Renishaw plc
ESG Report
2026

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This ESG report is an extract from the
Renishaw Annual Report 2026

ESG review

Our approach to ESG

Our refreshed ESG ambitions

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

To inspire and support people from all backgrounds to unlock their full potential. We are proud to be a responsible employer and expect the same from our partners.

Governance

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

Our ESG strategy is a fundamental part of doing business responsibly. It guides day-to-day decisions about how to lower the environmental impact of our products, and how to support our employees, supply chain partners and local communities. It also ensures we govern our work in ways that deliver our purpose of Transforming Tomorrow Together.

Find out more about our approach to corporate responsibility.

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.



Refining our ESG strategy

The external environment has evolved significantly since we launched our ESG strategy two years ago, growing increasingly complex and uncertain. Our commitment to upholding high environmental, social and governance standards remains unchanged and we must remain agile in our response to the changing external landscape. This year, our ESG Steering Committee oversaw work to review our strategy and update the ambitions and targets that underpin it.

This work included engaging with key ESG stakeholders, including some of our newest senior leaders, to hear their views on what is working well and where we need to simplify or narrow our focus. While many of the changes reflect our growing maturity in key ESG areas, some are intended to remove outdated elements and refresh and streamline our targets.

We also reassessed the outcomes of the double materiality assessment we conducted in FY2024, for changes in the business and progress made since then. This reassessment helped inform the refinements to our ESG strategy, condensing some of the topics originally identified.

Throughout, we have aimed to retain the ambition of our original strategy, while creating a clear, concise set of targets focused on our most material topics. This will enable us to track and report on our progress with greater clarity in the years ahead.

The most significant changes have been made within our Social ambition and supporting targets. Appointing a new Group Human Resources Director this year gave us the opportunity to reflect on our progress and ensure we have the right tools and processes in place to create a culture where every employee, supplier and local community can thrive. We give more detail on these changes – as well as those in other areas of our strategy – within the relevant sections of this review.

ESG review continued

How we govern our approach to ESG

Our commitment to doing business responsibly underpins everything we do. This starts at the top with our Board and Executive Committee, who have ultimate responsibility for overseeing ESG-related matters. We formed our ESG Steering Committee in FY2024 to oversee our Group ESG strategy. 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, Manufacturing, Legal and Finance. As a member of our Audit and Remuneration Committees, Stephen provides continuity and liaison between our Board and management committees.

Our Climate-related Financial Disclosures statement on pages 49 to 55 describes how our Board, Executive Committee and other committees oversee climate-related risks and opportunities.

Good governance is essential for robust decision-making, and provides the foundation for delivering our environmental and social ambitions. It underpins the quality and integrity of our disclosures, ensuring that our ESG ambitions, targets and performance are reported transparently and responsibly. In the face of an increasingly complex and uncertain geopolitical climate, it has never been more important that we stand firm on our standards of governance and on our commitment to doing business responsibly. We give a detailed illustration of our governance framework on page 68 of our Governance report.

Adapting to changing regulation

The regulatory landscape is evolving rapidly, and it's essential that we keep our reporting up-to-date and accurate. The European Parliament's decision to simplify and delay implementing the EU's Corporate Sustainability Reporting Directive (CSRD) means we no longer fall within the legislation's scope. Nevertheless, the work we did to prepare for it, including conducting a double materiality assessment, helped us better understand our impacts and inform revisions to our ESG strategy. In the meantime, we continue to prepare for reporting against the International Sustainability Standards Board's first two standards. We also continue to monitor upcoming guidance from organisations like the Science Based Targets initiative and GHG Protocol, as well as the UK's forthcoming Carbon Border Adjustment Mechanism, to ensure our targets, actions and reporting remain in line with requirements.

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 supply chain, and we're 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 active members of the Additive Manufacturer Green Trade Association (AMGTA) and the UK's Manufacturing Technologies Centre (MTC).

Environment

Our environment ambition

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 targets are:

- Reduce Scope 1 and 2 emissions to Net Zero by FY2028.
- Reduce Scope 3 emissions across our value chain by 50% by FY2030.
- Ensure a year-on-year reduction in total operational energy use per £1m revenue by FY2030.
- Reduce climate-related risks across our global supply chain by FY2028.

A refreshed 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. We're also drawing on our longstanding supplier relationships to tackle the emissions embedded within the whole value chain.

We refreshed our environmental targets (see box) as part of reviewing our ESG strategy this year. Our revised targets create a simpler, more focused plan of action that concentrates on our three most material issues: energy associated with using our products, our own operational energy consumption and emissions from purchased goods.

As a result, we have retired our specific customer solutions target, updated our supply chain target and created a new operational energy reduction target. Our net zero targets, which we set in FY2021 and have been validated by the Science Based Targets initiative (SBTi), remain the same. They are:

- 90% reduction in absolute Scope 1 and 2 emissions by FY2028, from an FY2020 baseline.
- 50% reduction in absolute Scope 3 emissions by FY2030 from an FY2020 baseline.
- 90% reduction in absolute Scope 3 emissions by FY2050, from an 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

Our Scope 1 and 2 emissions

Scope 1 and 2 emissions make up 3% of our total GHG emissions footprint. Reducing them means improving the way we run our operations – from our manufacturing facilities to our vehicle fleet.

Our FY2026 performance

We reduced our Scope 1 and 2 emissions by 7% this year, versus FY2025. This is the fifth consecutive fall since setting our science-based targets in FY2021.

Our Scope 1 emissions fell by 8% versus FY2025. This is thanks to our ongoing programme to switch more of our vehicle fleet from traditional combustion engines to electric and hybrid options. We continue to look for opportunities to keep lowering our Scope 1 emissions by switching more of our fleet to ultra-low emission vehicles (ULEVs), although this is a bigger challenge in some of the countries we work in. We're also investigating options to use alternative refrigerant gases in our heating and cooling systems.

We have made significant progress in our Scope 2 emissions since setting our science-based targets, with a 97% reduction since our FY2020 baseline. This is largely due to the steady increase in 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. This year we saw a small, expected increase in our electricity consumption due to work to electrify our transport fleet.

We have also developed our Energy Savings Opportunity Scheme (ESOS) action plan, in line with UK government requirements for businesses to assess and reduce their energy use. This has supported the delivery of several initiatives, including the installation of rapid roller doors at our UK sites in Miskin and Woodchester. We also continued the rollout of sub-metering at Miskin – this gives us more granular information about energy use and so strengthens energy monitoring and management. The plan will help us deliver our new strategic target to ensure a year-on-year reduction in total operational energy use per £1 million revenue by FY2030.

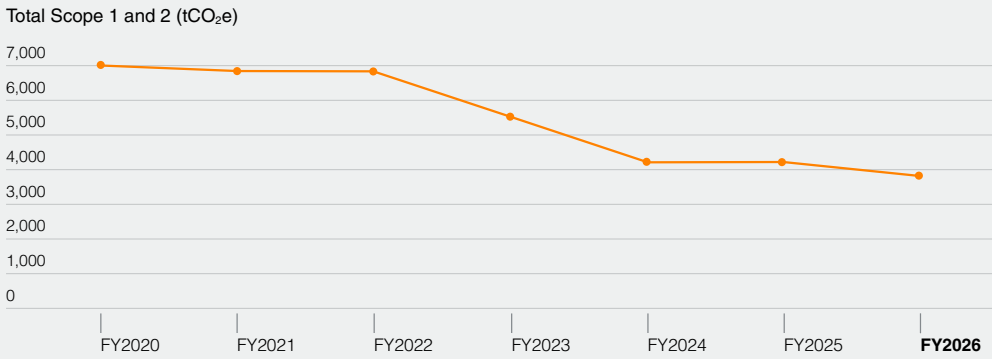
While we remain committed to reducing our Scope 1 and 2 emissions, we recognise this will become increasingly challenging, partly because our transition plan relies on the availability of RECs and ULEVs, adequate charging infrastructure and a low-carbon electricity grid.

In some cases, the available reductions in Scope 1 and 2 emissions will represent a low return on the investment needed 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.

The table overleaf shows how this work in lowering our emissions has progressed over time.

ESG review continued

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



Our Scope 3 emissions

Our Scope 3 emissions make up 97% of our total GHG emissions footprint. Since they are indirect emissions, they are more complex 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 87% of our total Scope 3 emissions.

Tackling our Scope 3 emissions remains a big challenge, because reductions depend partly on decarbonising electricity grids. Since establishing our ESG strategy, we have learnt the importance of aligning efforts across industries. While our products can support the transition to a lower-carbon economy, our footprint is likely to grow as other industries rely on our products to reduce the impact of their own operations. And as we work towards reducing our products' energy consumption in use, we will also need grid decarbonisation to keep pace with our efforts to achieve our targets.

While some of these issues need significant societal change, we remain focused on the areas within our control. This includes designing products with sustainability in mind and collaborating with key supply chain partners to gather accurate data and implement GHG emissions reduction initiatives.

Looking ahead, we will assess the SBTi's new Corporate Net-Zero Standard to ensure we remain aligned with global best practice and able to maximise the impact of our emissions reduction work.

Our FY2026 performance

Our Scope 3 emissions increased 6% versus FY2025. This was largely due to increased sales (use of sold products) and purchased goods and services. Our other Scope 3 categories remained consistent with previous years.

Meanwhile, we reduced the emissions intensity of the aluminium and steel we bought in FY2026 by 20.5%. This meant we exceeded a new internal Executive Committee target to reduce that intensity by 15% versus FY2025. This was due to growing maturity in our supplier engagement programme and improvements in primary data collection, allowing us to replace assumptions with supplier-specific emissions data.

Designing products with sustainability in mind

We remain committed to designing and manufacturing products that help our customers increase their energy efficiency and reduce running costs and waste.

We continue to embed sustainability into our product design and innovation processes, which this year included running webinars for employees to learn more about our Design for Sustainability guidance document and product-level carbon calculator. Our engineers also used the calculator to assess and address the cost of ownership for a number of product development projects.

We always look for opportunities to work with our customers and peers to support more sustainable manufacturing, which this year included strengthening our engagement with AMGTA. This is a global, independent organisation that brings together stakeholders from across the additive manufacturing value chain to promote evidence-based understanding of the environmental and resource efficiency performance of these technologies.

We've been an AMGTA member since FY2023, and this year contributed technical expertise and data insights to support the responsible adoption of additive manufacturing. We also participated in working groups and industry forums to share examples of good practice with our peers and promote early consideration of sustainability in decision-making.

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.

This programme took a significant step forward in FY2025, when we identified that raw metal procurement accounts for around 29% of our purchased goods and services emissions, with aluminium and steel being the commodities with the highest embodied emissions. We then partnered with our main metals supplier to use our in-house methodology to identify an opportunity to transition the majority of aluminium we buy from 75% to 100% recycled content.

This year, we significantly expanded that work, partnering with seven other aluminium and steel suppliers to help them calculate their emissions and transition to lower-carbon supply chains for these raw metals. As a result, we exceeded the Executive Committee target mentioned above. We want to build on this success and have identified further opportunities to expand the programme, and apply lessons learnt, to other commodities and their suppliers.

While the number of suppliers who are engaging with us is growing, some are not as far into their sustainability journey. So we continue to focus on education and engagement with our supply chain, and this year launched a new carbon calculator to help more suppliers determine their footprint.

As well as giving us access to more primary data to make more informed decisions, partnering with suppliers helps increase our resilience in an unpredictable economic climate. For example, the work we've done with our aluminium and steel suppliers has helped lower our exposure to certain tariffs.

Continuing to refine and strengthen our data

Accurate, reliable data remains essential for clear reporting, and we continue to strengthen the way we capture, analyse and report on our key data. This includes integrating environmental data into our business-as-usual processes, and increased automation and streamlined data processes to improve the quality and consistency of our data and free up people's time to focus on achieving our targets. We also established a major project to improve the way we capture data on the goods and services we buy to enable more accurate Scope 3 emissions reporting. This data is improving all the time, enabling us to transition to lower emitting supply chains.

It's important that our own data is as accurate and clear as possible as well, so we have continued working with our manufacturing teams to help them monitor manufacturing waste and ensure we focus on the areas where we can make the most impact on our GHG emissions. This year, that work included launching new calculators to help our teams map their emissions and sources of waste more accurately.

Together with improvements in governance and calculation methodologies, the work we're doing in this area continues to enhance the accuracy, consistency and clarity of our reporting, while supporting better decision-making across the business.

Each year, as our data quality, emissions factors and methodologies improve, we recalculate previous years so that we can assess, and report on, our progress consistently over time. Details of any restatements and their impact are disclosed in our ISO 14064 Greenhouse Gas Report, available on our website.

Priorities for the coming year

Our focus over the next year will be on continuing to embed our sustainability tools into our day-to-day operations and finding new ways to automate and streamline some of our processes. As well as looking to expand our supplier engagement programme to other commodities we'll explore options to feed more aluminium waste back into the supply chain to support a more circular economy. We will also continue to monitor and assess guidance from key organisations, including SBTi and the GHG Protocol to ensure our metrics – and the way we report them – remain in line with their requirements and expectations. In addition to monitoring absolute GHG emissions against our science-based targets, we're developing an emissions intensity measure covering Scope 1, 2 and 3 emissions. Finally, mindful of the potential environmental impacts of AI, we will continue to engage internally and with suppliers to understand and control the impact of our AI usage.

Our emissions and energy data

The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 required quoted companies to report their annual emissions and an intensity ratio in their Directors' Report. The 2018 Regulations added 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.

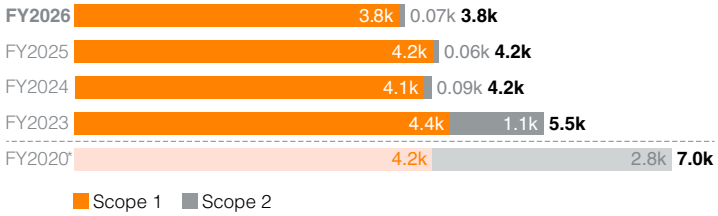
To calculate our emissions, we use the latest IPCC GWP 100-year horizon conversion factors, DESNZ, GHG Protocol, supplier-specific factors and other factors taken from a respective country's National Inventory Report or national government/agency/regulator. We base as much data as we can on primary sources, 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.

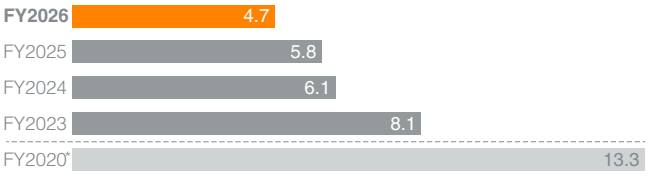
Our 'statutory emissions' mean our Scope 1 and 2 emissions, and we use the market-based methodology to account for our efforts in generating and purchasing low-carbon energy. The location-based method is provided for disclosure only. All our emissions data for FY2023, FY2024 and FY2025 has been externally 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

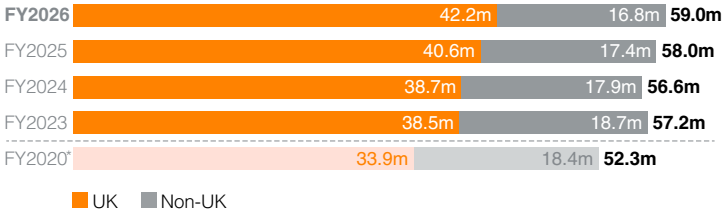
Total statutory emissions tCO_2e



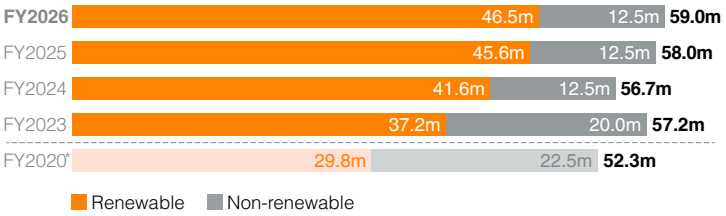
Statutory GHG emissions tCO_2e per £m revenue



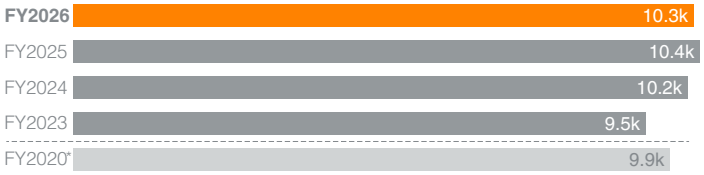
Group energy consumption kWh



Energy source kWh



Total measured Scope 2 GHG emissions tCO_2e location-based



*Baseline year.

Social

Our social ambition

To inspire and support people from all backgrounds to unlock their full potential. We are proud to be a responsible employer and expect the same from our partners.

Our social targets are:

- 40% women in global senior management.
- 10% of UK senior management to be from ethnic minorities.
- Identify and mitigate human rights risk, within our own operations and within Tier 1 supply chains, globally by 2028.
- To develop a global employee and community engagement programme.

Refreshing our social ambition and people agenda

Our financial and strategic success this year would not have been possible without our talented people. Thanks to their expertise, we have continued to manufacture products that deliver precision, productivity and practicality to our customers, while navigating an increasingly complex geopolitical landscape. This, together with work to reorganise our business and reduce costs, has also made it a challenging year, and we're proud of the resilience and care they have shown – for our business, customers and each other – throughout the period.

Employee wellbeing has remained a key focus during the year, supported by our well-established network of mental health first aiders. This included access to confidential counselling for employees to discuss personal or work-related challenges and dedicated wellbeing resources, including digital tools and webinars. We run frequent communications campaigns to raise awareness of and encourage conversations about important wellbeing topics, as well as to highlight the resources available to support our people. We also held a dedicated event for early careers employees in January 2026 to highlight the importance of wellbeing in supporting performance, resilience and engagement.

Following the appointment of our new Group Human Resources Director, Clare Nicholls, we took time this year to reflect on our social ambition, targets and broader people agenda, alongside a wider review of our ESG strategy. In some cases this meant pausing certain activities, such as our UK employee listening sessions, to apply what we've learnt and refine our priorities, given the changes we've made to the business.

A simpler set of social targets

We have now refreshed our social ambition around three key areas: our employees, people working in our supply chain, and our communities, both within our workforce and in the areas where we operate. These changes better reflect our evolving business, while remaining ambitious and true to the values and the vision first set out by our founders.

Throughout the rest of this section, we explain the steps we've taken to refresh our social goal and strategic targets, followed by information about our broader, ongoing work to support, protect and engage with our people.

Helping people from all backgrounds unlock their potential

As innovators, we have always viewed difference as a strength. But diversity of thought can only thrive in a culture where everyone has an equitable chance of realising their full potential. Setting diversity targets are a helpful way of tracking and reporting on progress and we remain committed to the two aspirational targets we set in our original ESG strategy:

- women to globally represent 40% of our senior management; and
- people from ethnic minority backgrounds to represent 10% of our UK-based senior management, with senior management and ethnic minority defined by the Parker Review Guidance for Companies: June 2025.

Currently 22% of our senior management roles are filled by women and 1.8% by employees from ethnic minority backgrounds. Diversity at senior leadership level decreased slightly during the year due to changes in Executive Committee composition and reporting structures, rather than a reduction in ethnic minority representation. These targets were benchmarked externally and improving representation remains a priority.

We have made progress in some areas: women represent 40% of our Board, while our early careers programme is thriving, with good representation across gender, ethnic and socioeconomic backgrounds.

However, we always knew our targets were ambitious, and we still have more to do to break down barriers at other levels of the business. So we will continue to review barriers to progression and opportunities to support greater diversity across the workforce during FY2027. We will also commission a specialist gender equity consultancy to help assess barriers and recommend actions for achieving our aspirational targets. By focusing on gender first, we believe we can make the biggest, fastest impact against our ambition and then apply the lessons we learn to other aspects of diversity, including our ethnicity target.

While we've taken time to refine our approach, we've also continued to introduce new measures to support our ambitions, including further enhancing our paternity leave in response to feedback from our FY2025 listening sessions.

Our gender diversity statistics*

	Women	%	Men	%	Undisclosed	%
Board[1]	4	40	6	60	–	–
Executive Committee[1]	2	20	8	80	–	–
Senior managers[2]	14	22	49	78	–	–
Senior managers[3] and subsidiary directors[4]	16	15	91	85	–	–
All employees	1,340	26	3,788	72	126	2

*All figures as at 30 June 2026.

1 Including the Executive Directors.

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

3 As defined by the Companies Act 2006.

4 Means statutory directors.

Our employee resource groups

Our UK network of employee-led resource groups are essential in helping us achieve our social ambition. These groups meet regularly. We have the following four groups:

- LGBTQIA+ network
- Progress (Women's health network)
- Neurodiversity network
- Culture network

Identifying and mitigating human rights risks

We operate in a complex global value chain, with around 5,200 employees and 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, set out in our updated target (see box on page 43).

For our own operations, this year we introduced new due diligence checks in our global recruitment and payroll processes, launched mandatory modern slavery awareness training and a global communications campaign to help our employees recognise and report modern slavery concerns.

As well as strengthening our own operations, we have continued addressing risks in our supply chain. This includes introducing a new Supplier Code of Conduct to our onboarding process for all new and reactivated suppliers.

Meanwhile, our global supplier relationship management platform has become an invaluable tool in engaging with suppliers on key supply chain compliance topics. For example, as well as mapping suppliers against modern slavery risks, we're now using the platform to store assessment records, providing evidence of our due diligence approach, and to assess and rate the evidence provided by suppliers. To date, we've mapped 100% of our UK and Ireland suppliers, with 84% of those in scope now assessed. We have also assessed 100% of our suppliers in India, and more than half in Germany. We're also mapping suppliers against conflict mineral risk, since 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.

We are proud of the longstanding relationships we've built with many of our supply chain partners, and, wherever possible, we work with them to address specific risks when they arise. We are supported in this work by new 'health check' dashboards on our supplier relationship management platform.

Inspiring and supporting our local communities

One of the best ways that we can deliver our purpose of Transforming Tomorrow Together is by creating positive impacts for society and inspiring and supporting our communities. Our new target to develop a global employee and community engagement programme formalises the work we've done over many years to support our people and the communities where we operate.

Our science, technology, engineering and mathematics (STEM) outreach programme is key to this work, helping to inspire the next generation of engineers and scientists. In the UK, this included hosting all-female STEM sessions for International Women in Engineering Day 2026 at our site in Miskin, Wales, and running outreach in some Gloucestershire libraries.

We also have a thriving community outreach programme in India. While originally developed in response to requirements for public limited companies to donate a certain percentage of profits to community activities, the way the team has developed the programme is one of the best demonstrations of Renishaw's values and purpose. This includes developing long-term partnerships with charities and community-based organisations to support projects that fund infrastructure improvements and provide essential equipment. For example, this year we provided funds for key equipment at a specialist cancer hospital and donated essential equipment to a blood bank, and to non-profit healthcare organisations. We also supported infrastructure upgrades for academic institutions, provided sewing equipment to help local women build new skills and income, and supported a new sewing machine training unit for a school in Pune dedicated to helping underprivileged and socially excluded children. Our employees also get involved, sharing their expertise.

We intend to build on these great examples of supporting our communities to create a more formal programme, and will share progress in future annual reports.

An evolving people agenda

Our people, their expertise and ideas, are at the core of our reputation for innovation, manufacturing and customer service. Unlocking their full potential requires more than social targets – it requires us to create an environment where individuals and teams can perform at their best. This means clear expectations, effective leadership, meaningful development opportunities and a culture where people feel valued, supported and able to contribute.

Listening and responding to employee feedback

In April 2026, we ran our third annual global employee survey and were pleased to see participation increase to 78% (FY2025: 74%). This level of participation provides a strong foundation for understanding employee experience and identifying where we need to improve. Employees continue to show pride in our products, services and values, say they experience high levels of trust and respect at work, and speak highly of our caring and ethical culture. However, our engagement score fell slightly to 71% (FY2025: 74%), with feedback reinforcing themes that are critical to our long-term success. Employees said they wanted greater clarity about career development, stronger collaboration across teams, simpler processes and a clearer understanding of how they improve their reward and pay. They also want leaders to communicate more openly about our business priorities and strategy.

We are committed to making sure that our people see visible, effective change as a result of the feedback. We communicated the results from the survey in all geographies by the end of June and are finalising action plans to address root cause issues. Managers have been given training and guidance on how to interpret their results and identify simple, actionable changes in their area that make a real difference to the experience of their people.

We continued to strengthen our approach to internal leadership communications to encourage stronger, more authentic connections between employees and leaders. For example, several senior leaders participated in conversational 'Channel R' videos during the year, sharing insights on issues that matter to our employees in plain language, such as our business strategy and celebrating key successes. Employees at all levels of the business can share progress on their work via our internal social media channels.

Our Board continues to engage with employees during site visits. For example, our Non-executive Director, Camille Deer, visited China with our Chief Executive Officer, Will Lee, and Group Human Resources Director, Clare Nicholls, in October 2025. Camille met senior leaders, joined sales colleagues on customer visits, and attended a team meeting where she shared insights into her Non-executive Director role. The visit provided opportunities to hear employee views, with key themes shared with the Board.

Developing capability for the future

Creating opportunities for people to grow and progress is essential to attracting, retaining and developing talent, and we know from employees that we still have work to do here. Over the past few years, we have established global reward, development and performance management tools and processes and so we have taken time this year to review what is working well, and where we have gaps.

We have continued to make progress during this review, including:

- embedding a regular cycle of performance management conversations to give employees more opportunities to discuss their aspirations, strengths and areas for improvement with their manager;
- conducting succession planning for key roles in our global businesses;
- expanding our leadership development programmes globally, starting with training for first-line leaders as they take on greater responsibility; and
- appointing a Head of Talent & People Development to lead the creation of an effective, global approach to capability development and career growth.

Our early careers programme remains an important source of future talent. During the year, we refined our approach to workforce planning and intake forecasting to ensure we are recruiting a sufficient and sustainable pipeline of early careers talent for the future needs of the business. We have continued to invest in support for our early careers cohorts, including dedicated coordinators who provide mentoring and pastoral support, helping participants successfully transition from education into employment and build long-term careers at Renishaw. Furthermore, we introduced a new work-readiness programme covering topics such as responsible AI use, resilience, financial wellbeing and communication skills. Starting before onboarding, this builds engagement and a sense of belonging before and during the early careers journey.

Our engineering apprenticeship programme was recently awarded the NextGen Makers Gold Kitemark, recognising excellence in apprenticeship delivery (incorporating positive feedback from colleagues across England and Wales).

Keeping people safe and healthy 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 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 environmental, health and safety policy. We also monitor incident and accident data to identify and address trends.

This year our accident statistics indicate that the leading cause of injury was minor cuts and abrasions to hands, caused by contact with tools and equipment. So, in the coming year we will focus on designing and implementing a hand injury behavioural safety programme to deliver across our high-risk areas.

We recorded 239 accidents (FY2025: 197) against a year-end headcount of 5,254 (FY2025: 5,342), giving us an accident frequency rate of 27.32 per million hours worked (FY2025: 22.15). This remains very low compared to the average for the UK manufacturing sector of 241.20 per million hours worked. We had eight reportable accidents under the UK RIDDOR reporting requirements during the year. This equates to a rate of 0.09 per 100,000 workers. This is slightly higher than FY2025 and reflects the challenges our people have had to navigate this year. Nonetheless, it remains significantly lower than the UK manufacturing sector, which has an average rate of 490 per 100,000 workers.

Many of this year's incidents were minor near misses, with our people reporting 354 near misses (FY2025: 349). Proactive near-miss reporting is an essential part of a strong health and safety culture. However, on assessing this year's reports we found that almost all of them were the result of human factors rather than a lack of policy or process. So in the coming year, we plan to increase our focus on behavioural safety to help reduce this trend.

Priorities for the coming year

Meaningful change takes time and we are committed to continuously improving our people approach while delivering our social targets.

Our focus in FY2027 and beyond will be on delivering against employee engagement action plans while continuing to build the people capabilities needed for the long-term success of Renishaw.

Starting with our senior leaders, we will simplify, clarify and strengthen the connection between company performance, individual contribution and reward outcomes. As a proud 'talent builder', we will continue to invest in both our early careers and adult talent pipelines, identifying and removing barriers to progression and focusing on conversations and tools that help managers unlock the potential in their people.

We will continue to strengthen our internal culture and community by helping leaders at all levels to communicate well and connect teams as we continue to grow.

Protecting the health, safety and wellbeing of our people remains a fundamental priority and we will further our journey towards a zero harm workplace by strengthening a behavioural safety approach in our manufacturing areas.

Governance

Our governance ambition

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

Our governance targets are:

- Promote transparency and accountability in decision-making throughout the organisation.
- Embed developments to our risk and internal control framework during 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.
- Continue to embed a compliance culture of doing business responsibly.

Continuing to refine our governance approach

Strong governance is at the heart of our business strategy, including our approach to ESG, and is more important than ever as we continue navigating a complex and uncertain geopolitical landscape. As a global business with 96% of sales outside the UK, we need a clear, robust governance framework that supports agile decision-making, while protecting our values and purpose. The revisions we made to our strategic governance targets – alongside our wider ESG strategy review – are designed to support that aim (see above).

Strengthening our compliance culture

A strong governance framework is only truly effective if people understand the expectations it sets out, how to use it and what to do if they have a concern. While our global employee engagement survey provides a snapshot of employee understanding of key compliance topics, we wanted to better understand the day-to-day barriers and opportunities our people come across in relation to compliance.

In June 2026, we asked a significant cross-section of our global workforce to take part in an independent, anonymous survey to share their understanding of our compliance culture and ideas for how we can improve across all businesses and regions. The survey has given us a deeper understanding of how we can empower our people to continue to strengthen our compliance culture and mitigate the challenges they face.

The results of the compliance culture survey indicated strong employee awareness of compliance policies. However, employees were less clear on how to navigate compliance processes in practice. The findings also highlighted a supportive, values-led culture, with little evidence of resistance to compliance requirements. Both the qualitative and quantitative feedback indicated a desire for more regular compliance training and practical examples tailored to employees' day-to-day roles.

Proposed actions include developing team-specific compliance guidance and process maps, incorporating more regular compliance updates into departmental communications, and simplifying policies where possible.

Managing our risks and controls

As we explain on pages 23 to 26, this year our approach to risk and control has continued to mature. Building on previous work to design our framework, this year we agreed a definition of material controls and our approach to testing them. Reviewing their design is well underway, and will be followed by a pilot process for testing and documenting how well these controls are working in practice (their 'operating effectiveness').

Cyber security is a principal risk for Renishaw and remains a key area of focus as we continue to prepare for the introduction of the European Cyber Resilience Act (CRA). While the CRA represents a significant change in terms of legal requirements on products, it is a good illustration of how we are weaving compliance into our commercial strategy, ensuring we provide our customers with efficient, yet cyber-secure hardware and software. As well as retiring certain products, we have enhanced our cyber-security controls on others to prepare for CRA compliance.

The accelerating use of AI has led us to implement more robust digital security controls, including the maintenance of a Group-wide AI register. We have a strict governance process in place, blocking AI sites by default, maintaining an AI register and a robust approvals process for specific use cases. We continue to monitor this rapidly evolving area to ensure we comply with emerging laws and risks.

Other key areas of focus this year included our anti-fraud programme and export control framework. In the former, we have begun a new assessment to better understand our fraud risks and how they are evolving. In the latter, we refreshed our policy for 'high-risk' destinations to respond to ongoing geopolitical uncertainty and UK government advice, and enhanced our customer due diligence in these locations.

As well as helping us navigate an increasingly complex global supply chain, these steps help support our Know Your Customer procedures and our target of maintaining a zero-tolerance policy to bribery and corruption.

Download our Code of Conduct

Revising our Code of Conduct

Our Code of Conduct (Code) sets out our expectations on anyone who works for and with Renishaw. Translated into 14 languages, it explains what we mean by 'doing business responsibly', and gives 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 have read and understood the Code as part of their onboarding process.

The results of our compliance culture survey indicate a values led culture supportive of doing business responsibly. While this is reassuring, we need to support our Code and the associated policies with practical process maps to ensure our colleagues identify and understand the requirement relevant for their roles.

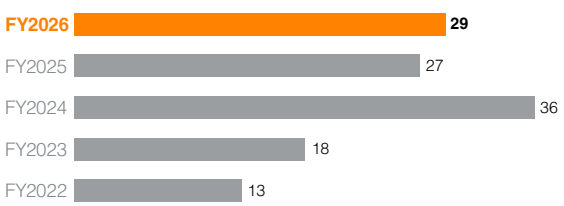
We are currently refreshing our Code to ensure our expectations remain clear and the guidance on how to do business responsibly is fit for purpose. We plan to publish the revised Code in early 2027.

Whistleblowing

Our Code is supported by our Speak Up Policy, which sets out our commitment to ensuring everyone feels able to raise a concern, and what to do if they witness or suspect unlawful or unethical behaviour, without fear of retaliation. The policy includes details of our independent, confidential whistleblowing portal and global hotline, Speak Up, and anyone working for or with Renishaw can raise a concern. This year, we logged 29 cases (FY2025: 27). No significant trends were identified from the cases reported, although a small cluster of conduct-related reports was noted in Mexico and China, with a majority of closed cases found to be unsubstantiated.

In FY2026, we also launched a new Supplier Code of Conduct for our UK suppliers. As part of our broader supplier engagement programme, the Supplier Code of Conduct sets out our expectations of our suppliers covering key compliance topics such as bribery and corruption. We have incorporated the Supplier Code of Conduct into our onboarding process for all new and reactivated suppliers and are now exploring options to share with existing key suppliers.

Number of Speak Up cases reported



Priorities for the coming year

As a responsible business, we will continue to strengthen our governance and compliance framework by progressing our work on material control design and effectiveness testing, launching our revised Code of Conduct, and responding to feedback from our compliance culture survey.

In particular, we will focus on enhancing our Know Your Customer procedures and improving decision-making processes to strengthen clarity and accountability.

We will also continue preparing for the introduction of the European CRA, and monitoring cyber security and the rapidly evolving AI landscape.