



Sustainability Progress Report

Lucy Group 2024



Our Lucy Group Sustainability Strategy

Lucy Group deliver intelligent power solutions, smart lighting, and sustainable homes. Our mission is to protect the planet and improve lives. With a growing population and finite natural resources, the conventional path is unsustainable. Our products should benefit both the environment and society alongside our business. Through innovative products and solutions, we make the built environment more sustainable.

As a transparent and accountable organisation, we disclose our annual emissions to an ISO-14064-1 standard. We adhere to legislation, embrace innovative technologies, and apply best practices.

Through our People, Planet, and Progress pillars, we integrate sustainability across our organisation. Guided by Environmental, Social, and Governance (ESG) principles, we continuously refine our operations and enhance supply chain efficiency. Beyond optimising our business, we invest in the communities we serve, tackling key sustainability challenges and driving meaningful impact.

As a Group, we are building a sustainable future. A future that supports societal well-being, environmental preservation, and economic advancement.

PEOPLE

We believe that people are at the heart of our business and are proud of our commitment to supporting local communities and empowering our employees.

[More on page 6](#)

PLANET

Committed to reducing emissions, we prioritise innovation and ambitious targets to combat climate change. Our practical actions and collaborations ensure sustainable solutions.

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PROGRESS

Dedicated to promoting ethics, transparency, and diversity, while eliminating discrimination. Focused on achieving targets to reduce operational emissions and embodied carbon in our main products.

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Sustainable Development Goals



Lucy Group has embraced the United Nations' Sustainable Development Goals (SDGs). In 2015, all United Nations Member States adopted 17 interconnected Global Goals. Their aim was to create a sustainable and prosperous future for everyone.

Of the 17, Lucy Group has identified eight priority SDGs which align to our core values.

These are:

- Good health and well-being
- Quality education
- Affordable and clean energy
- Responsible consumption and production
- Climate action
- Decent work and economic growth
- Industry, innovation, and infrastructure
- Peace, justice and strong institutions.

These priorities guide our sustainability strategies, policies, initiatives, and communications. We have implemented a measurement system to track our progress and achieve excellence. Our actions contribute to these priority SDGs and, wherever possible, support other SDGs.

WHAT & WHY: Improving People's Lives - Intelligent Power, Smart Lighting, and Sustainable Homes



HOW: Putting people and planet at the heart of everything we do to achieve progress with a purpose

Sustainability Governance at Lucy Group

We embed sustainability within our governance structure. This ensures commitment to environmental stewardship at all levels. Our governance framework includes clear roles, processes, and oversight mechanisms. This promotes transparency and accountability for achieving our sustainability objectives.

Sustainability is a key focus of the Group's business strategy and corporate governance, and it is integrated into the Board's regular reporting. In 2024, the Board met six times, with sustainability included in these discussions as part of the Group's long-term priorities. Additionally, internal business CEOs hold quarterly sustainability meetings to review progress, address emerging challenges, and refine strategies for reducing environmental impact. This structured approach ensures that sustainability remains central to decision-making at both the Board and executive management levels.

Lucy Group's medium-term plans (MTPs) align sustainability goals with long-term business objectives. These plans respond to changing environmental regulations and market dynamics. They inform how the company allocates its resource to support sustainability initiatives. Investment is directed towards emissions reduction, waste management, and resource conservation.

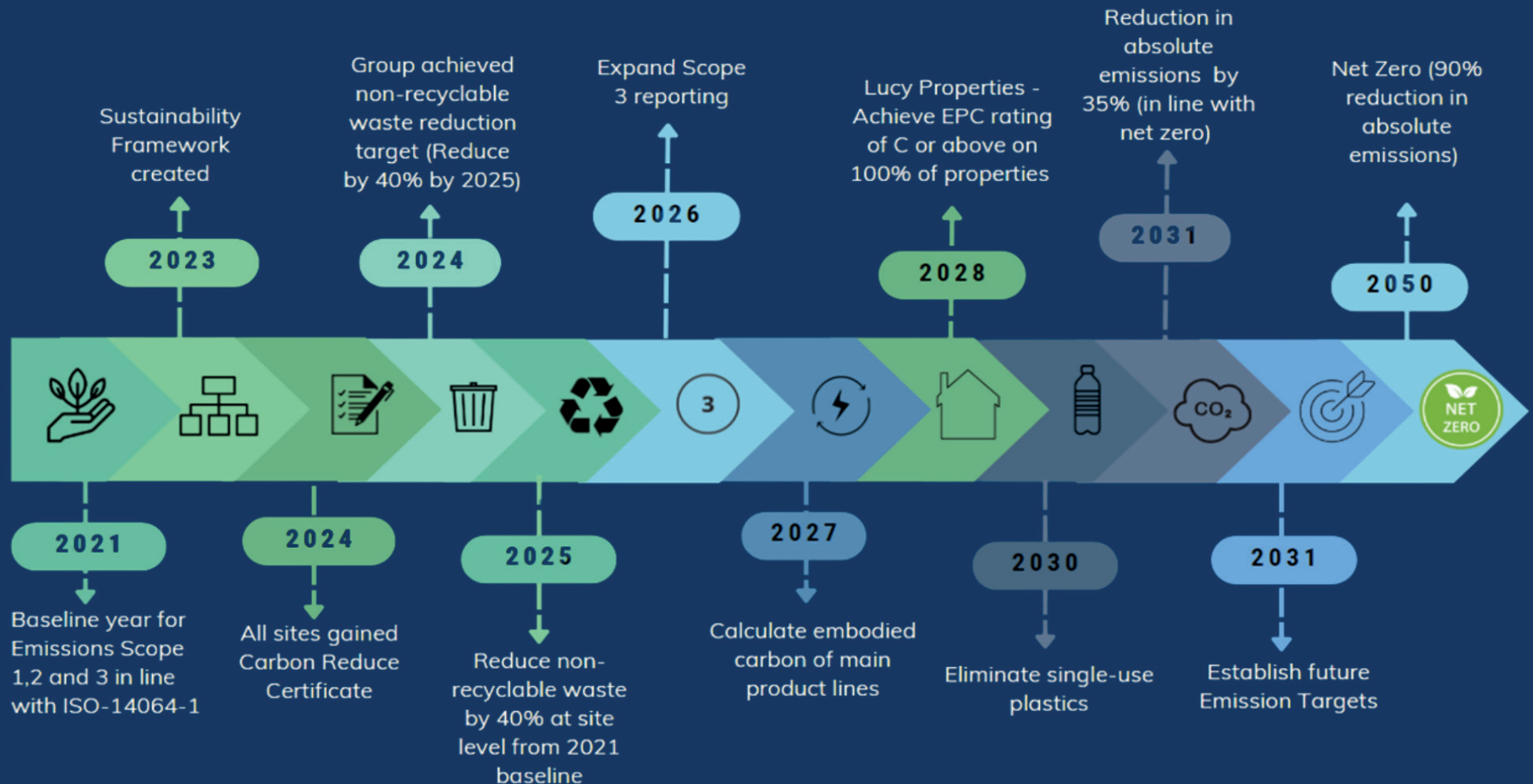
We have created dedicated, expert and accountable sustainability roles. Role-holders drive progress through inter-business collaboration to reach sustainability targets. The quarterly Sustainability Forum is a key stakeholder meeting. It ensures a collaborative and unified approach to advancing sustainability across the Group.

Our next task is to bring sustainability risk management into the corporate governance framework. This will ensure that we identify, assess and mitigate environmental risks. We will scan for regulatory changes and external factors. This will ensure resilience as sustainability challenges evolve.

These governance practices ensure that environmental responsibility will drive long-term business success.



Lucy Group Sustainability Journey



2024 Performance against Targets



Targets missed



On Target/Achieved

Principle	Pillar & Area	High Level Objective	Targets/KPI	Target	Performance	Progress Assessment
People	Education and training - internal and external	Provide training and career development opportunities for all employees and nurture education and experience opportunities in our local communities.	Increase the hours of training linked to business goals per employee and per employee category by [10]% YOY	10%	42% increase	On Target/Achieved
			Complete the career pathways for each function per employee linked to business needs by 2025	Completed	Progress being made	On Target/Achieved
			Complete a minimum of 1 educationally focused CSR initiative per site every 6 months.	30 projects	59	On Target/Achieved
	Education and training - internal and external	Provide a safe work environment that promotes the health and wellbeing of all and actively participates in initiatives that improve the lives of those in our local communities	Complete a minimum of 1 wellbeing in the community activity per site every 6 months.	30 projects	108	On Target/Achieved
			Target zero accidents	0	72 accidents	Targets missed
			Maintain a Health and Safety score of 3.7 or higher	3.7	3.8	On Target/Achieved
			Review organisational practices and policies to create health and wellbeing actions that place Lucy Group in the top 5% for its industry benchmark.	Top 5%	Target updated for 2025	On Target/Achieved
Planet	Emissions targets and reductions	Take decisive action in lowering our energy consumption and move towards a low-carbon future by reducing our emissions and following a science-based approach to be Net Zero by 2050.	Achieve a 35% reduction of Scope 1,2 &3 absolute emissions by 2031	35% reduction by 2021	+7.6%	Targets missed
			Achieve a 12.6 % reduction in absolute emissions against baseline in 2024	12.6% reduction	+7.6%	Targets missed
			Reduce mains electricity and gas consumption by 5% on 2023 actual usage	5% reduction	-2.8%	Targets missed
			Establish a method to increase Scope 3 emission measurements during 2024.	-	Established	On Target/Achieved
	Biodiversity	Develop areas to provide Bio-diversity Net Gain (BNG) and participate in community projects to raise awareness of climate issues to reduce environmental impact.	Complete at least 1 BNG or environmental project per site every 6 months	30 projects	45	On Target/Achieved
			Promote the protection of the environment in the supply chain by communicating the Group's position on sustainability	-	Completed	On Target/Achieved
			Lucy Developments – deliver a minimum of 110% BNG on projects.	110%	Continuous	On Target/Achieved
Waste	Implement waste management strategies to reduce waste, increase recycling and improve sustainability practices.	Eliminate single-use plastics by 2030.	100% reduction by 2030	Progress being made	On Target/Achieved	
		Reduce non-recyclable waste by 40% by 2025	40% reduction by 2025	43.1%	On Target/Achieved	
Progress	Products/Assets/ Customers	Design, promote and improve the energy efficiency of our products and properties, and establish the embedded carbon content in our main product lines while understanding our customers' sustainability needs and expectations.	Calculate embodied carbon of main product lines by 2027	-	Progress being made	On Target/Achieved
			Lucy Properties - achieve EPC C rating on 100% of properties by end 2028	100% reduction by 2030	82%	On Target/Achieved
	Human Rights and Employment Practices	Commit to upholding Human Rights and fair labour practices for our employees and engaging with our supply chain.	Assess all business units for risks relating to corruption, bribery, discrimination, violence, and harassment to reduce the incidence rate to zero.	0	0	On Target/Achieved
			ISO26000 scoring matrix to be maintained above 80%.	80%	86%	On Target/Achieved
			Establish mechanisms for auditing suppliers on their labour practices.	-	Progress being made	On Target/Achieved
			Achieve a gender and diversity balance in our decision-making teams by 2028 in alignment with the demographic in our market segments.	-	1% decrease in gender gap since 2021	On Target/Achieved



We support the lives of everyone who is part of our journey and affected by our actions. Our People approach focuses on sustainable practices, health, well-being, and overall quality of life for all involved.

Our colleagues and stakeholders are the foundation of our success. We ensure their work environment is safe and healthy. We meet internationally recognised standards, including ISO 45001 and ISO 14001 and use ISO 26000 as guidance.

Development Area	Targets/KPIs
Education and Training (Internal & External)	<ul style="list-style-type: none">• Increase the hours of training linked to business goals per employee and per employee category by 10% YOY.• Complete the career pathways for each function per employee linked to business needs by 2025.
Health and Wellbeing	<ul style="list-style-type: none">• Target Zero Accidents.• Maintain a Health and Safety score of 3.7 or higher.

40% increase in training hours since 2023

Health & Safety

At Lucy Group, we recognise the critical importance of health and safety, not only for our employees but also across our supply chain. We place the highest priority on safeguarding the health and well-being of our workforce by implementing robust safety protocols, collaborating closely with health authorities, and ensuring responsible waste and emissions management practices.

In addition, we assess supplier compliance as part of our risk management strategy, actively promoting hazard identification and best practices to prevent potential risks from affecting our people.

Despite an increase in production across our business sectors, we achieved a Total Recordable Incident Rate (TRIR) of 5.15 in 2024, representing a 22% decrease compared to the previous year. Our Frequency Rate remains the same at 0.22 and is a focus area for further improvement, reflecting our ongoing commitment to improving safety standards across all areas of our operations.

Learning & Development

At Lucy Group, we deeply value the contributions of our employees and are committed to supporting their personal and professional growth. In 2024, our internal Learning and Development (L&D) team delivered over 100 courses worldwide, training more than 1,200 employees on a variety of key topics, including the six critical practices of leading a team, mental health awareness, the 7 habits of highly effective people, and insights discovery.

In addition to in-person training, we have expanded our e-learning offerings, including internally developed content to support our newly launched Leading Responsibly framework. Through partnerships with LinkedIn Learning and Litmos Heroes, we have made learning accessible anytime and anywhere, allowing our employees to learn at their own pace, even around their busy schedules. In total, we delivered over 14,000 hours of learning in 2024, reinforcing our ongoing commitment to the continuous development of our team.



Corporate Social Responsibility

Our Corporate Social Responsibility (CSR) programme has been a key part of Lucy Group for a decade, integrated into our broader sustainability framework focusing on People, Planet, and Progress.

In 2024, Lucy Electric was honoured to receive the Social Value category award at the first Scottish and Southern Electricity Networks (SSEN) Supplier Sustainability Awards, UK. This recognition highlights the impact of our CSR initiatives, which empowers our CSR champions to create positive, lasting change in communities worldwide. We drive social, economic, and environmental progress through targeted efforts, creating value for our stakeholders.

212

Corporate Social Responsibility
Projects completed this year
(2023: 198)

CSR - Education

Lucy Group supports education to break poverty cycles, reduce inequality, empower individuals, promote economic growth, and support sustainable development globally. By focusing on learning opportunities and skill development, we help build strong communities, supporting the future generations.

Development Areas	Target KPIs	CSR KPI	LEUK	LSA	FZE	LEMT	LEI	LAP	LET	LESA	LEBR	LZ	LFUK	LFI	LRE	Head Office	Annual Target
Education & Training (internal & external)	Complete a minimum of 1 educationally focused CSR initiative per site every 6 months	Complete a minimum of 1 educationally focused CSR initiative per site every 6 months.	10	2	5	4	13	2	2	3	2	5	1	0	3	6	59

Projects This Year

We take pride in nurturing future talent within the communities we serve. Lucy Controls is committed to supporting education through various initiatives. In July, colleagues from Lucy Zodion participated in events designed to inspire students to explore diverse career paths. They hosted a sustainability talk and an interactive “Guess the Job” panel. In September, colleagues from Flashnet helped make the start of the school year brighter for primary school students in Budila, Romania. In partnership with the Grow and Know Association, they provided essential school supplies and treats, ensuring students had the resources they needed to succeed [1].

Within Lucy Electric, Lucy Switchgear and Lucy Middle East partnered with Dubai Cares to donate essential stationery supplies to children in need. This empowers young learners with the tools needed for their education. We are proud to support Dubai Cares’ efforts to break the cycle of poverty through education. Lucy Group headquarters have shown dedicated ongoing support to local charity Oxfordshire Youth. We have led employability workshops, organised work experience opportunities for care leavers, and contributed to the High Sheriff Awards and Cherwell School initiatives.





CSR - Wellbeing Within the Community

Development Areas	Target KPIs	CSR KPI	LEUK	LSA	FZE	LEMT	LEI	LAP	LET	LESA	LEBR	LZ	LFUK	LFI	LRE	FN	Head Office
Health and Wellbeing	Complete a minimum of 1 wellbeing in the community activity per site every 6 months	Complete a minimum of 1 educationally focused CSR initiative per site every 6 months.	24	2	11	11	12	2	2	4	3	3	7	2	12	2	11

Good wellbeing is a fundamental Sustainable Development Goal (SDG). It forms the foundation for human rights, economic growth, equality, and resilience.

Lucy Developments acquired a site in North Oxfordshire, where they will build 46 homes. In support of local community growth and sustainability, they have committed over £1 million to fund various initiatives. These include improvements to the local primary care infrastructure, a leisure centre extension, and the creation of a 3G all-weather sports pitch. This investment reflects the company's commitment to enhancing both local amenities and the wellbeing of the community.

Lucy Controls showed their commitment to community health and well-being in two ways. In June 2024, a colleague from Lawson Fuses UK completed the Yorkshire Three Peaks Challenge in support of St Oswald's Hospice, finishing the 24-mile route in 10 hours and 35 minutes. (2). Lawson Fuses India organised a successful Blood Donation Camp, collecting 20 units of blood in just two hours. This was thanks to the enthusiastic participation of colleagues and contracted staff (3).

Within Lucy Electric, two examples of promoting community health and wellbeing stand out. Lucy Electric Thailand hosted the "Recycle for Kids" event. Participants donated leftover items to support the Baan-Nokkamin Foundation, helping fund education for underprivileged children. The initiative also promoted environmental sustainability by reusing, reselling, and recycling items. It encouraged upcycling of materials and raised responsibility among participants.(4)

In September, Lucy Electric Manufacturing & Technologies Health and Safety team visited Gopipura School to assess and improve safety measures. They identified risks such as electrical hazards, fire controls, and slip hazards. The company's ongoing commitment to CSR includes providing fire safety training for staff, conducting fire drills with students, and placing safety signs. These efforts aim to ensure a safer and healthier learning environment for the school community.

Finally, in December, Lucy Group's headquarters in Oxford, Lucy Electric's headquarters in Thame, and Lucy Electric South Africa partnered with St. Joseph's School. Together, they created and delivered 100 Christmas gift boxes, filled with toys and heartfelt cards, to children in South Africa. The initiative helped schoolchildren feel the joy of giving awhile brightening the lives of disadvantaged children. (5)



People



Employee Wellbeing

In 2024, Lucy Group focused on well-being with global and local initiatives. These included new intranet pages, webinars, and events on mental health, neurodiversity, stress management, and sleep. Our recent health and well-being survey showed that 81% of colleagues see well-being as a priority. This is a 1% increase from the last survey and 3% above the manufacturing benchmark. It places us in the top 25% of our peers. We aim to reach the top 10% of industry benchmarks by 2029.

81% of employees feel supported in managing their wellbeing

80% express confidence in discussing challenges with their managers

Mental Wellbeing

In 2024, we hosted global events to promote mental health and well-being. Neurodiversity Week raised awareness about various neurodiverse conditions. Lucy Electric Brazil organised a campaign on suicide prevention and emotional well-being. Colleagues received positive messages and stress balls. During Stress Awareness Month, we provided tools and tips for stress management. Our Men's Mental Health Awareness Panel Discussion offered insights into men's health. On World Mental Health Day, we wore purple to show support and raise awareness.

Physical Wellbeing

During Mental Health Awareness Week, we organised walks across our UK businesses. These walks boosted energy levels, fostered connections, and improved well-being. Colleagues at Lucy Electric Brazil organised their annual Pink October campaign to raise awareness about breast cancer prevention and promote healthy eating. Colleagues also participated in a hospital street run, with proceeds going to enhance hospital facilities.

Career Wellbeing

Throughout the year, Lucy Group completed 13,000 hours of training. Topics included: mental health awareness, unconscious bias, 7 Habits of Highly Effective People, and Insights Training. We held mentoring workshops for over 50 colleagues, with more planned for 2025. During Learning at Work Week, we shared training resources to enhance skills and support career growth. We also engaged with Oxfordshire Youth, supported Career Day events at local schools, and were nominated for 'Apprentice Employer of the Year.'

Financial Wellbeing

In 2024, we held Pension Webinars to help colleagues understand and manage their pensions in the UK. These sessions provided insights into pension planning, offered practical information, and answered common questions. The webinars aimed to empower colleagues to make informed decisions about their financial future.

Internal Community Wellbeing

On International Women's Day, we celebrated women's achievements with global involvement. Activities included book club sessions, keynote speakers, workshops, flower presentations, confidence lectures, photo panels, and a coffee and tea morning. The proceeds supported women's charities. These events provided a platform for meaningful conversations and reflections.

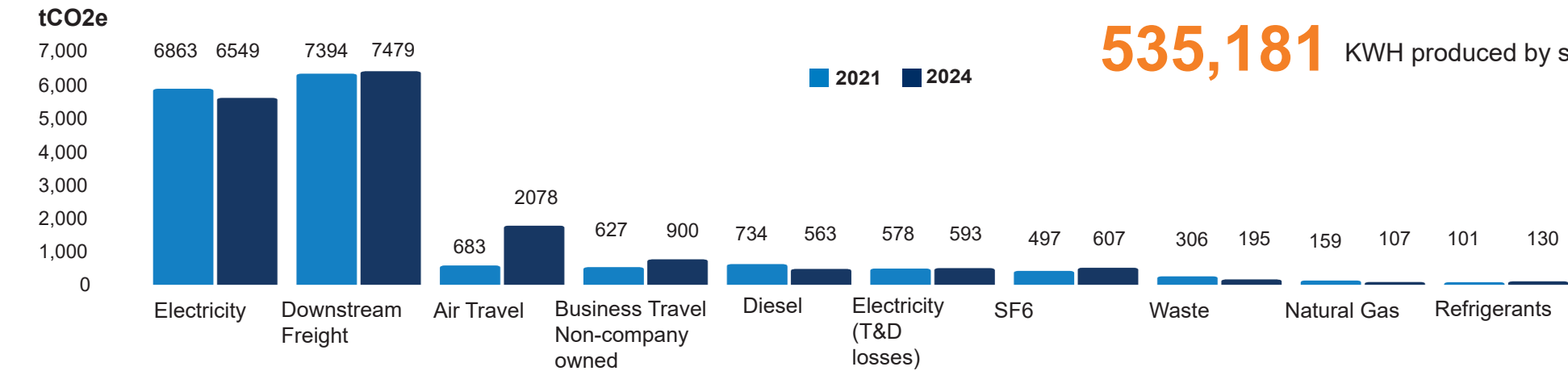
Social Wellbeing

Our social initiatives fostered community and connection through various events across all our businesses. Highlights included a Family Fun Day at Lucy Electric UK, summer socials, pub quizzes, and year-end socials at Lucy Real Estate and Lucy Group headquarters in Oxford. Throughout the year, Lucy Electric Brazil hosted a social coffee morning, carnival class, Festa Junina celebration, and events for Mother's Day and Father's Day. These activities gave the change to socialise, relax, bond, and celebrate together.



Development Area	Targets/KPIs
Emissions Targets and Reductions	<ul style="list-style-type: none">Achieve a 35% reduction of Scope 1,2 &3 absolute emissions by 2031.Achieve a 12.6 % reduction in absolute emissions against baseline in 2024.Reduce mains electricity and gas consumption by 5% on 2023 actual usage.

19,430 tCO2e



Emissions Overview

Since 2021, Lucy Group’s emissions have increased by 7.6%. This increase is due to a 55.2% growth in third party sales (£M) alongside strategic initiatives to enhance environmental sustainability.

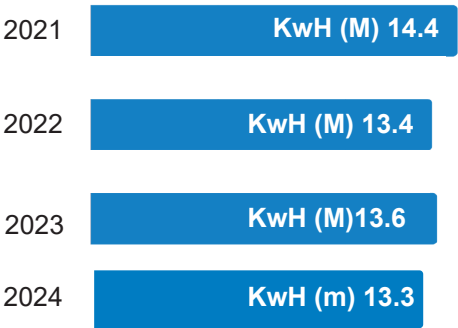
Key actions include:

- Expanding the use of solar energy
- Transitioning from petrol/diesel forklifts to electric models.
- Optimising downstream freight processes.
- Working towards minimising SF6 leakages.
- Managing waste emissions.

Comparing 2023 and 2024, emissions have increased by 4.5%. Despite this, we are pleased with our progress and remain dedicated to further improvements. In 2025, we will focus on expanding solar panel installations, improving waste management systems, and enhancing control and awareness of business travel, aiming to mitigate our impact and build a more sustainable future.

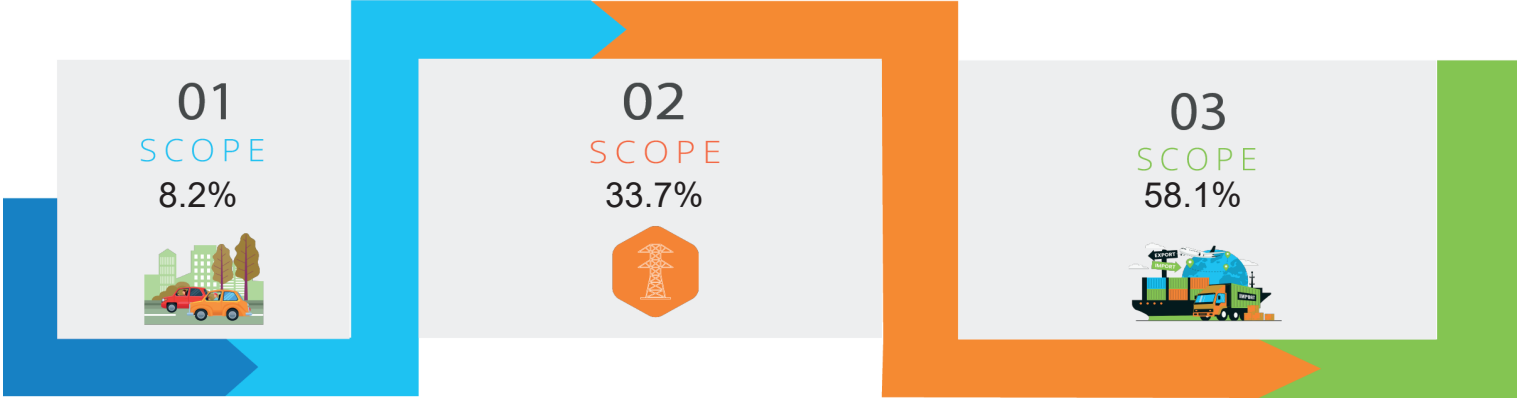
Energy Consumption

With multiple energy efficiency projects implemented across the Group, energy consumption has decreased by 2.8% since 2023. This is despite our 35% increase in turnover and a corresponding rise in production. This shows our success in reducing energy use while supporting business growth and advancing our sustainability goals.

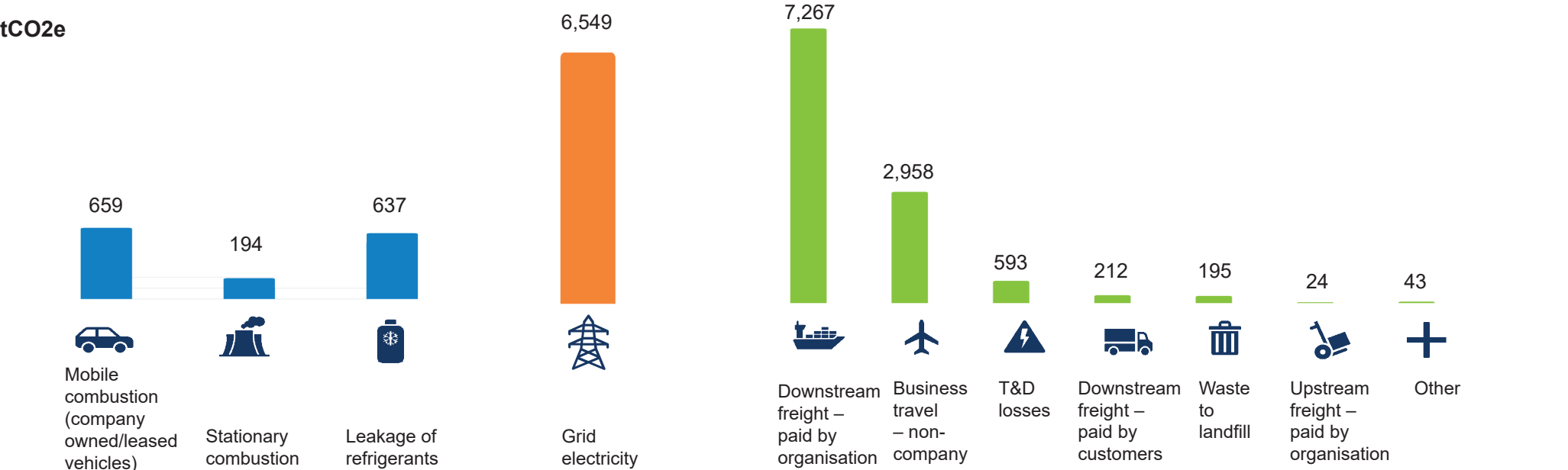


535,181 KWH produced by solar

Planet - Emissions



Total emissions
19,430
Tonnes CO₂e



+0.5%
since 2021

-4.5%
since 2021

+17.4%
since 2021

Note:
Absolute emissions data are heavily influenced by fluctuations in production output. The carbon intensity data on the next page, which measures emissions relative to turnover, indicates that our environmental improvement initiatives are making a positive impact.

Planet - Emissions

Carbon Intensity

Carbon intensity measures the efficiency of our emissions relative to our business activities. We use Achilles Carbon Reduction Calculator tool to calculate carbon intensity, which includes the impact of our gross domestic product (GDP), allowing us to measure carbon intensity in tCO₂e/£M. This shows the balance between financial performance and environmental stewardship. Since 2021, we reduced annual carbon intensity by 25.1%, and by 6% since 2023. This calculator produces consistent and reliable calculations that support data-driven decisions.

Year	Group tCO ₂ e/£M
2021	68.45
2022	65.35
2023	54.50
2024	51.30

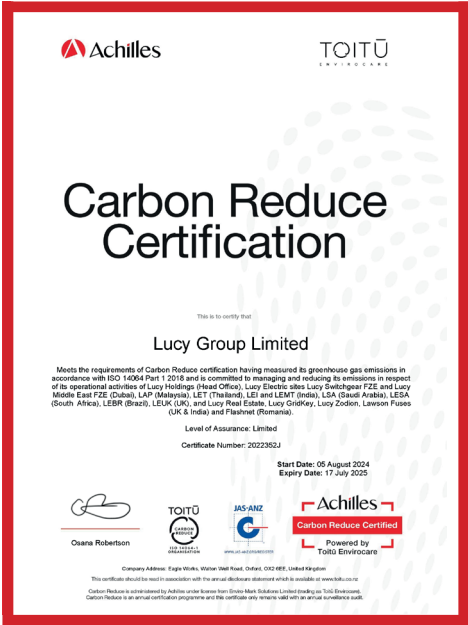
31,013 kwh/£M

51.3 tCO₂e/£M



Emissions Reduction Highlights

- 1 Lucy Group completed its annual ISO-14064-1 emissions audit, retaining our Carbon Reduce Certificate. This reinforces our commitment to accurate emissions reporting and environmental responsibility, promoting compliance with global greenhouse gas (GHG) standards. The audit process supports emissions management practices leading to carbon reduction. For the first time, the audit included Lucy Controls businesses Lawson Fuses India and UK, and Flashnet. These businesses are now integrated into the Group's certification.
- 2 Lucy Group achieved its non-recyclable waste reduction target a year ahead of schedule.
- 3 In 2024, the Group installed solar panels at Lawson Fuses UK, with more panels added at Lucy Electric's site in Thame and Lucy Zodion. Lucy Electric also gained capital expenditure for solar panels at their sites in India, Dubai, and South Africa. We anticipate this will reduce purchased energy by 40%.
- 4 Lucy Electric has implemented advanced monitoring and sensor systems across several sites. The GridKey Monitoring system allows for precise data capture. This will optimise energy usage and efficiency.
- 5 Since 2021, Lucy Group has reduced its Scope 1 and 2 emissions by 3.6%. We achieved this through energy efficiency projects and using renewable energy.



Emissions Reduction Challenges

It is challenging to reduce emissions across the supply chain, which also includes third parties and suppliers. The Group will need to ensure enough time and resource is provided for the collaboration and monitoring needed to achieve this.

Another key challenge we are facing is the scaling of emission reduction programmes for a growing business. The Group will need to adapt sustainability measures to keep working as our operations grow.



We want our operations and stakeholders to use natural resources responsibly. Lucy Group's development and innovation work helps to protect ecosystems and biodiversity by reducing our environmental footprint, protecting ecosystems, and enhancing biodiversity. We are committed to creating long-term value for the environment and society through varied ways;

- 1. Sustainable Development: We design and build spaces that work with nature, not against it, by integrating green spaces, planting native species, and reducing habitat disruption.
- 2. Responsible Resource Use - From sourcing materials responsibly to reducing waste in our operations, we are committed to reducing our environmental footprint while ensuring that our products and developments support long-term sustainability.
- 3. Supporting Biodiversity Initiatives - We actively support biodiversity conservation efforts, ensuring that our business practices align with protecting the ecosystems around us.
- 4. Engaging Our People and Communities - As Sustainability is a shared responsibility, we encourage our employees, partners, and customers to act whether it's to get involved with through conservation projects, sustainable practices, or innovation in work to find greener solutions.

CSR KPI	LEUK	LSA	FZE	LEMT	LEI	LAP	LET	LESA	LEBR	LZ	LFUK	LFI	LRE	FN	Head Office	Group Total
Complete at least 1 BNG or environmental project per site annually.	6	2	2	2	13	2	4	3	2	2	1	0	2	1	3	45

At Lucy Group, we recognise that protecting biodiversity is a key part of corporate social responsibility (CSR). Healthy ecosystems are essential for sustainable communities, and businesses have a role to play in preserving and restoring natural environments. Through our CSR initiatives, we aim to reduce our environmental impact, support conservation efforts, and create greener spaces that benefit both people and wildlife.

Our goal for 2024 was to complete a minimum of 30 biodiversity or environmental-focused CSR initiatives across our sites. We are pleased to report that we have significantly exceeded this target, successfully completing 45 initiatives group-wide.

A few examples include, three staff members from Lucy Electric headquarters in Thame joined a community initiative to build hedgehog houses using repurposed wooden pallets. They built 12 houses with the help of Thame Shed and other volunteers, contributing to local biodiversity.

On World Nature Conservation Day 2024, a colleague from Lucy Electric India provided Sukhdev School with 20 saplings. The visit emphasised youth involvement in conservation. The Principal spoke to students about preserving nature, and the children planted saplings. (7)

In September, Lucy Switchgear Arabia colleagues led a beach cleanup at Half Moon Beach, covering a 1.5-kilometre stretch. The initiative aimed to raise awareness of environmental responsibilities and preserve marine ecosystems

Lucy Zodion is developing a wildlife garden to support local biodiversity and create a calming outdoor space for colleagues. The garden will feature native species to attract wildlife and provide a peaceful environment for colleagues.

Development Area	Targets/KPIs
Biodiversity	<ul style="list-style-type: none">Complete a minimum of 1 BNG or environmental CSR initiative per site every 6 months.Lucy Developments – Deliver a minimum of 110% BNG on projects.Promote the protection of the environment in the supply chain by communicating the Group's position on sustainability



Planet - Waste

Development Area	Targets/KPIs
Waste	<ul style="list-style-type: none"> Eliminate single-use plastics by 2030. Reduce non-recyclable waste by 40% by 2025

Lucy Group is committed to Sustainable Development Goal 12 by improving resource and energy efficiency and minimising waste. We have set targets for responsible consumption and production, including waste reduction and sustainable resource management. We have achieved a 43.1% reduction in waste-to-landfill since 2021 and aim to achieve this at individual site levels.

2021	tonnes, 655.1
2022	tonnes, 653.9
2023	tonnes, 419.12
2024	tonnes, 372.6

Projects to reduce single-use plastic and non-recyclable waste.

- 1 Lucy Group headquarters in Oxford and Lucy Real Estate have implemented a new waste management system, achieving 0% waste to landfill.
- 2 Lawson Fuses India reuses child part cartons to minimise waste.
- 3 Lucy Asia Pacific encourages colleagues to bring their own food containers to reduce packaging waste.
- 4 Lucy Electric Thailand separates recyclable materials and donates plastic waste to support school supplies for children (8).
- 5 Waste monitoring and educational workshops are delivered to staff across the group.
- 6 Flashnet is transitioning to fully recyclable packaging and eliminating plastic packaging by Q1/Q2 2025.
- 7 Lucy Zodion is actively reducing it's cling film use and beginning to convert cardboard into reusable packaging materials.



At Lucy Group, we are committed to integrating circular economy principles into our waste management strategies, ensuring a more sustainable and responsible approach to resource use. Our focus is on minimising resource consumption, maximising material reuse, and prioritising recycling to reduce waste sent to landfills and lower our overall environmental impact.

By adopting these principles, we actively seek ways to extend the lifecycle of materials, whether through repurposing components, optimising production processes, or working with suppliers to enhance recyclability. Our waste reduction initiatives not only help mitigate environmental harm but also contribute to long-term economic growth by improving resource efficiency and lowering operational costs.





Development Area	Targets/KPIs
Product/assets/customers	<ul style="list-style-type: none">Calculate embodied carbon of main product lines by 2027.

Embodied Carbon

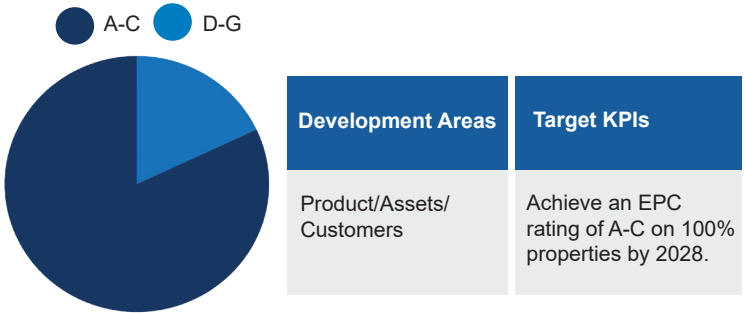
We are committed to aligning our carbon measurement practices with internationally recognised standards, particularly PAS 2050, to ensure accuracy and integrity. Lucy Electric is actively engaged in a working group with the British Electrotechnical and Allied Manufacturers' Association (BEAMA), utilising its new online embodied carbon calculator to enhance our assessments. Our participation in BEAMA's workshops on future decarbonisation regulations further strengthens our approach to embodied carbon measurement methods.

As part of this commitment, Lucy Electric has already calculated the embodied carbon of 10 of its main-line products, marking a significant step towards greater transparency and sustainability. Additionally, a recent full life cycle assessment has been completed for one of Lucy Zodian's products, the Hawk 3 NEMA Photocell, providing valuable insights into its environmental impact.

We are continuing this work by assessing the embodied carbon of our key products, with the aim of finalising the full set of figures by 2027.

Energy Performance Certificates

EPC ratings are disclosed by certified assessors in formal reports or integrated into an official final certificate. In 2024, Lucy Properties successfully increased their EPC ratings from D-G to A-C across 50 properties. This was achieved with support from an external consultant who assessed the properties and provided recommendations for improvements, including loft insulation and the installation of time and temperature control zones. Despite recent changes to EPC rating legislation, Lucy Real Estate remains committed to achieving an EPC rating of C or above for 100% of its properties by 2028. The work throughout 2024 has increased the rate of A-C properties to 82%, while D-G properties now make up 18%. Lucy Properties will continue working on these enhancements over the next few years to meet their 2028 target.



Gender Balance

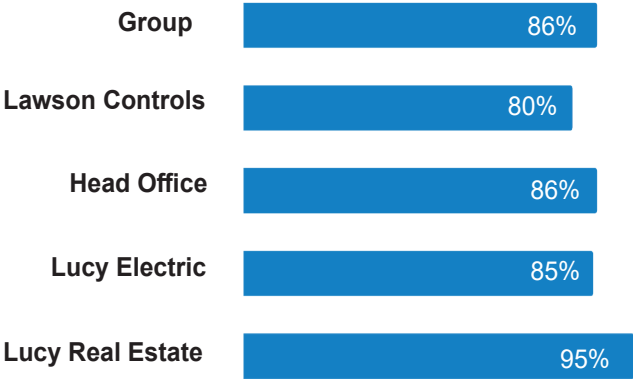
KPI: Gender and Diversity Balance by 2028

Our goal is to align the gender and diversity of decision-making teams with our market demographics by 2028. Since 2021, we've achieved an 1% decrease in the gender gap, reflecting progress in inclusive hiring and representation. We remain committed to reaching this milestone to better serve our diverse markets.

ISO 26000

Lucy Group's approach to social responsibility is guided by the ISO 26000 guidance, with the goal of maintaining a score above 80%. In 2024, Flashnet had their first internal assessment, with a starting score of 90%. The Group overall achieved 86%, with all business entities meeting or exceeding this target.

The scoring system considers both the quantity and quality of projects and initiatives, with the final score determined through internal assessments conducted annually across diverse areas. These areas include organisational governance, labour practices, the environment, human rights, fair operating practices, consumer issues and community and development. In 2024, the group scored above 80% in six out of these seven categories.



2025 and beyond



Principle	Development Area	High Level Objective	KPI	Target	Responsibility
People	EDUCATION AND TRAINING (Internal & External)	Provide training and career development opportunities for all employees and nurture education and experience opportunities in our local communities.	Increase the Learning score to top 10% by 2029 for our industry benchmark by 2029.	8%	Human Resources and Business Units
			Increase the career path score to top 10% for our industry benchmark by 2029.	7.2%	Human Resources and Business Units
			Complete a minimum of 1 educationally focused CSR initiative per site every 6 months.	30 projects total	CSR
			Establish a long-term partnership with a local charity that supports the community.	15 projects total	CSR
	HEALTH AND WELLBEING	Provide a safe work environment that promotes the health and wellbeing of all and actively participates in initiatives that improve the lives of those in our local communities.	Complete a minimum of 1 wellbeing in the community activity per site every 6 months.	30 projects total	CSR
			Target Zero Accidents	0	Health & Safety
			Maintain a Health and Safety score of 3.7 or higher.	3.7	Business Units
			Create health and wellbeing actions that place Lucy Group in the top 10% for its industry benchmark by 2029.	8.2%	Human Resources and Business Units
Planet	EMISSIONS TARGETS AND REDUCTIONS	Take decisive action in lowering our energy consumption and move towards a low-carbon future by reducing our emissions and following a science-based approach to be Net Zero by 2050.	Achieve a 35% reduction of Scope 1,2 &3 absolute emissions by 2031.	35% reduction by 2031	Business Units
			Achieve a 16.8% reduction in absolute emissions against baseline in 2025.	16.8% Reduction	Business Units
			Reduce mains electricity and gas consumption by 5% (kwh) on 2024 actual usage .	5% Reduction	Business Units
			Expand scope three reporting by end 2026	End 2026	Business Units
			Develop reporting to align with IFRS S1-S2	End 2026	Group
			Complete at least 1 BNG or environmental project per site every 6 months.	30 projects total	CSR
	BIODIVERSITY	Develop areas to provide Bio-diversity Net Gain (BNG) and participate in community projects to raise awareness of climate issues to reduce environmental impact.	Lucy Development – Deliver a minimum of 110% BNG on projects.	110%	Business Units
			Promote the protection of the environment in the supply chain by communicating the Group's position on sustainability.	-	Business Units & Marketing/Comms
	WASTE	Implement waste management strategies to reduce waste, increase recycling and improve sustainability practices.	Eliminate single use plastics by 2030.	100% reduction by 2031	Business Units
			A 40% reduction in landfill waste at site level from our 2021 baseline by end 2025.	40%	Business Units
Progress	PRODUCTS/ASSETS/CUSTOMERS	Design, promote and improve the energy efficiency of our products and properties, and establish the embedded carbon content in main product lines while understanding our customers sustainability needs and expectations.	Calculate embodied carbon of main product lines by end 2027.	End of 2027	Business Units
			Lucy Properties - Achieve EPC C rating on 100% of properties by end 2028.	100%	Business Units
	HUMAN RIGHTS AND EMPLOYMENT PRACTICES	Commit to upholding Human Rights and fair labour practices for our employees and engaging with our supply chain.	Assess all business units for risks relating to corruption, bribery, discrimination, violence, and harassment to reduce the incidence rate to zero.	0	Business Units & Legal
			Establish mechanisms for auditing suppliers on their labour practices by end 2025	End of 2025	Business Units
			ISO26000 scoring matrix to be maintained above 80%.	80%	CSR
			Achieve a gender and diversity balance in our decision-making teams by 2028 in alignment with the demographic in our market segments.	By 2028	Human Resources and Business Units

Glossary



Sustainability: “Development that meets the needs of the present without compromising the ability of future generations to meet their own needs” – UN.

Scope 1: Direct emissions from owned or controlled sources.

Scope 2: Emissions from purchased electricity, heat, and steam.

Scope 3: All other indirect emissions that occur in a company’s value chain that are not included within Scope 2.

Absolute Carbon: Complete measurement of carbon.

Carbon Intensity: Amount of carbon dioxide emissions produced per unit of a specific activity, energy, or economic output, measured in tonnes of CO₂e per unit of energy or economic output.

tCO₂e: Metric tonnes of carbon dioxide equivalent. Standardised unit used to measure and compare the impact of different greenhouse gases on climate change by expressing their “warming potential” relative to carbon dioxide.

Global Warming Potential: Measure that quantifies how much a given amount of a greenhouse gas contributes to global warming over a specific time compared to the same amount of carbon dioxide.

ISO- 14064: Internationally recognised standard for reporting carbon emissions.

Net Zero: A state of balance between anthropogenic emissions and anthropogenic removals. The goal of reaching net zero is to mitigate climate change by stabilising the concentration of greenhouse gases in the atmosphere and limiting global warming to a manageable level.

Science Based Targets: Specific goals set by companies, organisations, or governments to reduce their greenhouse gas emissions in line with scientific evidence and climate change mitigation targets. These targets are based on the latest climate science and aim to limit global warming to well below 2 degrees Celsius above pre-industrial levels, with efforts to keep it below 1.5 degrees Celsius.

ISO-26000: An international standard that helps organisations assess and address social responsibilities relevant to their company.

Carbon Neutral: Carbon neutral refers to achieving a state where the net carbon emissions produced by an individual, organisation, product, or process are balanced out by either reducing carbon emissions or by offsetting carbon emissions through activities that remove or reduce carbon dioxide from the atmosphere.

LTIR (Lost time incident rate): It is a key safety metric used to measure the frequency of workplace injuries that result in lost workdays.

T&D Losses: (Transmission and Distribution losses) Refer to the amount of electrical energy lost as it is transmitted and distributed from power plants to end consumers.



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