstrated our key company values. From these nominations, our senior leadership team decides an overall winner, who receives a £50 Amazon voucher.

In 2025, we extended this scheme by automatically entering all monthly winners into an annual **'Power Person of the Year' award**, where the overall winner receives the choice of either two extra days leave or 2 days of pay in lieu.



The screenshot displays the Riello UPS Perkbox app interface. On the left is a navigation menu with options: Home, Perks, Celebration, Rewards, Culture hub, Wellbeing, and Car benefit. The main content area is titled 'Popular benefits' and includes four categories: Perks (Instant perks, endless savings), Wellbeing (Focus on your wellbeing), Celebration (Celebrate achievements), and Rewards (Spend Reward points). Below this is a 'Perks' section with four featured offers: AXA HEALTH (Private health insurance with... Save 20%), SAMSUNG (Get 15% off when you pre-or... Save 15%), ARGOS (Save with an Argos eGift card Gift card Earn Points OR Save 6%), and BIRKENSTOCK (Save 20% On Birkenstock Pr... Save 20%). At the bottom, there is a 'Company Benefits' section featuring the Perkbox logo and the text 'E PERK'.



## Charity Champions

Riello UPS has a long and proud tradition of fundraising for fantastic charities and community causes. But following our merger, we wanted to improve coordination of our fundraising efforts across our 4 sites.

2025 saw us introduce a team of **'Charity Champions'** made up of representatives from each office who volunteer to lead our community activities.

## Charity Of The Year 2025 - MND Association

2025 was a particularly poignant and record-breaking year for our fundraising efforts.

In December 2024, everyone at Riello UPS was shocked to learn of our long-serving Project Manager **Peter Walthall's** diagnosis with Motor Neurone Disease (MND).

To show our support to Peter, his wife Tracey, and all his family and friends, we were proud to choose the **MND Association** as our Charity of the Year.

Peter is a huge football fan and has followed Port Vale FC for more than 50 years – to reflect this fandom, several of our team undertook the **'Power Walk For Peter'**, a 42-mile sponsored walk starting at our Wrexham head office and ending at Port Vale's Vale Park stadium in Staffordshire.

The wider Riello UPS family showed their support too. A team from our Scottish office arranged their own epic walk from Cumbernauld to Murrayfield Stadium in Edinburgh (38 miles), while colleagues in Fareham and Letchworth took to temporary treadmills and clocked up the miles too.

Add in various other fundraising events and the donations from our annual Christmas party raffle, and we raised a grand total of **£7,800** for the MND Association, our biggest ever annual amount by far.



## Supporting Several Worthwhile Causes

Our charitable efforts in 2025 extended far beyond our fundraising for the MND Association. All our various sites served up tasty treats and bakes that helped raise a crumb-believable £600 for **Macmillan Cancer Support**.

We continued our long-standing corporate support of both **Nightingale House Hospice** in Wrexham by sponsoring its 'Longest Day, Lasting Care' campaign and the **Circus Starr** tour, where we once again donated 25 tickets and sensory packs to disadvantaged and SEND children and their families.

We supported several staff members' individual charitable efforts, raising funds for causes including **Cancer Research UK**, **SANDS**, the **British Heart Foundation**, and **Birmingham Children's Hospital**.

While we also donated 20 old laptops to a Royal Air Force (RAF) squadron local to our Wrexham office, **1251 Berwyn Squadron Ruabon Air Cadets**, where one of our team is a volunteer commanding officer.

The computers are used for vital training and help ensure that the squadron's offering is inclusive and accessible to all cadets, not just those who have their own laptops or digital devices.

Finally, we sponsored new sports kits and equipment for various youth rugby and football teams that our staff's children play on, and supported several of our customers' and resellers' charity golf days by donating prizes or sponsoring teams to participate.





## GOVERNANCE

We complement our overarching company values (Energy & Engagement; Think Customer; Winning Team; Drive For Results) with a rigorous Quality Policy, which helps us to achieve consistently high levels of product, service and process quality through:

- Maintaining an Integrated Management System meeting the requirements of ISO 9001:2015
- Continually improving the effectiveness of our Integrated Management System
- Ensuring a clear understanding of our clients' requirements
- Responding to our clients' needs and expectations
- Providing the resources to achieve the quality objectives
- Enabling all our employees to meet the quality requirement and striving to achieve good work first time and on time.

## Quality Standards & Certifications

We are committed to continuous improvement and excellence, having successfully achieved (and maintained) the following internationally recognised certifications:

- ISO 9001:2015 Quality Management Systems
- ISO 14001:2015 Environmental Management Systems
- ISO 22301:2019 Business Continuity Management Systems
- ISO 27001:2013 Information Security Management Systems
- ISO 45001:2018 Occupational Health & Safety
- ISO 50001:2018 Energy Management Systems

In Autumn 2025, we successfully completed 'Extension To Scope' (ETS) audits for all these ISOs at our facilities in Letchworth and Fareham.

We have also begun our journey towards achieving the new ISO 14001:2026 certification.



## Industry Accreditations

As well as our internationally recognised ISO certifications, we are also members of several industry-related quality assurance schemes, including:

- Gold member of the **Constructionline** scheme used throughout the construction sector
- Registered as part of the **JOSCAR (Joint Supply Chain Accreditation Register)** collaborative tool used across the aerospace, defence, and security industries
- Certificate of registration for **Achilles UVDB**, the pre-qualification system used throughout the UK utilities sector
- Certified by **SafeContractor**, the health and safety accreditation that covers all health, safety, and ethical policies
- Hold the enhanced **Cyber Essentials Plus** certification as part of the **Cyber Essentials** assurance scheme overseen by the National Cyber Security Centre (NCSC) to ensure more secure IT networks.

## Policies & Procedures

All our policies, procedures, work instructions, risk assessments, and other relevant documentation are easily accessible to all staff via our online Integrated Management System (IMS).

These cover subjects such as:

- Equality and Diversity
- Anti-Corruption and Bribery
- Corporate and Social Responsibility
- Data Protection
- Ethics
- Information Security

2025 saw us introduce a monthly '**Policy & Procedure Focus**' feature on our Riello Exchange (REX) staff intranet to highlight new processes and provide handy refreshers about our key documents.

## Mandatory Training

Every member of staff must undertake mandatory online training on a wide range of topics, such as cyber security, equality and diversity, the Modern Slavery Act, the Criminal Finances Act, and environmental awareness.

As well as new staff undertaking this training during their induction, all employees must complete regular refresher courses to ensure their knowledge is up to date.

After migrating all these mandatory courses to a new online training platform (HandsHQ) in 2024, this year saw us appoint a dedicated member of our Compliance team with overall responsibility for coordinating all our internal training activities.



## Staff Feedback & Continuous Improvement

Riello UPS employs various methods that enable our staff to share their feedback and contribute to continuous improvement.

We carry out quarterly **WorkBuzz engagement surveys** that take the pulse of our workforce. The results are benchmarked to compare over time and against nationwide averages of comparable businesses. Comments and trends are discussed by our senior leadership team to identify potential areas for improvement.

We also have an **OFI (Opportunities for Improvement) system** in place that encourages the team to identify where we could do things better. OFIs may arise from a 'near miss', an issue with a customer, or simply someone spotting a process or procedure that could be improved.

Finally, we have **SPARC (Suggestions Powering A Real Change)** – our online suggestion box where staff can submit any ideas they have. The rest of the team vote on all suggestions, with the most popular ideas going forward to the senior leadership team.

All these avenues help to build a culture of continuous improvement.

## Bespoke Leadership Training

We run our own bespoke training programme for all departmental managers and team leads.

Designed by our People & Culture Director **Sarah McCormack** based on her years of experience as a Regional Training Manager, the '**Leading The Riello Way**' scheme creates a shared approach to leadership and communication across the business.

The aim of the programme is to provide a consistent experience for our teams where they are led in a way that reflects our culture, values, and strategic objectives.

By building a shared understanding of expectations, values, and behaviours, our managers and leads are better equipped to support their teams, make more effective decisions, and create a positive working environment.



## SUSTAINABLE DEVELOPMENT GOALS (SDGs) INDEX

Adopted by all United Nations member states in 2015, the **Sustainable Development Goals (SDGs)** provide a global framework for collective action to tackle issues such as poverty, gender, equality, and climate change by 2030.

The SDGs are a key consideration as we develop our strategies, policies, and procedures, showing our ongoing commitment to sustainable development.

While there is inevitably some crossover and synergy between many of the goals, the following summary provides an overview of how our behaviours align with the various SDGs.

# SUSTAINABLE DEVELOPMENT GOALS



*Wellbeing & Mental Health;  
Financial Wellbeing;  
Reward, Recognition &  
Employee Benefits*



*Product & Lifecycle  
Sustainability*



*Net Zero Roadmap;  
Climate & Carbon  
Management;  
Renewable Energy;  
Transportation & Fleet*



*Waste Management &  
Circularity;  
Product & Lifecycle  
Sustainability*



*Living Wage Employer;  
Putting Our People First*



*Net Zero Roadmap;  
Climate & Carbon  
Management;  
Renewable Energy;  
Transportation & Fleet*

