The Zinc Group Ltd

Sustainability Report 2026

Reporting on our progress and milestones

THE ZINC GROUP

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ZINC GROUP LTD

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About Us

The Zinc Group Ltd is a specialist credit management and debt recovery business operating within the consumer and commercial credit receivables sector. As a Financial Conduct Authority-regulated debt collection agency, we are committed to delivering trusted, professional, and responsible services to its clients and customers.

We are dedicated to driving sustainable growth and success through the core principles of expertise, integrity, and brand, enabling us to remain the trusted choice for our customers, clients, and regulator.

Alongside our clients, we are committed to the principles of corporate sustainability by delivering sustained profit growth, building enduring customer relationships, and managing the social and environmental impacts of our operations.

Our strategy focuses on managing our direct impacts, strengthening sustainability risk management, and investing in the communities in which we operate. Through these priorities, we aim to create long-term value for our stakeholders while supporting a more sustainable and responsible future.

Our Sustainability Commitments

SUSTAINABLE DEVELOPMENT GOALS

CDP

SUSTAINABILITY ACCOUNTING STANDARDS BOARD
SASB

UN GLOBAL COMPACT

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

CYBER ESSENTIALS
CERTIFIED PLUS

PLATINUM Top 1%
ecovadis
Sustainability Rating
SEP 2025

Net Zero

The Zinc Group Ltd is committed to achieving Net Zero Emissions across its full value chain (Scopes 1, 2 and 3) by 2040, in line with the UK Government's Net Zero Strategy and Science-Based Targets initiative (STBi) guidance.

NET ZERO TARGET	SCOPE 1 & 2 REDUCTION	CARBON OFFSET (2025/26)
2040	**–83%** vs 2022/23 base year	**647 tCO_2e** 100% offset — UN CDM CERs retired *Vanala Hydropower | VC42008/2026*

Near-Term Targets (to 2030)

- Achieve effective carbon neutrality for Scope 1 and 2 operations by 2027, supported by 100% REGO renewable electricity already in place and ongoing reduction of gas consumption.
- Reduce Scope 3 emissions by 25% by 2028 against the 2022/23 baseline.
- Reduce Scope 3 emissions by 45% by 2030 against the 2022/23 baseline.
- Reduce total Scope 1–3 (Market-Based) emissions by 50% by 2030.

Long-Term Targets (by 2040)

- Reduce absolute Scope 1, 2 and 3 emissions by at least 90% from the 2022/23 baseline year.
- Neutralise any residual emissions using verified carbon credits or nature-based solutions.

We published our first GHG inventory in 2022/23 and have now completed four consecutive years of GHG Protocol-aligned reporting, building an increasingly granular and comparable emissions dataset that underpins our Carbon Reduction Plan.

Greenhouse Gas Emissions

Our organisational boundary has been defined using the financial control (equity share) approach. The GHG emissions inventory was independently prepared by Climate Wise, a third-party carbon accounting provider, in line with the GHG Protocol Corporate Standard and DESNZ reporting guidance.

SCOPE 1 & 2 (MARKET BASED)	SCOPE 3	TOTAL SC 1–3 (MB)
6.6 tCO_2e	**614.8 tCO_2e**	**621.4 tCO_2e**
30.07 $kgCO_2e$ per FTE (MB) 0.57 $kgCO_2e$ per £1,000 turnover (MB)	Cat 1: 339.6 · Cat 2: 151.8 Cat 3: 21.3 · Cat 5: 3.0 · Cat 6: 11.1 · Cat 7: 88.0	Sc 1: 1.1% | Sc 2: 0.0% (MB) Sc 3: 98.9%

Zinc Group’s greenhouse gas emissions for the reporting year 01 June 2025 to 31 May 2026.

Our commitment to sustainability is demonstrated through our transparent GHG reporting, clear carbon accountability, and continued progress towards Net Zero. This report provides a high-level summary of our greenhouse gas emissions, while our full GHG Report 2025–26 presents a comprehensive emissions inventory, including detailed reporting across Scope 1, Scope 2 (Location-Based and Market-Based), and Scope 3 Categories 1, 2, 3, 5, 6 and 7. During the reporting period, we sourced 100% of our electricity from REGO-backed renewable sources, resulting in zero Scope 2 Market-Based emissions which demonstrates our continued commitment to reducing our carbon footprint.

Greenhouse Gas Emissions History

Year	Sc 1 (tCO_2e)	Sc 2 MB (tCO_2e)	Sc 3 (tCO_2e)	Total MB (tCO_2e)	vs Baseline
2022/23 ★	9.54	30.63	744.85	**785.02**	Baseline
2023/24	9.80	30.53	744.35	**784.68**	−0.04%
2024/25	6.52	4.58	786.80	**797.90**	+1.6%
2025/26	**6.65**	**0.00**	**614.77**	**621.42**	**−20.8%**

★ Baseline year. Note: 2022/23 and 2023/24 Scope 2 figures are Location-Based (no renewable tariff in place). From 2024/25 Scope 2 is reported on both Location-Based and Market-Based basis following the REGO renewable electricity transition in August 2024. All totals above use Market-Based Scope 2.

Our Progress

We have achieved an 83% reduction in Scope 1 and 2 Market-Based emissions since our 2022/23 base year, from 40.17tCO_2e to 6.65tCO_2e in 2025/26. Our transition to 100% REGO-backed renewable electricity via EON Next, covering metered accounts across Glasgow and Stratford, has delivered zero Scope 2 Market-Based emissions for the full 2025/26 reporting year. We are targeting effective Scope 1 and 2 carbon neutrality by 2027, supported by planned energy efficiency measures and building energy initiatives.

Double Materiality Assessment

This report contains a Double Materiality Assessment structured for the SASB (Sustainability Accounting Standards Board) framework, which captures two perspectives:

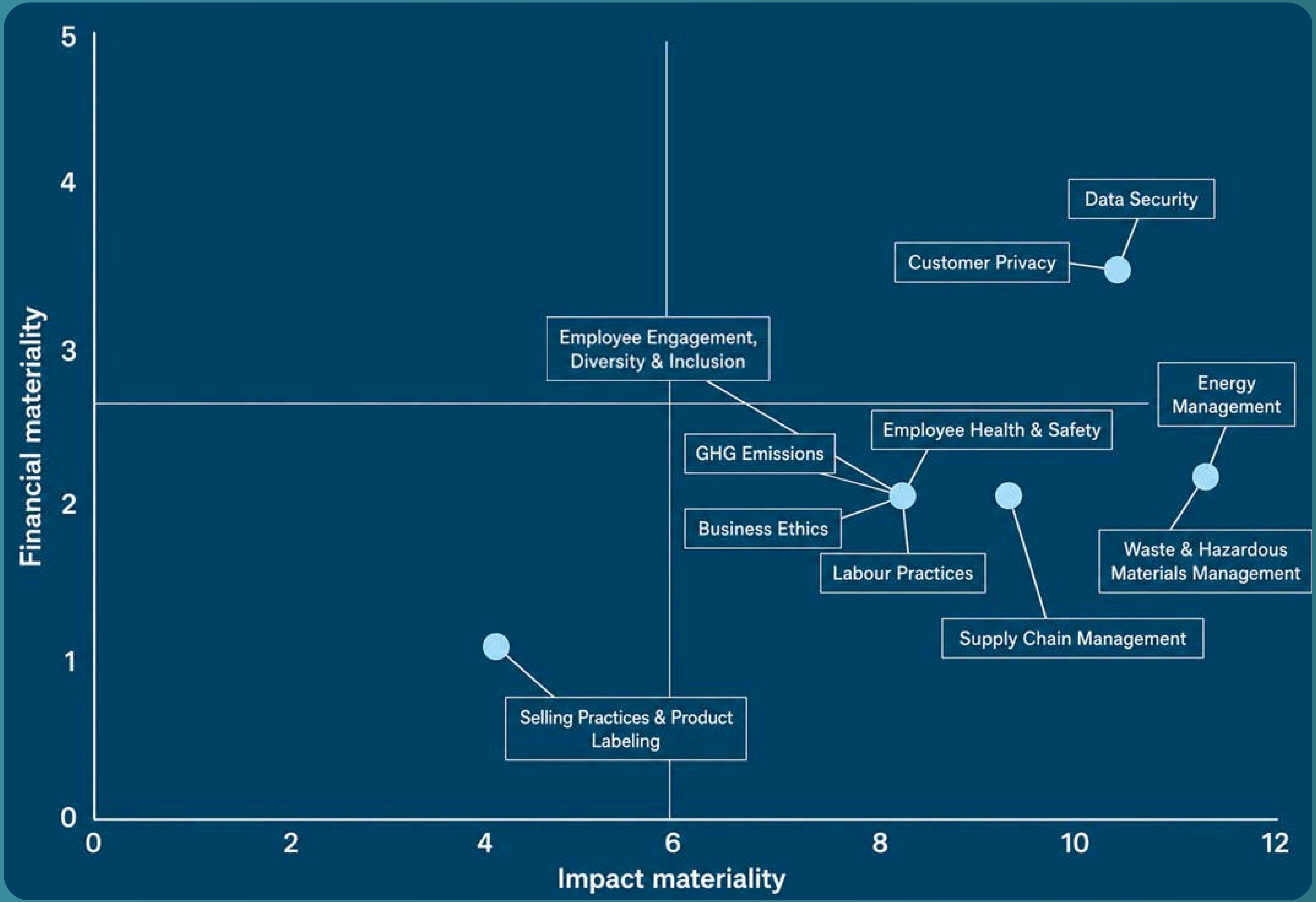
1. Impact Materiality: How the company's operations impact the environment, people, and society.
2. Financial Materiality: How sustainability issues affect the company's financial performance.

The following topics were identified as most material:

- Energy Management, Waste Management, and Customer Privacy scored highly.
- Topics such as Customer Privacy and Data Security ranked strongly and are integral to ongoing sustainability strategies.

		Impact materiality	Financial materiality
Environment	Energy Management	11	2
	GHG Emissions	8	2
	Waste & Hazardous Materials Management	11	2
Social Capital	Customer Privacy	10	3
	Data Security	10	3
	Selling Practices & Product Labelling	5	1
Human Capital	Labour Practices	8	2
	Employee Health & Safety	8	2
	Employee Engagement, Diversity & Inclusion	8	2
Business Model and Innovation	Supply Chain Management	9	2
Leadership and Governance	Business Ethics	8	2

Double Materiality Graph



As part of the assessment, a Double Materiality Matrix was developed to visually map sustainability topics based on their significance from two perspectives: financial materiality (Y-axis) and impact materiality (X-axis). This matrix provides a clear view of which topics are most relevant both to the business and to external stakeholders. Topics located towards the upper-right quadrant, such as Energy Management, Waste and Hazardous Materials, and Customer Privacy, are considered highly material and will be prioritised in our sustainability strategy and reporting.

Sustainable Development Goals (SDGs)

Zinc's operations align closely with 10 UN Sustainable Development Goals (SDGs). These SDGs reflect our environmental, social, governance (ESG), and ethical commitments across all business areas, including procurement, labour, anti-corruption, data security, and environmental management.

3 GOOD HEALTH AND WELL-BEING

Policies promote health and safety, mental wellbeing, and zero workplace injuries. Alongside avaliable training and mental health support for staff.

4 QUALITY EDUCATION

Staff training commitments across all policies (procurement, CSR, environment, data protection). Annual appraisals and personal development plans for staff.

5 GENDER EQUALITY

Focus on diversity, non-discrimination, harassment training, and increasing representation of underrepresented groups.

8 DECENT WORK AND ECONOMIC GROWTH

Commitment to ethical labour practices, fair pay, flexible work, training, anti-slavery, and job progression.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Integration of circular economy principles, tech infrastructure security, and supplier innovation incentives.

10 REDUCED INEQUALITIES

Inclusion of minority-owned businesses, fair hiring, and diversity leadership target.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Circular Economy and waste reduction initiatives.

13 CLIMATE ACTION

Net-zero targets, renewable energy,supplier GHG checks, and employee energy training.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Anti-bribery, anti-fraud, transparency, whistleblower protections, and ethical governance.

17 PARTNERSHIPS FOR THE GOALS

Emphasis on supply chain co-operation, sustainable sourcing, audits, and stakeholder engagement

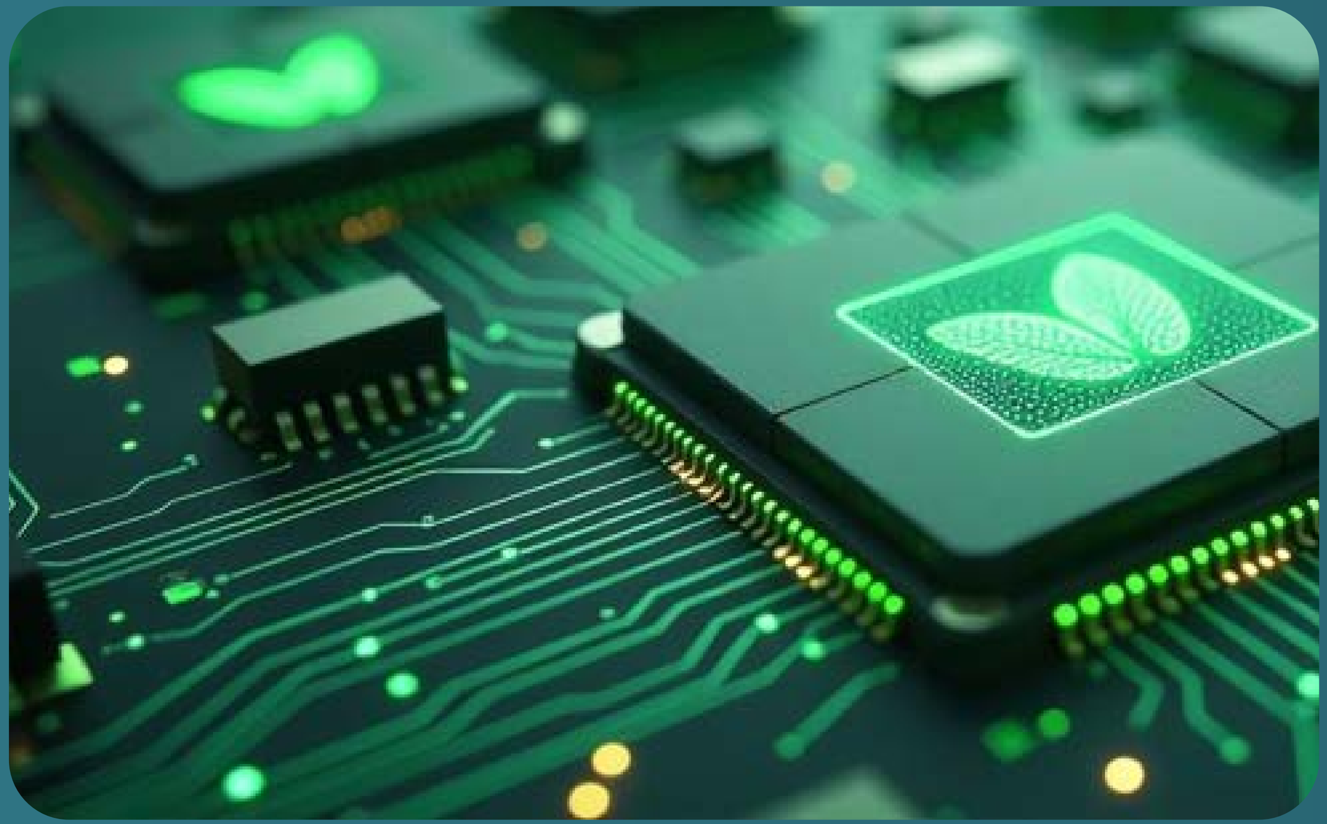
Monitoring

We regularly monitors all measures and practices implemented. We achieve this through:

- Key Performance Indicators are monitored, measured, and made available to all employees each month through appropriate communication channels.
- Internal audits are carried out at scheduled intervals.
- External ISO and customer audits are carried out annually.
- Departmental objectives which are monitored monthly and included in monthly reports.
- Employee questionnaires are carried out annually by Human Resources and results are published to all employees.

Hardware Replacement Program

We continue to reduce energy consumption across our IT infrastructure through an ongoing server virtualisation programme. As part of this initiative, we have reduced the number of physical production servers by nine, resulting in an estimated reduction in power consumption of approximately 250KW per week. Energy usage across the server estate is also actively managed and monitored using HP ILO 5 and Dell iDRAC technologies installed on all HP ProLiant and Dell PowerEdge servers, enabling improved oversight and optimisation of energy performance.



As part of the forthcoming desktop hardware refresh to Windows 11 Pro, we will procure only Energy Star-certified devices to support improved energy efficiency. All replaced equipment will be disposed of through approved suppliers that ensure responsible end-of-life management and minimising environmental impact.

Carbon Reduction Measures

The following environmental measures have been implemented during 2025/26:

- 100% REGO-backed renewable electricity purchase agreement maintained throughout 2025/26 via EON Next, covering all metered accounts across Glasgow and Stratford, delivering zero Scope 2 Market-Based emissions for the second consecutive year.
- Hybrid working arrangements embedded in operational practice, reducing commuting-related Scope 3 Category 7 emissions. WFH accounted for 84,578 hours in 2025/26.
- Staff Carbon Literacy Training programme in place.
- Paper/card recycling promoted and printer usage reduced to essentials, contributing to responsible resource use in line with SDG 12.
- Separate waste streams maintained across both offices for paper, shredded materials, and commercial dry recycling.
- Reduced business travel by prioritising video conferencing and public transport. Partnered with a local bus company to offer discounted employee travel.
- Replaced lighting with energy-efficient LED bulbs across both sites.

Future Carbon Reduction Measures

The following environmental measures are planned to be implemented in 2026 and onwards:

- Commitment to annual GHG reporting in accordance with the GHG Protocol Corporate Standard.
- Progression toward a formal Science-Based Target (SBTi) aligned with a 1.5°C pathway and the UN Race to Zero commitment, pledging to halve emissions before 2030 and achieve net zero before 2050.
- Annual supply chain spend review to refine Category 1 spend-based estimates with activity-based supplier data as it becomes available.
- Targeted supplier engagement on Printing and Stationery and Technology spend categories, which together account for >60% of Category 1 emissions.
- Promoting cycling, walking, and public transport for employee commuting to reduce Category 7 emissions.
- Further encouraging complete laptop shutdown at end of working day to reduce WFH energy consumption.
- Monitor and report progress annually against intensity reduction targets.

Sustainability Accounting Standards Board (SASB) Reporting

We have aligned our sustainability reporting with the Sustainability Accounting Standards Board (SASB) framework and applied the Consumer Finance standard to ensure our sustainability disclosures are comparable, and focused on financially material environmental, social, and governance (ESG) topics. By aligning with SASB Standards, we address the ESG factors most relevant to our business through policies and targets on carbon reduction, ethical labour practices, responsible sourcing, supply chain transparency, and employee wellbeing. This approach strengthens our operational resilience and enables stakeholders to clearly understand our sustainability performance and commitment to responsible business practices.

All reporting data and SASB metrics are for the reporting year 01 June 2025 to 31 May 2026.

SASB Disclosure

Metric	Disclosure
FN-CF-220a.1 - Number of account holders whose information is used for secondary purposes	0
FN-CF-220a.2 - Total amount of monetary losses as a result of legal proceedings associated with customer privacy	£0
FN-CF-230a.1 - Number of data breaches	0
FN-CF-230a.1 - Percentage that are personal data breaches	0%
FN-CF-230a.1 - Number of account holders affected	0
FN-CF-230a.2 - Card-related fraud losses from card-not-present fraud	£0
FN-CF-230a.2 - Card-related fraud losses from card-present and other fraud	£0
FN-CF-230a.3 - Description of approach to identifying and addressing data security risks	We process personal data relating to customer accounts provided to us by our clients where necessary to support the delivery of contracted services. We also collect and process personal data relating to employees where necessary for employment purposes. Personal data resides on Active Directory-joined servers and storage areas, with access controlled and restricted to authorised accounts only.

SASB Disclosure

Metric	Disclosure
FN-CF-270a.1 - Percentage of total remuneration for covered employees that is variable and linked to the amount of products and services sold	N/A employees don't sell anything
FN-CF-270a.2 - Approval rate for credit	N/A employees don't sell anything
FN-CF-270a.2 - Approval rate for pre-paid products for applicants	N/A employees don't sell anything
FN-CF-270a.3 - Average fees from add-on products	N/A employees don't sell anything
FN-CF-270a.3 - Average APR of credit products	N/A employees don't sell anything
FN-CF-270a.3 - Average age of credit products	N/A employees don't sell anything
FN-CF-270a.3 - Average number of credit accounts	N/A employees don't sell anything
FN-CF-270a.3 - Average annual fees for pre-paid products	N/A employees don't sell anything
FN-CF-270a.4 - Number of customer complaints filed	721
FN-CF-270a.4 - Percentage with monetary or non-monetary relief	18%
FN-CF-270a.5 - Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products	N/A employees don't sell anything

SASB Disclosure

Metric	Disclosure
FN-CF-270a.5 - Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products	N/A employees don't sell anything
FN-CF-00.A - Number of unique consumers with an active credit card account	N/A employees don't sell anything
FN-CF-00.A - Number of unique consumers with an active pre-paid debit card account	N/A employees don't sell anything
FN-CF-00.B - Number of credit card accounts	N/A employees don't sell anything
FN-CF-00.B - Number of pre-paid debit card accounts	N/A employees don't sell anything

Environmental Metrics

Scope 1 emissions (tCO_2e): 6.6

Scope 2 emissions (tCO_2e): 0

Scope 3 emissions (tCO_2e): 621.4

Downstream scope 3 emissions (tCO_2e): 0

Upstream scope 3 emissions (tCO_2e): 621.4

Total gross annual revenue (£): £11.5m

Total energy consumption (kWh): 142069.5

Total renewable energy consumption (kWh): 142069.5

Total weight of hazardous waste (tonnes): 0

Total weight of non-hazardous waste (tonnes): 1.8

Total weight of waste recovered (tonnes): 3.7

Number of employees trained on energy efficiency: 171

Client carbon offsetting programmes in place:

Carbon offsetting (tCO_2): 647

Amount of waste recycled (tonnes): 3.7

Number of employees trained on recycling: 171

Environmental services offered: 0

Social and Governance Metrics

Number of hours worked: 265405.03
Number of work related accidents: 0
Number of work-related ill health: 0
Ratio of the annual total compensation for the highest paid individual, to the median annual total compensation for all employees: 3.76
Average hours of training per employee: 49
Percentage of women employed in the whole organisation: 54.50%
Percentage of women at top management level: 33.30%
Percentage of women within the organisation's board: 20%
Average unadjusted gender pay gap: 2.20%
Percentage of employees from a minority of vulnerable group in the whole organisation: 26.10%
Percentage of employees from a minority or vulnerable group at top management level: 8.80%
Number of identified discrimination or harassment incidents or corrective actions: 0
Number of employees with health and safety training: 100%
Number of injuries at work: 0
Number of employees covered by healthcare plans: 0
Employee survey results: 157
Number of overtime hours worked: 6542.5
Number of internal promotions: 7
Percentage of employees with performance appraisals: 100%
Number of employees trained on diversity or discrimination: 100%
Number of harassment complaints: 0
Number of employees in trade unions: 0
Number of collective bargaining agreements in place: 0

Business Ethics and Procurement Metrics

Percentage of employees trained on business ethics: 100%
Number of reports related to whistleblower procedure: 0
Number of confirmed corruption cases: 0
Number of confirmed information security incidents: 0
Percentage of targeted suppliers who have signed the supplier code of conduct: 85%
Percentage of targeted suppliers with contracts that include clauses on environmental, labour, and human rights requirements: 0%
Percentage or number of targeted suppliers covered by a sustainability assessment: 100%
Percentage or number of targeted suppliers covered by a sustainability on-site audit: 0%
Percentage or number of all buyers who received training on sustainable procurement: 11
Percentage or number of audited or assessed suppliers engaged in corrective actions or capacity building: 0%

Thank You

Sustainability Report 2026

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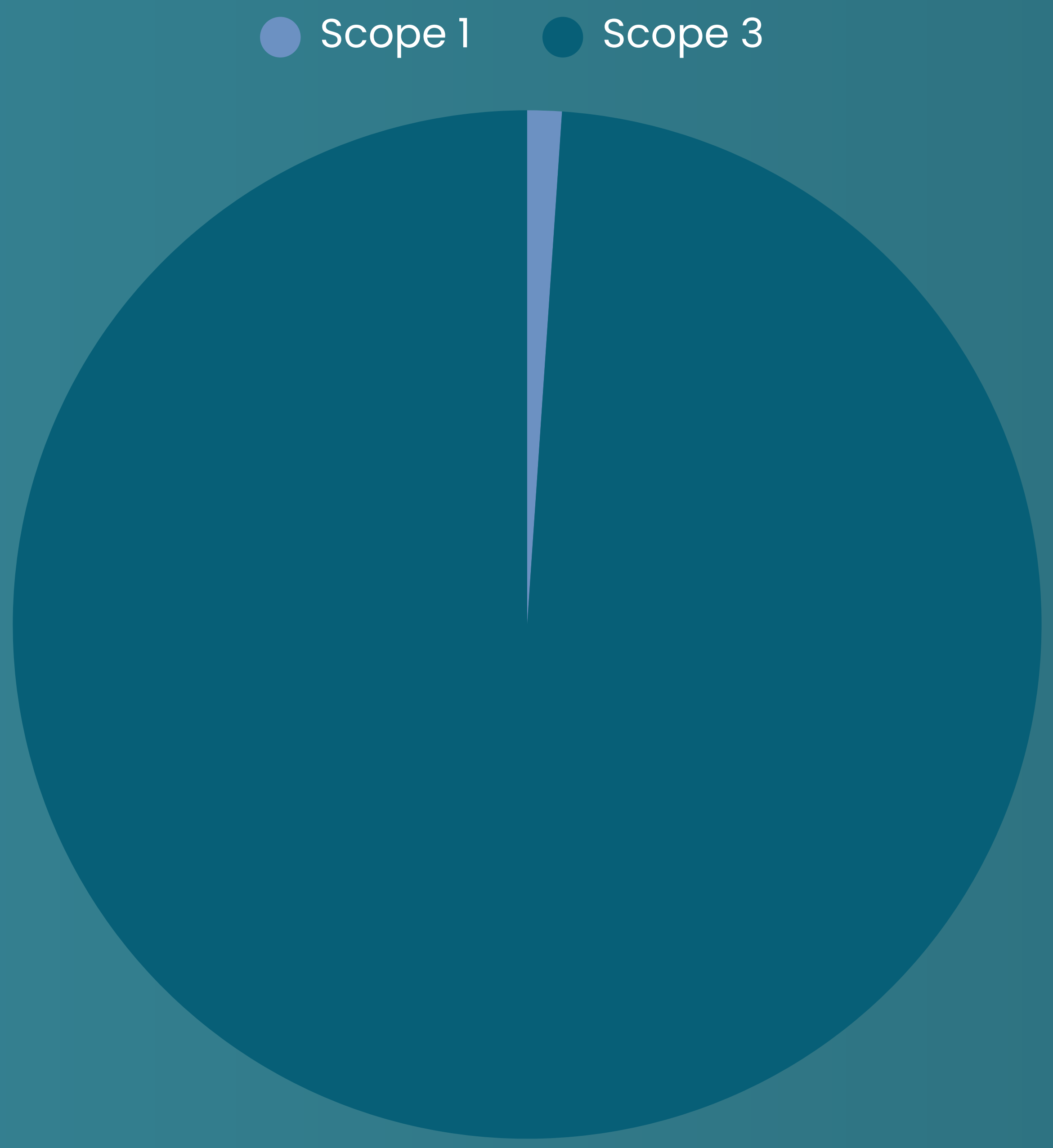
Appendix: Scope Graphs



Scope 1: 1.07%

Scope 2 : 0.00%

Scope 3: 98.93%

Figure 1: Market-Based Emissions by Scope - Percentage Breakdown (621.42 tCO2e total (MB))

Appendix: Scope Graphs

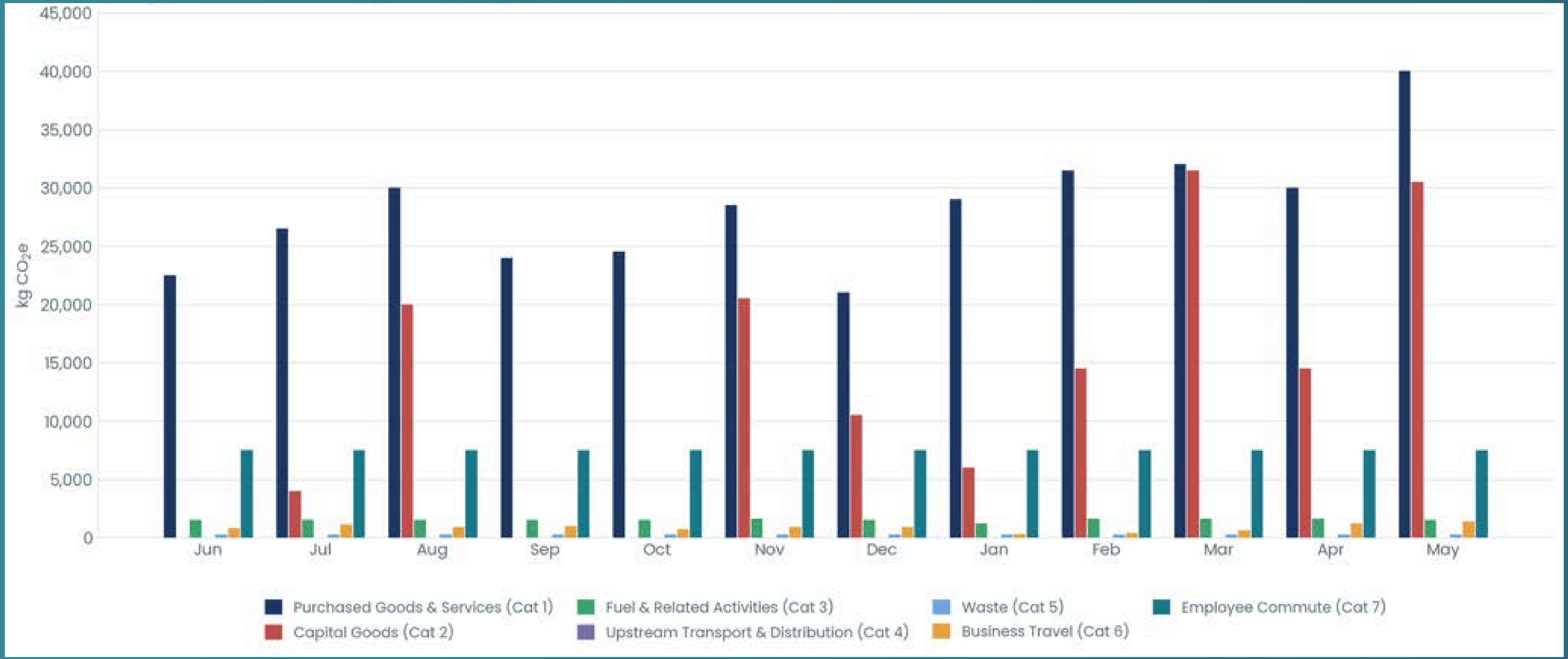


Figure 2: Scope 3 Emissions by Category (kgCO2e) - Monthly, June 2025 to May 2026

Appendix: Scope Graphs

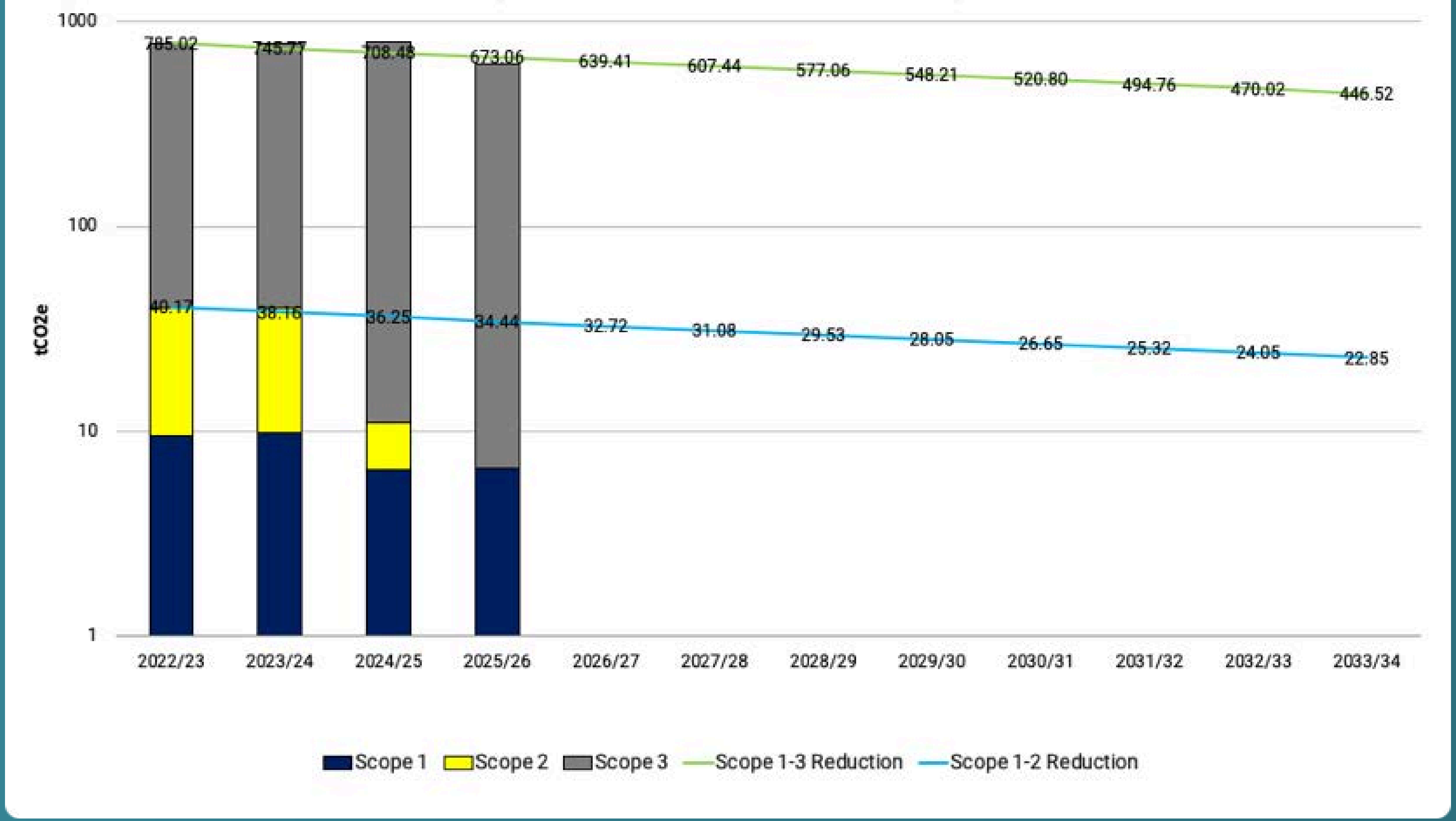


Figure 3: Scope 1-3 (MB) Actual Emissions vs 5% Year-on-Year Reduction Target (tCO2e), 2022/23-2033/34

Appendix: Scope Graphs

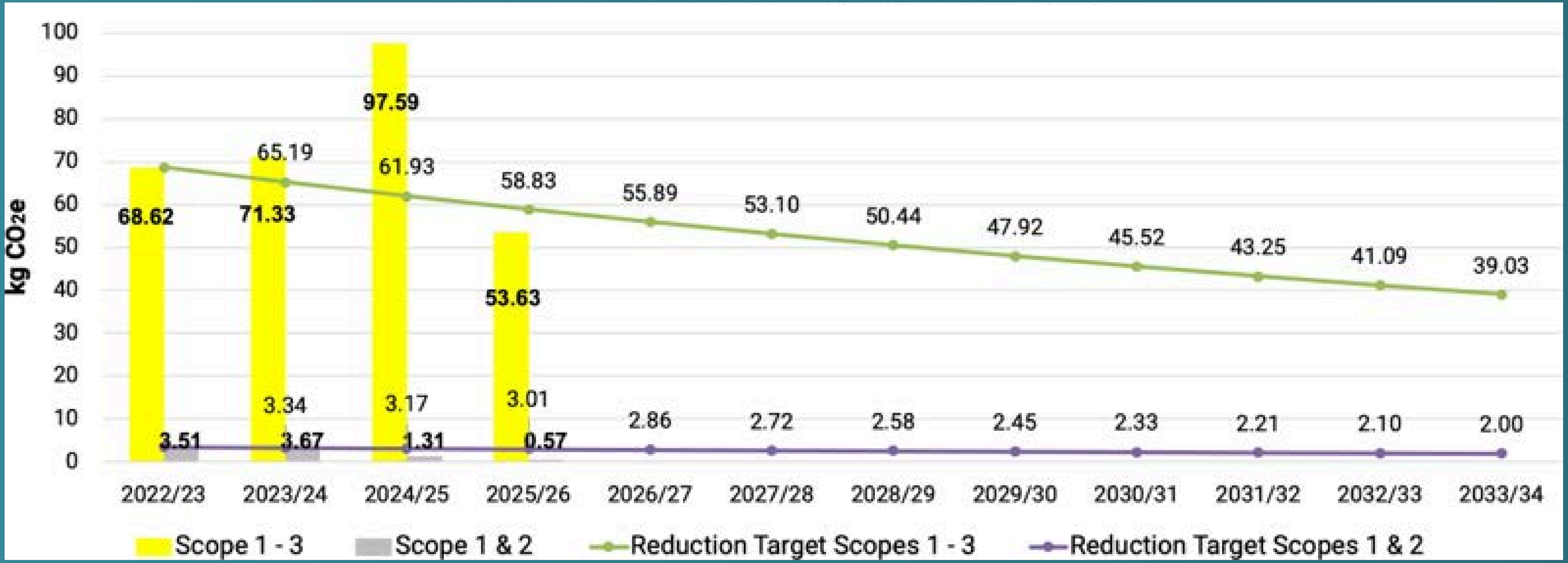


Figure 4: MB Spend-Based Intensity (kgCO2e per £1,000 Turnover) - Actual vs Reduction Target, 2022/23-2033/34