

Sustainability at Renishaw





Background

We have been working on Sustainability for many years and not just focused on Greenhouse Gas (GHG) emissions

Environment:

- Investments in self-generation of electricity at larger global sites
- Focused investment on recycling and reducing waste to landfill since 2015

Sustainable development:

- Charities committees in place since 1981 (UK) and 2013 (India)
- STEM outreach since the 1990s with a dedicated team since 2010
- Early careers development since 1979 (apprenticeships) and 1984 (graduate schemes)

Market:

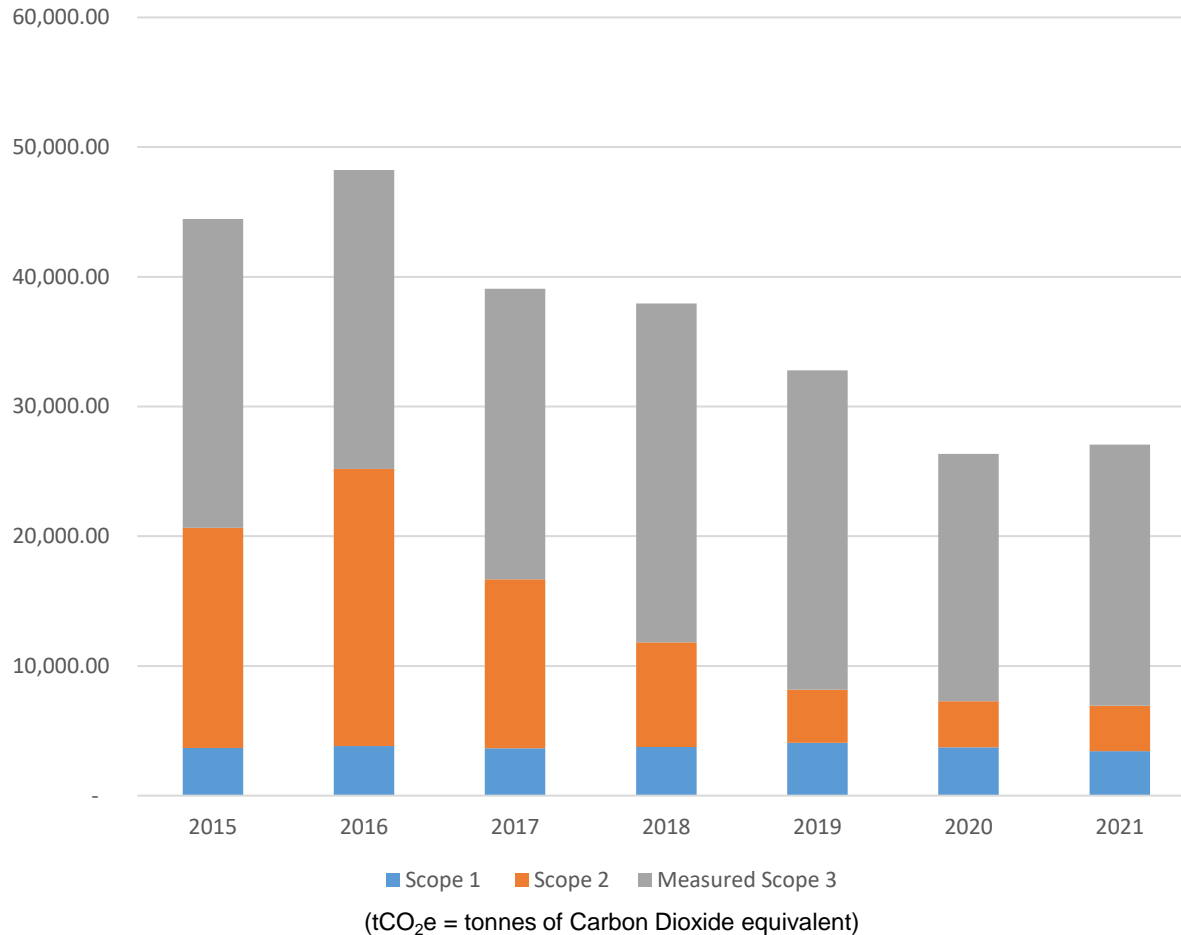
- Our products improve manufacturing efficiencies and decrease waste for our customers (and within our own operations)
- Small number of larger customers, mainly Japan and Germany, starting to ask questions about embodied carbon in products, our Net Zero ambitions and commitment to the UN Sustainable Development Goals (SDGs)





Renishaw's greenhouse gas (GHG) emissions - successes to date

GHG emissions (tCO₂e)



Since 2015 we have achieved:

- Scope 1 – 7% decrease in emissions
- Scope 2 – 79% decrease in emissions
- Scope 3* – 15% decrease in emissions
- Overall – 39% decrease in emissions

In FY 2021:

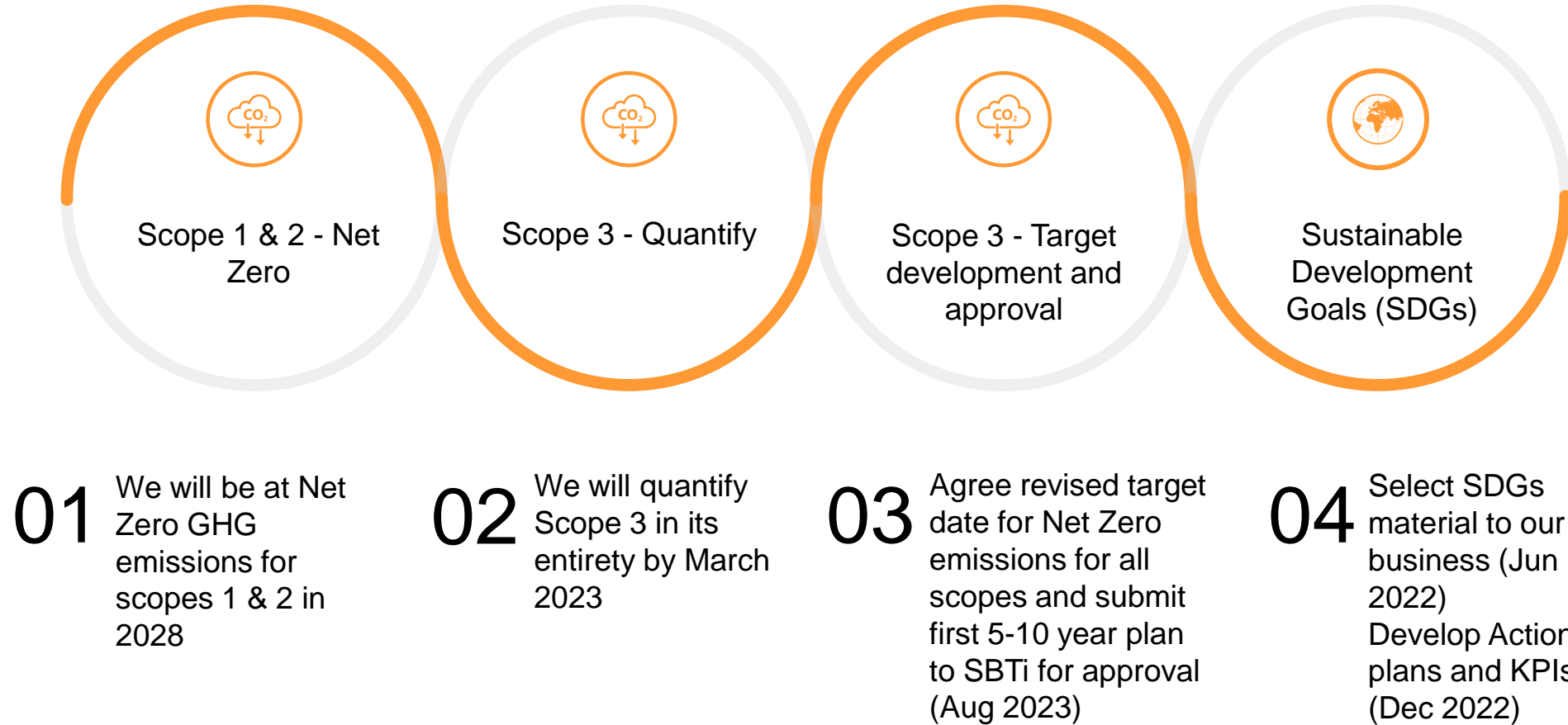
- 10.7% of our electricity use was met from self-generation
- 77% of purchased electricity was from a renewable source
- We sent 1.2% of our global manufacturing waste to landfill

(* Measured scope 3 emissions)



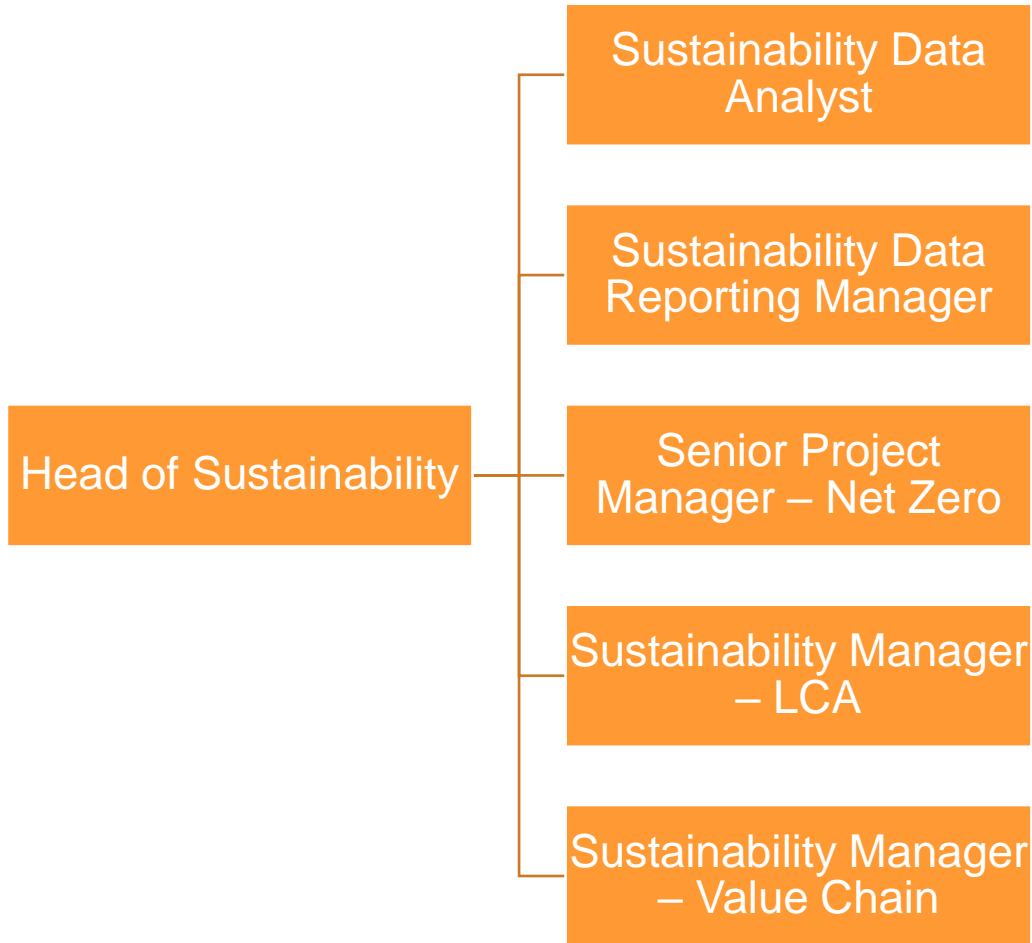
Sustainability Commitments

Objective: Net Zero for all scopes by 2050 at the latest





Sustainability Governance



Sustainability Steering Committee

Sustainability Committee

Design for Circularity Forum

Manufacturing Sustainability Team

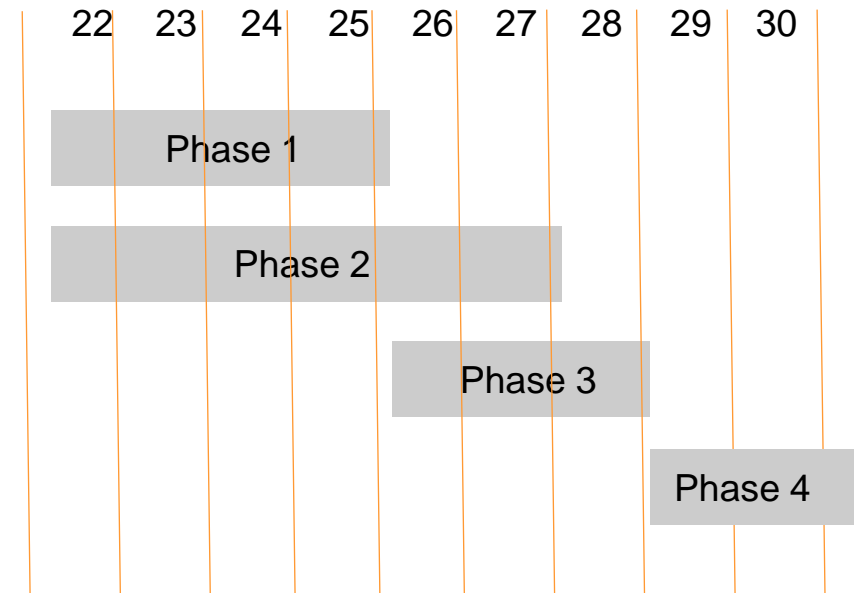
Sustainability Team



Scopes 1 & 2 emissions reduction plan

Scope 1 & 2 emissions (internal use and purchase of energy) to be reduced by at least 90% by 2028:

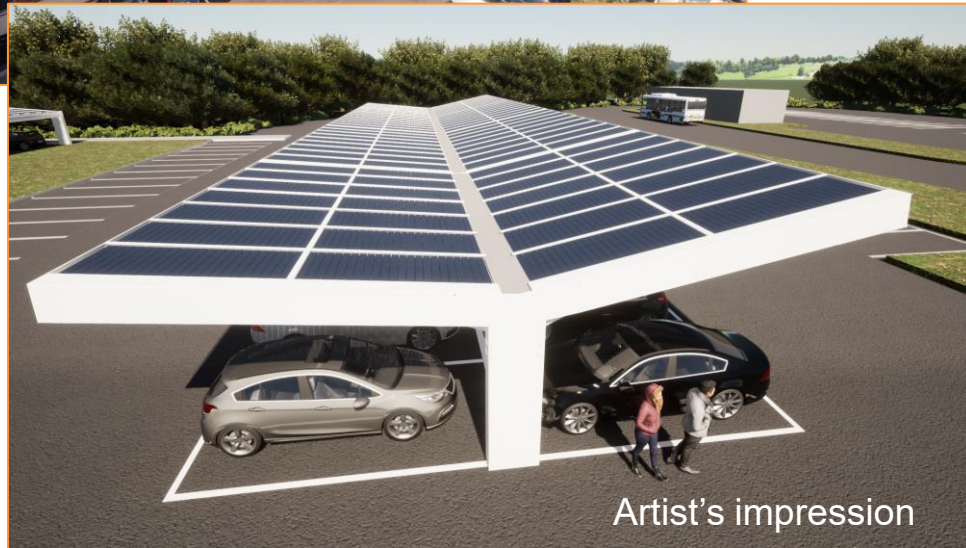
- **Phase 1:** ('22 – '25) Purchased electricity – 45% of scope 1 & 2 total
 - Switch to certified renewable sources when current contracts end
- **Phase 2:** ('22 – '27) Top 10 gas / oil / transport / self generation – 35% of scope 1 & 2 total
 - Replace natural gas / heating oil with renewable-powered equipment
 - Upgrade company vehicles to ULEV
 - Increase self-generation
- **Phase 3:** ('26 – '28) Residuals – >10% of scope 1 & 2 total
 - Remaining renovations (beyond top 10 sites)
 - Energy supplied by landlords / where renewable sources or RECs* are not readily available
- **Phase 4:** ('28 onwards) Offset remaining emissions - <10% of scope 1 & 2 total
 - Offsetting will be for around 700 tCO₂e
 - Offsetting costs between £20 and £1,000 per tonne



* Renewable Energy Certificates



Energy security



- Last financial year c.11% of our energy use was met from self-generated energy
- Significant investment in solar panels since 2015 for main sites in UK, India, Italy and Ireland
- Planning applications either recently approved or in-process for 800 roof-based panels at Old Town site, 730 roof-based panels at Woodchester and six large carports at Stonehouse (incorporating charging stations)
- Also considering wind power projects
- These will not reduce our emissions further (as most sites have renewable supplies) but will benefit us in terms of inflation-proofing and security



Summary

- The sustainability landscape is changing with greater expectations from investors, customers and governments
- We have made good progress over many years
- We have good governance structures in place to manage our objectives
- Increased investment in dedicated resource and ongoing investments in green infrastructure
- We are well positioned to commercially benefit from our customers' own sustainability programmes and investments in technologies that give increased efficiencies and reduced waste; our scope 3 reductions will also benefit our customers

