

Renishaw plc Annual Report 2025

Transforming
Tomorrow
Together

ESG review

Our approach to ESG

Introduction from our Chief Executive Officer

Since launching our environmental, social and governance (ESG) strategy a year ago, we have been laying important foundations to help us achieve the goals and targets that underpin it. This includes working with key suppliers to better understand the greenhouse gas (GHG) emissions within our value chain and developing new guidance to embed sustainability into our design and manufacturing processes. We have also run awareness campaigns to encourage colleagues to voluntarily share their data so we can track progress on diversity.

Our ESG strategy continues to evolve into a fundamental pillar of our business. It guides not only our outlook on the environment and our social responsibilities, but also the governance frameworks that must align in order to deliver on our purpose of Transforming Tomorrow Together.

FY2025 presented an increasingly unpredictable geopolitical climate, however, which led us to review our governance goals and strategic targets. Our aim is to continue to be agile in our response to the dynamic world order while ensuring robust decision-making.

There's still plenty of work to do, but, as I hope this review demonstrates, we've made great strides this year towards embedding ESG as a cornerstone of our business.

Will Lee

Chief Executive Officer and Chair of the ESG Steering Committee



Find out more about our approach to corporate responsibility.

Our ESG goals

Environment

Innovate with our customers and suppliers to achieve more with less, working towards Net Zero carbon emissions while minimising all environmental sustainability impacts.

Social

Develop a diverse and inclusive team who are inspired to work for a responsible business.

Governance

Develop a culture of doing business responsibly through transparent and effective risk-based decision-making, supported by our corporate governance framework.

A strategy guided by the UN SDGs

We have aligned our ESG strategy with the three UN SDGs that are most material to our business.



Our ESG strategy

Our ESG strategy is built on our core values and commitment to doing business responsibly, and was developed using the United Nations Sustainable Development Goals (UN SDGs) as a guide. The strategy sets out three environmental, social and governance goals underpinned by a series of strategic targets intended to help us address the areas where we can have the biggest impact.

Our goals provide a roadmap to help us continue developing products that will help solve global challenges and they go beyond the Net Zero greenhouse gas (GHG) emissions targets that we set in FY2021. By raising and broadening our ambition, we also want to empower our people to make a positive difference to our business, stakeholders and planet.

Addressing our most material ESG topics

Our ESG strategy is informed by our double materiality assessment, which we conducted in FY2024 with support from external sustainability experts. We also ran interviews and surveys with internal and external stakeholders, including employees, customers, suppliers and investors. This helped us better understand how our operations affect people and the environment, and review the ESG factors that affect our performance, reputation and longevity. As a result, our ESG strategy focuses on the following topics:

Environment

- Energy use and GHG emissions
- Low-carbon transition and climate risk
- Product design and life cycle management
- Innovation to support customers' sustainability goals
- Environmentally responsible procurement

Social

- Talent attraction, development and retention
- Human rights
- Diversity, inclusion and equal opportunities

Governance

- Corporate decision-making
- Business conduct and ethics
- Risk and compliance

How we govern sustainability

Our commitment to doing business responsibly underpins everything we do. This starts at the top with our Board and Executive Committee, which have ultimate responsibility for overseeing sustainability-related matters. We formed our ESG Steering Committee in FY2024 to oversee our Group ESG strategy and goals. The Committee is chaired by our Chief Executive Officer, Will Lee, and members include our Independent Non-executive Director, Stephen Wilson, and representatives from our larger product divisions and commercial functions, Sustainability, HR, Legal and Finance. Stephen Wilson is a member of our Audit and Remuneration Committees, and so provides continuity and liaison between our Board and management committees. See page 51 in our Climate-related Financial Disclosures statement on how our Board, Executive Committee and other related committees oversee climate-related risks and opportunities. Also see page 68 in our Governance report for a detailed illustration of our governance framework.

Adapting to changing regulation

The regulatory landscape is evolving rapidly, and we have a duty to ensure we provide accurate, appropriate reporting to meet the changes. Over the past two years, this has included work to prepare for the EU's Corporate Sustainability Reporting Directive (CSRD), including our FY2024 double materiality assessment. Following the European Parliament's decision in May 2025 to delay implementing CSRD, Renishaw has chosen not to voluntarily disclose against the directive. Nevertheless, the work we did to prepare for it has helped us better understand our gaps and take targeted action to fill them. In the meantime, we continue to prepare for reporting against the IFRS's International Sustainability Standards Board's first two standards.

Working with others to accelerate progress

The transition to a lower-carbon future isn't something one company can achieve on its own. We're proud of our track record of working collaboratively with customers and suppliers to drive innovation in our products and are using that experience to form partnerships that will help deliver our ESG strategy. We can also help accelerate the transition by working alongside other institutions to support collective action. For example, we are members of the Additive Manufacturer Green Trade Association (AMGTA) and the UK's Manufacturing Technologies Centre (MTC).

Ensuring robust decision-making

Ensuring we have robust decision-making processes in place is not only imperative for good governance, but also serves as a foundation for delivering against our environmental and social goals. It also affects the integrity of our disclosures, determining whether we ethically pursue and report our ESG goals and objectives. In the face of increasing uncertainty in the geopolitical climate and heightened global tensions, it has never been more important that we stand firm on our standards of governance and on our commitment to doing business responsibly. The illustration on page 68 sets out the architecture of our governance framework.

Environment

Our environment goal

Innovate with our customers and suppliers to achieve more with less, working towards Net Zero carbon emissions while minimising all environmental sustainability impacts.

Our environmental strategic targets are:

Climate

- Reduce GHG emissions associated with product design, service and use.
- Achieve more than 50% reduction in GHG emissions from our operations, purchased energy and supply chain by 2030, as part of progress towards Net Zero.
- Continue to ensure strategic business decisions reflect the climate-related financial risks and impacts for our business.

Customer solutions

- Progressively achieve growth from sales of new and existing products with quantifiable sustainability benefits for our customers over the period 2025-2028.

Responsible procurement

- Reduce sustainability impacts and potential risks from purchased goods and services across Renishaw's global supply chain over the period 2024-2028.

A strategy for reaching Net Zero

For more than 50 years, our products and solutions have helped customers solve technological and scientific challenges. We have also helped them lower their impact on the planet with products that reduce manufacturing cycle times, scrap and waste. As we help customers increase their operational efficiency, we're also working with our highest-emitting suppliers to develop GHG emissions reduction plans.

Our environment goal and environmental strategic targets (see left) form part of our ESG strategy and are underpinned by our science-based emissions reduction targets, which we set in FY2021. Approved by the Science Based Targets initiative (SBTi), these targets are:

- Reach Net Zero across our value chain by FY2050 from a baseline of FY2020.
- Reduce our absolute Scope 1 and 2 GHG emissions by 90% by FY2028 and our absolute Scope 3 emissions by 50% by FY2030, both from a FY2020 baseline.
- Maintain a minimum of 90% absolute reduction in our Scope 1 and 2 GHG emissions from FY2028 through to FY2050, from a FY2020 baseline.

We have also developed detailed climate transition plans that set out the roadmap for achieving our ambitions. These plans are available on our website at www.renishaw.com/en/climate-related-risks-and-opportunities--48236.

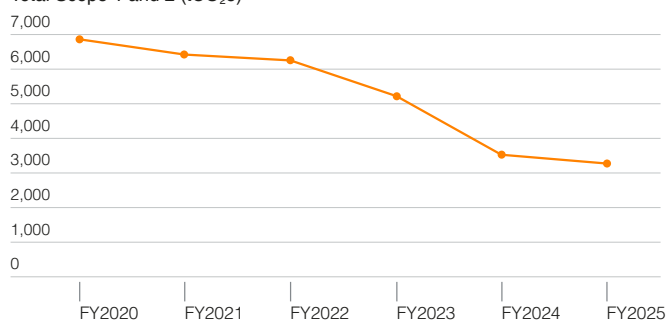
Continuing to refine our emissions data

While we are already taking steps to meet our ambitions, this year we have focused particularly on strengthening the way we capture, analyse and report on key data to refine our reporting to create a clear, consistent approach. For example, we have:

- transitioned to primary supplier data for a proportion of our purchased goods and services, enhancing the accuracy and reliability of our Scope 3 emissions reporting;
- identified discrepancies in previous financial years' datasets, which have affected the accuracy of our emissions calculations. We have recalculated emissions figures for the affected years using updated and verified data to ensure we align with current best industry practices and standards. As a result, our FY2020 baseline figures have changed;
- standardised our methodology for use of sold products emissions across all business divisions, to ensure consistency and comparability;
- improved our internal data collection and audit processes for Scope 1 and 2 emissions, increasing the accuracy, integrity and traceability of our data; and
- refined our Scope 3 calculation methodologies for employee commuting, and upstream transportation and distribution calculations.

Trajectory of Scope 1 and 2 emissions since our FY2020 baseline year*

Total Scope 1 and 2 (tCO₂e)



*We have restated historical figures this year based on improvements in our data analysis. Our FY2024 figure has changed because we incorrectly reported certain emissions from several leased sites as Scope 1 and 2 emissions, not Scope 3. We will keep monitoring and updating our figures as we continue to strengthen our data collection and analysis. We also use some averages to estimate emissions for June, to meet publication and audit deadlines; these figures are updated each year in arrears once data is available. Similarly, we also review and update data to align with the UK Government's latest conversion factors for GHG reporting.

Our Scope 1 and 2 emissions

Scope 1 and 2 emissions make up 2% of our total GHG emissions footprint. Reducing them means making changes to the way we run our operations – from our manufacturing facilities to our vehicle fleet.

Our FY2025 performance

We reduced our Scope 1 and 2 emissions by 13% this year, versus FY2024, representing the fourth consecutive annual reduction since setting our science-based targets.

Our Scope 1 emissions fell by 14% versus FY2024, largely due to ongoing work to switch our vehicle fleet from traditional combustion engines to electric and hybrid options.

We continue to look for opportunities to switch more of our fleet to ultra-low emissions vehicles (ULEVs), although this is a bigger challenge in some countries we operate in, where charging infrastructure and low-carbon electricity capacity are developing more slowly.

We have made significant progress in our Scope 2 emissions since setting our science-based targets. We have steadily increased the proportion of renewable electricity we use at our facilities around the world. This is via self-generated sources at some of our manufacturing facilities in the UK, Ireland and India, and renewable electricity contracts or certificates (RECs) that cover the majority of our other operations.

While we remain committed to reducing our Scope 1 and 2 emissions, we recognise this will become increasingly challenging, partly because our transition plan relies on the availability of RECs and ULEVs, adequate charging infrastructure and a low-carbon electricity grid.

In some cases, the available reductions in Scope 1 and 2 emissions will represent a low return on the investment required to achieve them, compared to the potential reductions we could make in our Scope 3 emissions from the same investment. Where this is the case, we will prioritise activities that have the greatest impact on reducing our global GHG emissions.

Our Scope 3 emissions

Our Scope 3 emissions make up 98% of our total GHG emissions footprint. Since they are indirect emissions, they are much harder to address than our Scope 1 and 2 emissions. Our largest source of Scope 3 emissions comes from the energy that our products use during their service life, followed by emissions from the materials, services and equipment needed to make and transport our products. Together, these sources represent more than 91% of our total Scope 3 emissions.

Tackling our Scope 3 emissions relies on collaborating with key supply chain partners to gather accurate data and implement GHG emissions reduction initiatives. While some suppliers have shown strong engagement, others are not as far into their sustainability journey, so a significant part of our focus is on education and building capacity within our supply chain.

As we progress our Scope 3 activities, we're getting valuable insights into the structural and technological complexities that are inherent in decarbonising electricity grids and reducing these emissions. In particular, our work this year has reinforced the importance of aligning efforts across industries; while our products can support the green transition, our footprint is likely to grow as other industries rely on our products to reduce the impact of their own operations. And while we are working towards reducing our products' energy consumption in use, we will also need grid decarbonisation to keep pace with our efforts to achieve our targets.

Looking ahead, we are closely monitoring the SBTi consultation and forthcoming guidance on future Scope 3 targets. This will help ensure we remain aligned with global best practice and help us maximise the impact of our emissions reduction work.

Our FY2025 performance

Overall, our Scope 3 emissions in FY2025 remained consistent with FY2024. We continue to take steps to reduce emissions in our most significant areas. Our emissions from purchased goods and services decreased, reflecting better quality of data and primary data from raw metal suppliers, while our capital goods emissions fell, due to lower capital expenditure. However, emissions from use of sold products and transportation continue to increase, mostly driven by higher sales in certain locations and enhanced data collection processes.

ESG review continued

Designing products with sustainability in mind

One of our most meaningful contributions to the transition to a low-carbon economy comes from making products that help our customers increase their energy efficiency and reduce waste. This is why we have set a customer-focused strategic target.

This year, we laid important foundations to embed sustainability in our product design and innovation processes. In consultation with our product divisions, we developed a Design for Sustainability guidance document and a product-level carbon calculator tool. Both provide key information to help our designers make more informed design decisions from a sustainability perspective. We intend to roll both out to our engineers during FY2026, with specific engagement activities to raise awareness. The calculator will also enable Renishaw to track progress against our strategic customer solutions target and demonstrate the emissions reduction benefits for our customers.

This guidance and education supports existing work to incorporate the latest technology into our products to enhance usability and sustainability performance. For example, following customer engagement, we implemented custom design changes to our tool setting products for machine tools to increase repeatability. These changes have also helped reduce compressed air consumption, and, as a result, we will begin implementing them for our standard tool setting products during FY2026. The use of our products during their service life is a key area where we can reduce emissions, and we have run other projects to reduce the quantity of electricity and compressed air needed to use those products. We will incorporate these reductions into our product improvement pipeline.

Working in partnership for a more responsible supply chain

Given that our Scope 3 emissions represent the majority of our footprint, we focus our supplier engagement programme on reducing the indirect emissions of the products and services we buy. Having identified our highest emitting commodities and their respective suppliers, we're using a methodology we developed in-house to engage with and educate key suppliers on sustainability issues. This is also helping us collect primary sustainability data, which enables us to accurately calculate the emissions of the products we buy from these suppliers, and then identify opportunities to reduce those emissions.

This year, for example, we identified that raw metal procurement accounts for around 16% of our purchased goods and services emissions. Within this category, we identified aluminium as the highest emitting commodity. Since this is a key raw material for many of our products, we initially focused our supplier engagement programme on aluminium.

Partnering with our main metals supplier, and using our methodology, we were able to identify an opportunity to transition the majority of the aluminium we buy from 75% to 100% recycled content. This will enable us to reduce the emissions intensity of the main aluminium products we procure. Using the same methodology, we're now collaborating with five other key aluminium suppliers to help them build their own emissions reduction plans.

Continuing to strengthen our data

We've continued to investigate options to consistently calculate the emissions associated with moving our products around the world. By collaborating with our couriers and expeditors, we're strengthening our understanding of our global distribution emissions. Using this knowledge we will aim to make more informed choices about the methods of transport we use to distribute our products and, in time, increase our use of lower-carbon forms of transport, such as ocean and rail freight.

We have also established carbon metrics to monitor manufacturing waste and ensure we focus our efforts on the most impactful GHG emissions reduction initiatives. We keep these metrics under review to ensure they remain fit for purpose. In addition, we have developed training materials to help relevant teams more accurately calculate GHG emissions and identify sources of waste. We've now expanded this training to help teams consider sustainability factors when selecting new equipment.

Priorities for the coming year

In the coming year we will continue to look for ways to strengthen the quality of our data to help us make more informed decisions and achieve our goals. This includes expanding our work to review data in our most material Scope 3 categories. We will also review and update our Climate-related Financial Disclosures statement.

Our emissions and energy data

The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 introduced changes that required quoted companies to report their annual emissions and an intensity ratio in their Directors' Report. The 2018 Regulations bring in additional requirements to disclose annual energy use and GHG emissions, and related information.

How we calculate our data

In line with our Group Environmental Data Policy, we calculate our GHG emissions using the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) and the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

To calculate our emissions we use the latest IPCC GWP 100-year horizon conversion factors, DESNZ, GHG Protocol, supplier-specific factors and other factors taken from a respective country's National Inventory Report or national government/agency/regulator. We base as much data as we can on direct sources, such as meter readings and utility bills. We use estimated figures for June's Scope 1 and 2 emissions each year to ensure timely data capture, then update this data in the next Annual Report.

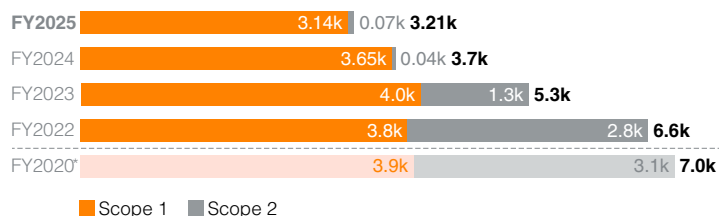
Data for previous years has been subject to a refinement due to improvements in data capture methodologies, official retrospective updates to carbon emissions factors, and the correction of historical data errors.

Our 'statutory emissions' mean our Scope 1 and 2 emissions, and we use the market-based methodology to account for our efforts in generating and purchasing low-carbon energy. The location-based method is provided for disclosure only. All our emissions data for FY2023, FY2024 and FY2025 has been externally assured and received limited assurance against the ISO 14064-1:2019 standard – which means our data has been deemed as accurate, materially correct and a fair representation of GHG data and information.

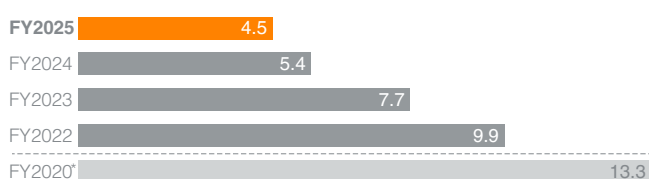


Read more
about our
commitment
to Net Zero.

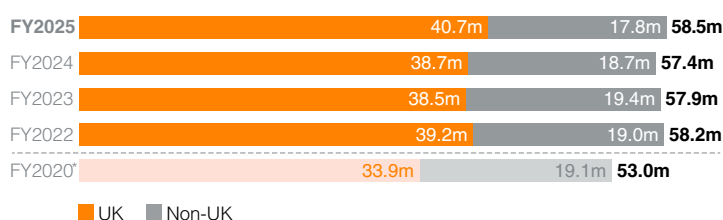
Total statutory emissions tCO₂e



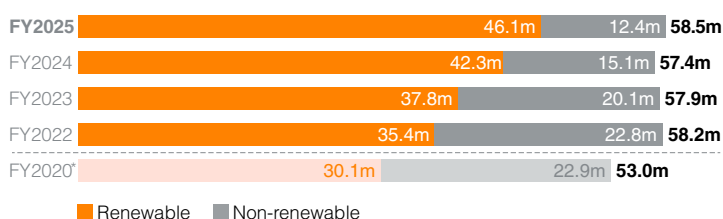
Statutory GHG emissions tCO₂e per £m revenue



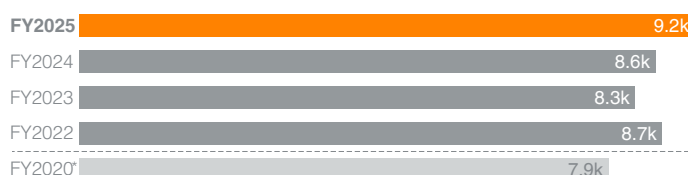
Group energy consumption kWh



Energy source kWh



Total measured Scope 2 GHG emissions tCO₂e location-based



*Baseline year.

We have restated historical figures this year based on improvements in our data analysis. Our FY2024 figures have changed because we incorrectly reported certain emissions from several leased sites as Scope 1 and 2 emissions, not Scope 3. We will keep monitoring and updating our figures as we continue to strengthen our data collection and analysis. We also use some averages to estimate emissions for June, to meet publication and audit deadlines; these figures are updated each year in arrears once data is available. Similarly, we also review and update data to align with the UK Government's latest conversion factors for GHG reporting.

Social

Our social goal

Develop a diverse and inclusive team who are inspired to work for a responsible business.

Our social strategic targets are:

- Attract, develop and retain a diverse and highly engaged team of talented employees.
- Continue to develop clearer career pathways and maintain a strong, diverse pipeline of future succession for management and key critical roles.
- Implement a human rights assessment process across our business operations and all potential higher-risk Tier 1 suppliers globally by 2028.

Continuing to embed our people strategy

We rely on our people's expertise to help us deliver our growth strategy and achieve our ESG goals, and we continue to develop and strengthen our policies and processes to support them. This includes: ensuring we recognise and reward our people appropriately; providing the right frameworks to help them build thriving careers at Renishaw; and setting clear expectations on what we mean by doing business responsibly.

While we are pleased with our continued progress this year, we are mindful of the impact on our people of Sir David McMurtry's death, and some of our business changes, such as closing our drug delivery business and our cost reduction programme.

We informed our people in June 2025 that we were seeking to reduce labour costs by £20m and have taken a 'people-first' approach to managing both voluntary and compulsory redundancies, including enhanced redundancy packages that exceed statutory requirements. Alongside individual consultation meetings, affected employees had access to our Employee Assistance Programme (EAP) for emotional and practical support. Meanwhile, our HR team supported them with job search and CV writing skills, where necessary, including financial wellbeing guidance.

A continued commitment to inclusion and diversity

Innovation and productivity thrive on diverse thinking. We remain committed to our social goal and strategic targets to help build an inclusive working environment that encourages everyone to do their best work. We also have two specific aspirational diversity targets:

- women to globally represent 40% of our senior management (see table on this page) by December 2027; and
- people from ethnic minority backgrounds to represent 10% of our UK-based senior management by December 2027 with senior management and ethnic minority defined by the Parker Review Guidance for Companies: June 2025.

For an engineering and manufacturing business that operates in a traditionally male-dominated industry and is headquartered in a part of the UK where the population is predominantly

white British, these targets are very ambitious. Understanding where we are in relation to these targets, and more widely the level of diversity across our business, relies on robust data to help us identify and address our gaps. This year we launched an awareness campaign to encourage our people to voluntarily share their data through our Workday HR platform. To date we have seen a small increase in entries for gender, sexual orientation and religion. We also used our 'nine-box' talent management tool (see page 47 'A maturing approach...') to assess our performance management and succession planning through a gender lens.

Our gender diversity statistics*

	Women	%	Men	%	Undisclosed	%
Board ¹	3	33	6	67	n/a	–
Executive Committee ²	1	17	5	83	n/a	–
Senior managers ³	9	22	32	78	n/a	–
Senior managers ⁴ and subsidiary directors ⁵	10	12.5	70	87.5	n/a	–
All employees	1,319	24.5	3,937	73.5	86	2

*All figures as at 30 June 2025.

1 Including the Executive Directors.

2 Including the Executive Directors.

3 As defined by the Parker Review Guidance for Companies: June 2025.

4 As defined by the Companies Act 2006.

5 Means statutory directors.

Currently, 22% of our senior management roles are filled by women and 3% by employees from an ethnic minority, so we are not expecting to meet our targets by December 2027.

However, we continue to work towards these aspirational targets by building a strong foundation to achieve greater diversity in our senior management in the years ahead. We have a specific focus on growing diversity in our talent pipelines through our early careers programmes, by understanding the challenges we face in employee retention and engagement, and by improving our succession-planning processes. We also continue to develop tools and processes that include a focus on diversity in areas such as recruitment, pay and succession planning.

We have introduced new training modules on inclusive leadership and inclusive recruitment, and launched our new Dignity and Respect in the Workplace Policy, which covers topics including bullying and harassment, unconscious bias and discrimination. The policy is supported by new acceptable behaviour training, which 84% of our senior people have now completed. We plan to roll out this training more widely in FY2026.

During the year we also introduced new topic-specific employee listening sessions in the UK to create a sense of community and improve our understanding of the challenges our people face. In our first session, 30 women shared their thoughts with our Chief Executive Officer, Group HR Director and two of our Non-executive Directors about working for an engineering business and on how we can attract more women. We plan to run more sessions next year on topics such as working part time, balancing work and family life, and accessibility.

To support our work towards our ethnic diversity target, we have introduced a new culture network. This gives colleagues a space, regardless of background, to find a sense of community and learn about each other's cultures and faiths, and so promote deeper understanding and build trust.

Our growing network of employee-led resource groups is also an important part of our approach. These groups meet regularly, with participation from members of our Executive Committee. Meanwhile our annual cultural calendar and new culture network help promote a sense of shared community. During Interfaith Harmony week in February 2025, for example, we hosted a viewing of the short film *Unreflected Reflections* to celebrate the history, heritage and culture of the Muslim community in Gloucester, UK. Our interfaith network also provides opportunities to learn how we can better support our ethnic communities.

A maturing approach to reward and development

As part of building a culture where everyone is able to do their best work, we want people to be supported by the right career development and reward structures. We know from our employee surveys that this is an area where people would like more clarity.

In the past few years we have simplified our performance review process and developed a more transparent job-grading system. We are also using the 'nine-box' talent management tool to assess performance and potential and support our succession planning. We now have succession plans in place for all 'critical' roles that could have a significant impact on business resilience and that require skills and knowledge that are scarce or hard to develop.

This year we continued developing functional competency frameworks for our job family groups that sit within our job grading structure. These enable managers to review individual performance on an equal basis and help us develop diverse leadership teams and succession plans. We have now completed around 90% of these frameworks. Employees can use a tool to compare behavioural attributes required for the level they are working at and/or the level they are aspiring to reach.

People at Renishaw who are just starting their careers currently represent 7% of our total population and our early careers development programme is an important part of how we attract and retain them. This year we piloted a new UK-Germany exchange programme, giving two of our early careers employees the opportunity to spend time learning from other colleagues and deepening their knowledge of the business. We are now in the early stages of working with colleagues in our USA office to assess the feasibility of sending some of our early careers cohort to the region for a future placement. The aim here is to support the region's longer-term skills requirements and succession planning.

Effective leadership has remained a key focus this year, with our Executive Committee continuing to work with a specialist consultancy to strengthen their leadership and teamwork skills, and some of our senior leaders working with external mentors. And we piloted an advanced leadership development programme, nominating 10 participants to develop key leadership skills. This also supports our longer-term succession planning.

Supporting STEM education in the UK

One of the ways we can build a diverse talent pipeline is through our science, technology, engineering and mathematics (STEM)

education programme in the UK. This year, we engaged with around **13,500 students** from a range of groups, including hosting students from a Muslim all-girls' school at our STEM Centre in Gloucestershire. We also increased our focus on primary schools, engaging with more than **1,200 students** at school assemblies celebrating International Women in Engineering Day. The programme is a key part of our broader community engagement. For more information see page 30.

We continued to work through our global benefits review. While we had hoped to introduce a global set of principles and new benefits platform in FY2025, further evaluation identified the need for more comprehensive reward data. We have since been working with our global HR teams to gather that data and will report on further progress next year.

Creating more opportunities to hear from our employees

As well as introducing new listening group sessions, in April 2025 we ran our second annual global employee survey, in 23 languages. In all, 74% of employees responded, representing an 11% increase on FY2024. Our main engagement score remained steady at 74% (FY2024: 74%).

While we scored well in areas like providing a supportive culture, wellbeing and ethical practice, we have room to improve in areas like cross-team collaboration and clarifying career pathways.

We continue to expand our employee engagement programme, which this year included new 'Transforming Tomorrow Together' webinars and 'Ask Me Anything' sessions to encourage discussion on important topics like our ESG strategy. We have also installed new information screens at manufacturing sites to share key messages with colleagues who don't have regular access to a PC.

Engagement between our employees and Board continues to grow, with Board members meeting employees at our sites in Miskin, Wales, and Stuttgart, Germany. The majority of Board members, including our interim Chair, Sir David Grant, met many of our country sales leaders at our Group Sales Conference in September 2024, while our Non-executive Director, Stephen Wilson, met employees in Hong Kong and China during his visit in May 2025.

Meanwhile, our employee engagement ambassador, Catherine Glickman, shared feedback with the Board from her engagement sessions, which this year included participating in our first employee listening session alongside Non-executive Director, Professor Dame Karen Holford. For more information on Board engagement, see our Section 172 statement on page 71.

ESG review continued

Keeping people safe in our operations

We recognise the importance of providing and promoting safe and healthy working practices, and integrate health and safety into our daily activities through a robust management system. We are also committed to identifying potential hazards and making sure we have effective controls to minimise their risk.

We review our high-risk areas every year and low-risk areas every two years. Every site, regardless of activity, is assessed against our occupational health and safety policy. We also monitor incident and accident data to identify and address trends.

This year our accident statistics have been low relative to benchmarking indices. We recorded 197 accidents (FY2024: 194) against a year-end headcount of 5,342 (FY2024: 5,256), giving us an accident frequency rate of 22.15 per million hours worked (FY2024: 22.17). This remains very low compared to the average for the UK manufacturing sector of 218.11 per million hours worked.

We had two reportable accidents under the UK RIDDOR reporting requirements during the year. This equates to a rate of 0.02 per 100,000 workers and is significantly lower than the UK manufacturing sector, which has an average rate of 530 per 100,000 workers. Minor cuts and abrasions to hands from contact with equipment and hand tooling represented 40% of our overall accident figures during the year. To address this, we have worked closely with our supplier to review our personal protective equipment to improve hand protection across all our sites. Following trials in several areas of the business, our employees now have access to a new selection of cut-resistant gloves.

Proactive reporting of near misses is an important part of our approach and this year our people reported 349 near misses (FY2024: 264).

Wellbeing remains a key focus and our network of mental health first aiders continues to grow, with 107 people now trained (FY2024: 101). We have introduced new resources via our wellbeing platform, and run global events highlighting key topics such as stress awareness and setting boundaries. Employees at our largest UK sites also have access to onsite counsellors each month.

Strengthening our approach to human rights

We operate in a complex global value chain, relying on key goods and services from around 3,000 suppliers. As a responsible business we want to help make that value chain more sustainable, which includes a commitment to respecting human rights.

In recent years we have strengthened our approach to identifying and managing the risks we face in areas like modern slavery, child labour and conflict minerals. For example, we now conduct internal reviews to ensure our global teams are using the policies correctly and complying with relevant legislation.

Our new global supplier relationship management platform helps too, providing consistent, verified ESG-related data to help us make more informed decisions. This year, for example, the platform helped identify a potential risk in our recruitment and payroll processes, which we addressed with processes for imposter checks and duplicate bank detail checks alongside our existing right-to-work assessments. This will help reduce the risk of a victim of modern slavery becoming an employee. We intend to audit our processes periodically to ensure the necessary due diligence is in place at all times. Meanwhile, the platform will become a central part of our new global supplier onboarding process, which we are aiming to launch in the UK in FY2026.

We also continued to implement our global modern slavery policy across the Group this year, with strict new guidelines on how it should be used. This will be supported by new modern slavery training to raise awareness of the risk to all employees globally, which we will roll out in the coming months. We've also developed new guidance to help line managers take appropriate action when someone reports a concern.

Some of our products rely on critical minerals that are often located in parts of the world that are at higher risk of human rights abuses and conflict. This year we strengthened our global policy to reaffirm our commitment to avoiding the use of these conflict minerals. This included the UK buying team mapping our supply chain for conflict minerals risk and assessing those suppliers that are in the policy's scope.

Priorities for the coming year

We've always known it will take several years to fully implement our people strategy and, once again, our focus for the next 12 months is largely unchanged. While we expect to complete our functional competency frameworks, we will continue to develop succession plans and look at ways to support career development. We will also continue to work towards our targets, agreeing next steps with our new Group HR Director, Clare Nicholls, who joined Renishaw in September 2025. As we do so, we will be guided by feedback from our employees through our growing engagement programme.

Governance

Our governance goal

To develop a culture of doing business responsibly through transparent and effective risk-based decision-making, supported by our corporate governance framework.

Our governance strategic targets are:

- Promote transparency and accountability in decision-making throughout the organisation.
- Review and revise our risk and internal controls framework during FY2026 and FY2027.
- Continue to evolve and embed our Code of Conduct to support our values and purpose.
- Maintain a zero-tolerance policy on bribery and corruption.
- Identify and prioritise actions for developing our compliance culture in FY2026.

Strong governance is at the heart of our entire business strategy, including our approach to ESG. While we describe our wider approach to governance in our Governance Report on pages 66 to 76, this section focuses on our work to provide a clear framework for delivering our ESG goals and ensuring we do business in a responsible and sustainable manner.

Given the increasing challenges in the geopolitical environment, absolute clarity in our governance framework has never been more important. In 2025, we revised our governance goal and strategic targets. We are confident these will enable us to be more agile in our response to the challenges presented by the dynamic world order, while protecting our values and purpose.

Legal and regulatory compliance

As a global business that engages with multiple stakeholders – including customers, suppliers, employees and investors – in an increasingly complex and uncertain geopolitical landscape, reinforcing our compliance framework is essential to mitigating risks and enhancing our opportunities.

We are taking important steps to strengthen our risk and compliance framework, enabling us to quickly adapt to legislative changes while supporting our growth ambitions. For example, we've implemented a third-party global entity management service to help us respond quickly and effectively to any secretarial requirements in specific countries. We've also carried out work in readiness for the European Cyber Resilience Act. This is a good example of compliance working hand-in-hand with our commercial strategy, supporting our strong track

record in innovation and customer service, to provide hardware and software that are cyber-secure and create opportunities by building customer trust. Our Board has been kept informed about and received training on key legislative developments, including those relating to the Corporate Governance Code 2024 and the Economic Crime and Corporate Transparency Act 2023.

We've also made two key appointments in our Legal & Secretarial function: a new Group Head of Legal Compliance and a Group Head of Export Control, both reporting into our Group General Counsel & Company Secretary. They will work closely with our divisional and regional sales teams to provide dedicated focus and risk management of their respective areas of compliance. These include export control and sanctions, and anti-bribery and corruption – important for a business with a global footprint where 95% of our sales come from exports, with around 20% of those sales handled by third-party distributors.

Our ambition is to build not only a robust compliance framework, but to support the way we manage risk through a healthy compliance culture, demonstrated through responsible senior leadership. We are actively working to strengthen our understanding of our compliance culture, driven by a global culture survey. The results of this will be critical in guiding our approach to embedding our values and culture throughout the business.

Managing our risk and controls

As well as focusing on legal and regulatory compliance, we reassessed our approach to risk management, and have taken several key actions, such as refreshing our Risk Committee composition and refining our risk assessment process. This includes a more detailed Group Risk Register and risk scoring protocol. See more on this in the Risk Committee report on pages 15 to 23. We have also reviewed our Group insurance programme and amended our coverage in light of the revisions we've made to our risk management framework and risk appetite.

We have consolidated our internal controls framework, which is designed to support our level of risk appetite and better position us for the legislative requirements of the Corporate Governance Code 2024. This new framework will help us better understand our compliance risks while promoting more transparency and accountability within the business. This is being led by our newly appointed Head of Internal Controls.

As well as new additions to our team, we have expanded the scope of work for certain teams. For instance, our Internal Audit team now conducts a more detailed assessment of our global policies and procedures in areas like modern slavery and conflict minerals, while our health and safety team is now responsible for overseeing our procedures for preventing and managing environmental incidents.

We have also conducted a detailed assessment of our sales channels and routes to market to enable a more informed approach to our Know Your Customer procedures. This has been particularly beneficial in light of the increasingly complex global supply chain, and it will ensure we are better positioned to support our strategic target of maintaining a zero-tolerance policy to bribery and corruption.



Download
our Code of
Conduct.

ESG review continued

Doing business responsibly

Our Code of Conduct sets out our expectations for anyone who works for and with Renishaw. Translated into 14 languages, it explains what we mean by 'doing business responsibly', and provides guidance on how to make good decisions, behaviours to watch out for and our supporting policies.

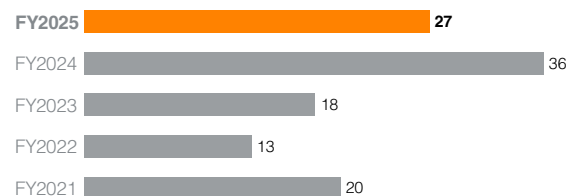
We ask all new employees to acknowledge that they are aware of the Code as part of their onboarding process and we review the Code periodically to ensure it remains up to date.

We expect to continue evolving our Code following the new appointments outlined above, and to better understand its effectiveness through the culture survey and the internal controls framework that will support its enforcement.

We are committed to ensuring that everyone feels able to speak up if they witness unlawful or unethical behaviour. Our Group Speak Up Policy explains how to raise a concern and includes details of our confidential and independent whistleblowing line, Speak Up.

Speak Up is available as an online portal and through a global hotline to all current and former employees, contractors and external stakeholders. This year, we logged 27 cases (FY2024: 36).

Number of Speak Up cases reported



We've also worked with our third-party provider to update the portal to make it easier for users to track the progress of their complaint when reporting anonymously, including any actions that the business takes. The Speak Up line is available in multiple languages. For more information on our Speak Up Policy and how we investigate concerns, see page 67 in our Governance Report.

Priorities for the coming year

Our compliance programme continues to evolve to respond to international and domestic policy and the needs of our global business. Our key priorities for FY2026 will include continued preparations for implementing the Corporate Governance Code 2024.

We will also prioritise our review of our Code of Conduct while embedding our risk management framework and implementing our new internal controls programme. The results of our compliance culture assessment will guide our approach to this work. Alongside this, we will review our corporate decision-making protocols to ensure that we are well placed to support our ESG goals and objectives.

Climate-related Financial Disclosures statement

We have continued to build on our significant work over the past two years to identify, assess and manage our climate-related risks and opportunities through our climate-related governance, strategy, risk management, and metrics and targets. We have aligned our disclosures with the requirements of UK Listing Rule 9.8.6R(8) and the requirements of the IFRS S2 Climate-related Disclosures. The disclosures listed below meet these regulatory requirements. They include references to our website and other documents that give further relevant information.

Governance

Recommendation

Disclose the organisation's governance around climate-related risks and opportunities

Recommended disclosure

A) Describe the board's oversight of climate-related risks and opportunities.

Summary

- Our Board maintains overall responsibility for setting our corporate strategy, which includes clear links to our ESG strategy. Our Board delegates oversight of our ESG strategy to our ESG Steering Committee. The strategy includes objectives to minimise our exposure to climate-related risks and maximise our climate-related opportunities.
- Our ESG Steering Committee is chaired by our Chief Executive Officer, Will Lee, and members are chosen to provide the skills and experience we need to effectively oversee our ESG strategy. Our Independent Non-executive Director Stephen Wilson is also a member and provides an independent perspective.
- Our Board has reviewed and approved the transitional climate-related risks and opportunities that we financially quantified and incorporated into our five-year plan, along with capital expenditure estimates related to achieving our Scope 1 and 2 Net Zero target.
- In FY2025, we revised the Risk Committee membership to make it leaner and more effective. The Committee is now chaired by our Chief Executive Officer, enhancing the governance of our climate-related risks. The Committee reports directly to the Audit Committee, ensuring robust oversight of climate-related governance matters.

Reference

More detail on the relationship between our corporate strategy and climate issues can be found on pages 11 and 12.

B) Describe management's role in assessing and managing climate-related risks and opportunities.

Summary

- Our governance structure ensures that we assess and manage our climate-related risks and opportunities at the appropriate organisational levels. Each of the following committees has been delegated responsibility by our Board for climate-related matters and meets at least four times a year:
 - Our ESG Steering Committee oversees the delivery of our ESG strategy, which includes reviewing progress against our climate-related goals and targets. It is also responsible for sharing information and expertise with our Audit Committee and Risk Committee to support them with their climate-related responsibilities.
 - Our Audit Committee reviews the effectiveness of our risk management and our climate-related assurance across the Group.
 - Our Risk Committee supports the Group in identifying and managing climate-related risks and opportunities. In FY2025 our Chief Executive Officer, Will Lee, became Chair of the Committee.
 - Our Remuneration Committee aligns our remuneration policies with our strategic objectives. Our strategic objectives, which form 20% of the incentive opportunity for our Executive Directors and Senior Leadership Team, include specific objectives on sustainability.

Reference

Our sustainability and climate governance framework is shown on page 68.

See our Directors' Remuneration Report on pages 89 to 101 for more information on our Executive Directors' incentive opportunity.

Climate-related Financial Disclosures statement continued

Strategy

Recommendation

Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.

Recommended disclosure

A) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.

Summary

- Our key climate-related risk is strategic in nature, focused on how we position ourselves competitively in a market that is increasingly focused on sustainability. We recognise that being slow to respond to sustainability trends may affect our market share, customer perceptions and investor confidence. As such, our climate-related risk management currently emphasises market and reputational exposure over physical risk events.
- Our FY2023 climate modelling, which looked at physical climate-related risks, identified our manufacturing and major inventory-holding sites that are considered at 'high' risk of physical climate-related risks under varying warming scenarios and timescales. Regardless of warming scenario or timescale, the risk of river flooding was 'high' at four of our sites. Four of our sites in the APAC region are also considered 'highly' exposed to chronic climate risks. There was no material change to our site portfolio in FY2025, so we believe our risk identification remains relevant.
- Although our scenario analysis has identified physical climate-related risks at specific sites, we currently classify these risks as emerging rather than as principal risks, and continue to monitor them via our governance processes.
- In FY2024, we used the same climate modelling to understand climate-related risks in our supply chain. We identified those suppliers that are considered at 'high' risk for at least one of the climate-related physical risks that we assessed (drought, heat stress, wildfires, flash flooding, river flooding, sea level rise and extra tropical cyclones or similar).
- In FY2023, we completed climate scenario analysis with all our product divisions using the International Energy Agency 1.5 °C warming pathway. We considered the impact on financial metrics across our business areas, including impact on revenue, gross margin and profitability. This helped us identify several climate-related technology and legal trends that we believe represent opportunities for our business in the medium to long term: the shift from traditional combustion engine vehicle to electric vehicle production, growth in the use of additive manufacturing technologies, and increasing carbon taxation. We updated our analysis in FY2025, and found no change to the opportunities we originally identified. We explain these in the table below.

Reference

For more information on the assumptions included in our transitional climate scenario analysis pathway, see www.iea.org/reports/net-zero-roadmap-a-global-pathway-to-keep-the-15-0c-goal-in-reach.

An expanded table covering our climate-related risks and opportunities and our definition of 'high' risk for the physical risks assessed are available on our website at www.renishaw.com/en/climate-related-risks-and-opportunities--48236.

The percentage of the Group's revenue associated with climate-related trends

Key:  Low: <3%  Medium: 3-10%  High: >10%

Climate-related trend

Technology – development of Additive Manufacturing (AM)

We continue to believe that AM is becoming a more mainstream option for volume manufacturing. External forecasts predict a 20% growth in the AM market by 2030 and we believe that environmental sustainability will be a key driver for this growth.

Potential velocity under a 1.5 °C pathway

Current state  FY2025-FY2030 (short term)  FY2030-FY2049 (medium term)  FY2050+ (long term) 

Technology – transition from manufacturing internal combustion engine (ICE) vehicles to electric vehicles (EVs)

The transition to EVs is creating new processes, assembly plants, supply chains, research and customers, which offers significant opportunities for all our relevant products.

Potential velocity under a 1.5 °C pathway

Current state  FY2025-FY2030 (short term)  FY2030-FY2049 (medium term)  FY2050+ (long term) 

Policy and legal – increasing carbon taxation

Carbon taxation will affect us globally. In the short term, we have had to dedicate time to reporting under the European Union's (EU) Carbon Border Adjustment Mechanism (CBAM). While our exposure has been low, CBAM could create risks by increasing costs in our supply chains, which may be passed on to us. However, we believe that carbon taxation could ultimately create more opportunity for us. It may act as a driving force for increased use of metrology to reduce manufacturing process variation and scrap, driven by the high cost and carbon impact of materials.

Potential velocity under a 1.5 °C pathway

Current state  FY2025-FY2030 (short term)  FY2030-FY2049 (medium term)  FY2050+ (long term) 

Strategy continued**Recommendation**

Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.

Recommended disclosure**B) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.****Summary**

- In FY2023, we identified that 37% of the 'asset value'¹ of our manufacturing and major inventory holding sites is considered at 'high' risk of flooding and that 8% of 'asset value' has 'high' exposure to various physical climate risks.
- To demonstrate the impact of these risks and how we are managing them in our strategic and financial planning, we reviewed the financial costs to our business of an actual flood that affected our manufacturing site in Woodchester, UK, in 2007. The factory was inundated with 100 mm of flood water and our insurance claim was more than £0.3m for building repairs and inventory loss. The site returned to full production within five days and during that time we were able to redirect stock held in our subsidiaries to cover the shortfall in production.
- We also assessed the impact of losing our manufacturing site in Pune, India, as a result of wildfire, because it is our site with the greatest asset value that currently faces 'high' exposure to various chronic climate risks. In this scenario, our immediate ability to produce the volume of cables and tool-setting arms we need would be affected. We would mitigate this potential impact through our stock contingency, ramping up sourcing from our other established supply chains and drawing on our experiences during the COVID-19 pandemic to quickly reinstate production in our other manufacturing locations.
- We continue to integrate climate-related risks into our procurement strategy. We focus on assessing suppliers that are more at risk of disrupting supply of goods or services, due to factors such as weak financial health, political uncertainty, or exclusive sourcing status, and that would also have a significant effect on business revenue in the event of supply chain failure. Mitigation steps could include dual sourcing of the product or services, or a requirement to hold a level of safety stock.
- Our assessment of transitional climate risks and opportunities shows that we are well positioned to benefit from a transition to a low-carbon economy. While we have identified risks to our business, our financial analysis indicates these risks are outweighed significantly by the opportunities that we can capitalise on.
- We have continued to develop our climate transition plans, which describes our Net Zero targets and our strategy for successfully transitioning to the low-carbon economy. The plans include the dependencies that their success rely on that are outside of our control.

Reference

Our climate transition plans are available on our website at www.renishaw.com/en/our-emissions--48235.

An expanded table covering our climate-related risks and opportunities and our definition of 'high' risk for the physical risks assessed are available on our website at www.renishaw.com/en/climate-related-risks-and-opportunities--48236.

¹ 'Asset value' includes i) land and buildings (with buildings included at insured reinstatement value), ii) other fixed assets (at net book value), iii) inventory (at Group cost), at 31 March 2023.

Climate-related Financial Disclosures statement continued

Strategy continued

Recommendation

Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.

Recommended disclosure

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

Summary

- We have assessed physical climate risks at our manufacturing and major inventory-holding sites as well as 130 of our important suppliers using climate modelling that covered 1.5 °C, 2 °C to 3 °C and 4 °C warming pathways across current day, 2030, 2050 and 2100 time horizons. We included multiple warming pathways to address the inherent uncertainty created by climate modelling over those time horizons.
- For our own sites, the climate modelling indicated that the sites at 'high' physical risk remained mostly static when compared to our current risk exposure. Only one further site was considered at 'high' risk for river flooding under the various time horizons, warming pathways and risk factors.
- We believe we have the capacity to adjust our business strategy if these physical risks become more extreme and frequent. We have invested in flood defences and early warning systems at our 'high' flood risk UK manufacturing sites and are also duplicating important parts of our manufacturing processes at lower flood risk sites. Two of our 'high' risk sites in APAC have short-term leases (three to five years), which gives us the flexibility to change where we are based if climate change has a significant adverse effect on our business in these locations. For the remaining 'high' risk site that we own in Shanghai, China, we have a significant physical network of sites established in other areas of the country that could serve our markets in the event of a disruption.
- For the suppliers assessed, there is little variation in risk exposure across warming scenarios or timescales. Most suppliers identified as being 'high' risk in these instances are already currently considered 'high' risk.
- We have resilient supplier risk management processes that would minimise the impacts of supply chain disruption caused by climate-related risks. For suppliers who are considered 'high' risk in this assessment, we maintain a proportionate level of safety stock and, where appropriate, establish reliable secondary supplier relationships. Our ability to adapt these controls has been successfully tested in recent years due to the COVID-19 pandemic and helped ensure overall business continuity.
- In FY2023, we analysed our transitional risks and opportunities using a 1.5 °C warming pathway to assess potential likelihood and financial/strategic impact. We continued this work in FY2024 to expand our understanding of risks and opportunities, but we continue to believe that each climate-related trend disclosed represents an opportunity for our business, and could be associated with 3-10% of our potential revenue by FY2030. This could increase to more than 10% for each climate-related trend in the medium to long term under a 1.5 °C pathway.
- We believe our corporate strategy is robust and considers the potential impacts of these climate-related trends. Our strategy will continue to be informed by the work we are doing to identify, assess and manage our climate-related risks and opportunities.

Reference

More information on how we completed our climate scenario analysis is available at www.renishaw.com/en/climate-related-risks-and-opportunities--48236.

Risk management

Recommendation

Disclose how the organisation identifies, assesses, and manages climate-related risks.

Recommended disclosure

A) Describe the organisation's processes for identifying and assessing climate-related risks.

Summary

- In FY2025, we refined our risk identification and management process to include risk velocity (a measure of how quickly a risk can affect the business), which provides more robust climate-related risk evaluation. Our Risk Committee uses alternate top-down and bottom-up reviews to score all risks, including climate-related ones.
- Our Risk Committee has reviewed and challenged the output of these processes to help us estimate the likelihood and potential impact of the risks and opportunities identified. Each risk has a risk owner, a risk manager, and named responsibility for reporting.
- Our ESG Steering Committee is responsible for assessing our climate-related risks and opportunities and recommending actions to the wider business to help mitigate our risks and capitalise on our opportunities.
- In FY2025, we updated our general procurement risk procedures to include formal consideration of climate risk. This more holistic and integrated approach applies to both products and services, assessing supplier risk through four criteria categories: severe climate events; geopolitical context; compliance; and continuity. We determine the criticality of each supplier based on the products and/or services they provide Renishaw. We then assess their listed country of operation against a threshold score on the ND-GAIN² Climate Risk Index. If both criteria are met, a full supplier risk assessment and mitigation plan will be required. Mitigation steps could include dual sourcing of the product or services, or a requirement to hold a level of safety stock.

Reference

We explain how we identify and manage our risks in our Risk management report on pages 15 to 23.

More information on how we have identified and assessed our transitional risks and opportunities and physical risks is available on our website www.renishaw.com/en/climate-related-risks-and-opportunities--48236.

B) Describe the organisation's processes for managing climate-related risks.

Summary

- Our climate risk register details our controls and how they link to our principal risks and ESG strategy. We have identified risk managers for each of these controls who are accountable for ensuring that the controls are relevant and maintained, and that related actions are completed by the deadlines set out in the climate risk register.

Reference

More information on how we manage our climate-related risks and opportunities can be found on page 51 to 56 and on our website www.renishaw.com/en/climate-related-risks-and-opportunities--48236.

C) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.

Summary

- In FY2025, we created a new risk category titled 'Sustainability'. While this category is recognised in our Group risk register, it is currently not scored as a principal risk.

Reference

Read our Risk management report on pages 15 to 23.

Find more information on how we are integrating climate change risks and opportunities into other principal risks on page 17.

² <https://gain.nd.edu/our-work/country-index/>

Climate-related Financial Disclosures statement continued

Metrics and targets

Recommendation

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Recommended disclosure

A) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.

Summary

- We have disclosed cross-industry TCFD metrics used to manage our climate-related risks and opportunities. These metrics cover:
- Scope 1, 2 and 3 GHG emissions (pages 43 to 44);
 - energy use (page 45);
 - climate-related executive management remuneration (page 96);
 - potential revenue associated with climate-related trends (page 52);
 - assets and suppliers considered at 'high' risk to physical climate-related risks (pages 53).

Reference

We explain how we identify and manage our risks in our Risk management report on pages 15 to 23.

More information on how we have identified and assessed our transitional risks and opportunities and physical risks is available on our website www.renishaw.com/en/climate-related-risks-and-opportunities--48236.

B) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

Summary

- Our emissions this year have been externally assured by the British Standards Institute as accurate, materially correct and a fair representation of GHG data and information. Our emissions were:
- Scope 1: 3,141 tCO₂e.
 - Scope 2 (market-based): 74 tCO₂e.
 - Scope 2 (location-based): 9,236 tCO₂e.
 - Scope 3: 169,253 tCO₂e.

Reference

Calculations follow the GHG Protocol guidance. A more detailed breakdown of our Scope 3 emissions into the 15 GHG Protocol emission categories and their calculation methodologies and our ISO 14064 external assurance opinion are available on our website www.renishaw.com/en/our-emissions--48235.

C) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

Summary

- Our Net Zero targets have been validated by the Science Based Targets initiative (SBTi) as in line with the 2015 Paris Agreement to limit global temperature rise to well-below 2 °C. The targets, all set against our FY2020 baseline, are to:
- achieve Net Zero in Scope 1 and 2 GHG emissions, which is an absolute 90% reduction compared to baseline emissions by FY2028. See page 43 of our ESG review for information on our progress against this target in FY2025;
 - achieve an absolute 50% reduction in Scope 3 GHG emissions by FY2030. See pages 43 to 44 of our ESG review for information on our progress against this target in FY2025; and
 - achieve Net Zero across all Scopes by 2050, which is an absolute 90% reduction compared to baseline GHG emissions.
- The strategic objectives for the FY2025 annual incentive opportunity for our Executive Directors and Senior Leadership Team included progress against reduction targets for Scope 1 and 2 GHG emissions.

Reference

Our climate transition plans are available on our website at www.renishaw.com/en/our-emissions--48235.

Our Directors' Remuneration Policy and strategic objectives are discussed in more detail on page 96.

Non-financial and sustainability information statement

We are required by sections 414CA and 414CB of the Companies Act 2006 to include in our Annual Report certain non-financial and sustainability information. The table below shows where this information can be found in this Report.

Our business model is set out on page 14 and our non-financial KPIs are disclosed on page 27.

Reporting requirement(s)	Further information	Policies	Related principal risk(s)
Climate-related financial disclosures	Climate-related Financial Disclosures statement (pages 51 to 56)	n/a	- Product innovation (page 21) - Low-price competition (page 20) - Non-compliance with laws and regulations (page 21)
Environmental matters	- ESG review – Environment (pages 42 to 45) - How we engage with stakeholders (page 30)	- Group Environmental Data Policy - Group Management of Waste Policy - Code of Conduct	- Product innovation (page 21) - Low-price competition (page 20) - Non-compliance with laws and regulations (page 21)
Our employees	- How we engage with stakeholders (page 28) - ESG review – Social (pages 46 to 48) - Directors' Corporate Governance Report (pages 66 to 67) - Section 172 statement (page 72) - Other statutory and regulatory disclosures (page 103)	- Equality, Diversity and Inclusion Policy - Speak Up Policy - Group Occupational Health and Safety Policy - Code of Conduct	People (page 23)
Social matters	- How we engage with stakeholders (pages 28 to 30) - ESG review – Social (pages 46 to 48) - Directors' Corporate Governance Report (pages 66 to 67) - Section 172 statement (pages 72 to 73) - Other statutory and regulatory disclosures (page 104)	- Equality, Diversity and Inclusion Policy - Speak Up Policy - Group Occupational Health and Safety Policy - Code of Conduct	People (page 23)
Respect for human rights	- How we engage with stakeholders (pages 28 to 30) - ESG review – Social (page 48) - Directors' Corporate Governance Report (page 67)	- Group Modern Slavery and Human Trafficking Policy - Equality, Diversity and Inclusion Policy - Speak Up Policy - Code of Conduct	- People (page 23) - Non-compliance with laws and regulations (page 21)
Anti-corruption and anti-bribery	- ESG – Governance (pages 49 to 50) - Directors' Corporate Governance Report (page 67)	- Group Anti-Bribery and Corruption Policy - Gifts and Hospitality Policy - Code of Conduct	Non-compliance with laws and regulations (page 21)

Section 172 statement

Our Section 172 statement on pages 71 to 73 describes how the Directors have had regard to stakeholders' interests and other matters when discharging Directors' duties set out in Section 172 of the Companies Act 2006. It includes examples of how stakeholders' interests were considered in the principal decisions taken during the year. Details of our engagement with stakeholders are in the How we engage with stakeholders section on pages 28 to 30.

The Strategic Report on pages 2 to 57 was approved by the Board on 17 September 2025 and signed on its behalf by:

Sir David Grant
Interim Non-executive Chairman

