

Task Force on Climate-Related Financial Disclosures Report (TCFD)

26 January 2025 – 31 January 2026

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FY26

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OVERVIEW

Footasylum is pleased to present its fourth voluntary disclosure aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). This report underscores our enduring commitment to transparency, environmental stewardship, and the proactive management of climate-related risks and opportunities. We believe that integrating climate considerations into our core business model is not only a corporate responsibility but a strategic necessity. By rigorously identifying and mitigating our environmental impact, we aim to:

- Generate long-term value for our stakeholders.
- Enhance operational efficiency through resource optimisation.
- Strengthen our brand to attract and retain climate-conscious customers and talent.



OUR APPROACH TO THE FRAMEWORK

The TCFD framework provides a structured methodology for understanding the financial implications of a changing climate. Our disclosure is organised into the four thematic pillars mandated by the TCFD: Governance, Strategy, Risk Management, and Metrics and Targets. In FY26, Footasylum has successfully aligned with and complied with all eleven recommended disclosures. This achievement reflects a significant evolution in our data collection, climate scenario modelling, and board-level oversight. The following sections detail our progress over the past financial year and our strategic roadmap for navigating the transition to a low-carbon economy.



BOARD OVERSIGHT

Footasylum remains committed to effective governance and the proactive management of climate-related challenges and opportunities. The Board of Directors (“the Board”) retains overall responsibility for overseeing the Group’s climate strategy, supported by the sustainability committee and senior leadership. ESG is a standing agenda item at board meetings and was addressed monthly in FY26. Key discussion points in these meetings include climate-related topics such as our annual EcoVadis submission, GRI-aligned ESG Report, the TCFD related disclosures, the outcome of the Group’s climate scenario modelling in January 2026 and progress against our emission reduction targets, all of which form part of the monthly discussions. The Board maintains direct oversight of the Group’s ESG Materiality Assessment, a comprehensive gap analysis currently being undertaken with our third-party ESG consultants, Inspired ESG. This assessment serves as the foundation for our annual EcoVadis submission, allowing the Board to benchmark our sustainability processes and reports against global industry peers. Furthermore, the Board reviews the development of our GRI-aligned ESG Report, ensuring our non-financial disclosures meet international standards for transparency and stakeholder impact.

The Board is well-informed on climate change, in December 2025, members of the Board and Sustainability Committee engaged with Inspired ESG, attending a climate-risk workshop, to enhance their understanding of climate change and its associated risks. This workshop served as a mechanism to identify, assess and evaluate climate-related risks. All identified risks were presented to the Board after the workshop for approval. The Board signed off on the climate-risk register in March 2026 (this was outside the FY26 period, as it aligned with the Group’s Annual Statutory Accounts). The Board is committed to developing a culture of climate awareness at all levels of the organisation, believing that this is essential for driving meaningful change and advancing its environmental objectives.

The Board actively evaluates, measures and controls climate-related risks to mitigate potential adverse impacts on the Group. The Board considers the Group’s climate strategy within financial planning, particularly the costs of transitioning emission-intensive technology to updated energy-efficient alternatives. There are no immediate plans to tie climate change objectives to Board remuneration, but this will be reviewed annually.

SUSTAINABILITY COMMITTEE

The Committee works closely with senior leadership to manage and mitigate climate-related risks. This dedicated committee was established in 2022 to shape and drive the Group's sustainability initiatives and ESG objectives. The Head of ESG distributes a monthly information pack to the Board before each board meeting, which includes relevant climate-related updates. Representatives from across all departments sit within the committee

SENIOR LEADERSHIP

Senior leadership is responsible for the implementation of the sustainability and climate strategy throughout the Group. In December 2025, the senior leadership session focused on sustainability, including a review of the climate risk register.



STRATEGY

Footasylum's strategy involves minimising our environmental impact, with a focus on the reduction of waste and greenhouse gas emissions throughout our operations and value chain. In alignment with the British Retail Consortium (BRC), Footasylum has committed the business to a public net zero strategy, targeting Scope 2 by FY30 (purchased electricity) (location-based), Scope 1 by FY35, and Scope 3 by FY40. While previous reports focused primarily on the 90% reduction goal, for this reporting year we have fully aligned with the BRC framework. We understand the inherent risks that climate change may pose to our operations in the future and understand that climate change could impact the Group's future growth. These commitments are backed by ongoing initiatives.

In FY26, Footasylum refined its strategic outlook by identifying climate change as an emerging risk rather than a principal risk to the Group. This classification reflects a rigorous assessment that, while climate change presents significant long-term strategic considerations, the immediate financial and operational impacts expected within the short-term horizon remain relatively limited to the Group. Consistent with this outlook, no climate-related risks have been classified as Red under Footasylum's Red-Amber-Green (RAG) rating methodology. We recognise that climate impact is a variable factor subject to change; therefore, the Group reviews the ratings of all identified climate impacts on an annual basis to ensure our strategy remains resilient. The classification of climate change as an emerging risk resulted from a structured, evidence-based risk assessment process undertaken in strict alignment with the Group's Enterprise Risk Management (ERM) framework, ensuring climate risks were weighed against the same impact and likelihood scales as other corporate risks. This process began with a dedicated climate-risk workshop, to identify and evaluate specific transition and physical risks. This was followed by formal climate scenario modelling, the data from which directly informed the conclusion that immediate impacts do not currently meet the threshold of a principal risk. To ensure these findings remained consistent with international standards, the Board also maintained oversight of a comprehensive ESG Assessment and gap analysis to benchmark our risk management systems against global industry peers.

CLIMATE-RELATED RISKS

The TCFD framework categorises climate-related risks into two main groups:

Transition Risks: These arise from the shift towards a low-carbon economy and are identified as four key areas:

- Policy and Legal: Changes in government regulations and laws related to climate change. For example, the Carbon Tax on Logistics.
- Technology: The development and adoption of new low-carbon technologies and potential disruptions to existing technologies.
- Market: Fluctuations in energy prices, carbon pricing mechanisms, and potential shifts in consumer preferences. For example, a shift in customer demand toward circular products (e.g., recycled-material sneakers) or a decrease in fast fashion consumption.
- Reputation: The potential damage to an organisation's brand image due to climate-related issues.

Physical Risks: These risks arise from the direct physical impacts of climate change, which can be categorised as either acute or chronic:

- Acute risks are one-off events such as extreme weather events (floods, heatwaves, droughts, wildfires, storms) or natural disasters. For example, typhoons or storms in key manufacturing hubs causing delays in seasonal stock arrivals.
- Chronic risks are persistent changes to our climate, such as rising sea levels, resource scarcity (water availability), and changes in weather patterns.

OUR CLIMATE SCENARIOS

In accordance with the TCFD guidance, an annual review to update our climate scenario analysis was conducted on the 15th of December 2025. This ensured a comprehensive review of our entire operations, encompassing all 71 sites in FY26, to support the robust identification and assessment of climate-related risks. This represented an expansion of scope compared to the previous financial year, where climate scenario modelling was conducted on the Group's top 20 revenue-generating sites, including stores, offices, and warehouses. Such risks are classified into two potential categories: physical risks, which relate to the physical impacts of climate change, such as droughts, and transition risks, which arise from the transition to a low-carbon economy, such as changing consumer preferences. Transition risks are identified at the Group level and specifically include policy and legislation changes, market shifts, technological advancements, and reputational damage. Physical risks are identified at the site level and are classified as either acute, event-driven weather occurrences like wildfires, or chronic physical risks, which involve longer-term shifts in climate patterns such as rising sea levels or sustained higher temperatures.

The review of the climate risk register encompasses analysis from all 71 different sites, including offices and stores. Overall, the scoring of likelihood and impacts of the various risks generally stayed the same, however, minor changes such as the reduced probability of increased cost of energy and raw materials after mitigation action have been observed. The reason behind this decrease in probability is attributed to how costs were initially increased drastically but have stabilised as of more recently.

CLIMATE SCENARIO ANALYSIS METHODOLOGY

Climate scenario analysis provides valuable insight into how climate change may influence future conditions. The models applied within this analysis, including the International Energy Agency's World Energy Model ("WEM"), the Shared Socioeconomic Pathways ("SSPs"), the Climate Natural Catastrophe Damage Model, the Coordinated Regional Climate Downscaling ("CORDEX") regional climate forecasts, and Integrated Assessment Models ("IAMs"), consider a range of global responses, from accelerated decarbonization pathways to business-as-usual trajectories.

In accordance with the ISO 14091 standard for climate change vulnerability, impacts, and risk assessment, these models explore several key themes, including levels of investment in low-emission technologies, the increasing frequency and severity of weather events, shifts in consumer preferences, and growing stakeholder expectations. However, these scenarios should be understood as plausible representations rather than precise forecasts, as they rely on simplified assumptions of complex real-world dynamics. They depend on assumptions regarding how governments, markets, and society respond to climate change through policy development and technological progress. Consequently, there is inherent uncertainty in their outputs, and variables such as wind, precipitation, and temperature may be overstated or understated. Despite these limitations, applying this diverse range of models helps to capture a broader spectrum of potential outcomes, supporting a more comprehensive and rigorous assessment of climate-related risks and opportunities.



SCENARIOS WARMING PATHWAYS

Footasylum utilises three distinct climate warming scenarios to assess the long-term viability of its strategic objectives. These assessments incorporate the ISO 14091 standard to ensure a rigorous evaluation of vulnerability and risk.

Below 2°C: This scenario reflects a proactive global response requiring tight regulation and rapid decarbonization. Under a below 2°C pathway, the Group's business model is assessed as resilient due to its ability to adapt through operational efficiency improvements and proactive cost management. However, this scenario is expected to impact the business model by increasing operating costs through higher energy prices, strict regulatory compliance requirements, and material transition costs. Footasylum's response includes managing these cost pressures by substituting higher-emission materials, refitting stores with LED lighting, and conducting energy audits to reduce exposure to volatile energy markets. Furthermore, the Group has committed the business to a public net zero strategy, targeting Scope 2 (location-based) by 2030, Scope 1 by 2035, and Scope 3 by 2040. To ensure the long-term resilience of our strategy, the Board is scheduled to discuss the formal earmarking of

Below 2°C (continued): To ensure the long-term resilience of our strategy, the Board is scheduled to discuss the formal earmarking of capital expenditure over the next five years, specifically dedicated to these decarbonisation transitions; this financial commitment is designed to directly fund the mitigation strategies, further outlined in this report, particularly regarding the management of evolving regulatory mandates and the volatility of energy and raw material costs.

2-3°C: This scenario represents a reactive, uneven global response and is currently considered the most likely outcome. Under this pathway, the business model remains viable, though it requires a strategic shift toward building heightened organisational resilience to manage both increasing transition and physical risks over the medium to long term. The impact on the business model involves a greater reliance on reactive capital expenditure to mitigate physical threats. Specifically, the Group must invest in infrastructure such as flood defences and drainage maintenance while adapting operational models to include flexible working and air-conditioned environments to maintain productivity during extreme heat. Continuity is supported by a dual-warehouse model and a regularly tested disaster recovery plan to protect against supply chain volatility.

SCENARIOS WARMING PATHWAYS

Above 3°C: This scenario reflects a global failure to transition, resulting in severe physical disruptions. While the business model is currently considered capable of maintaining operations under these extreme conditions, it faces significant risks to long-term stability due to widespread disruption to supply chains and retail sites. The impact on the business model is characterised by significantly higher insurance premiums and the potential necessity to relocate operations in response to localised climate events. To maintain resilience, Footasylum focuses on site preparedness, such as installing sprinkler systems in warehouses and prioritising employee wellbeing through hydration and rest protocols. The dual-warehouse model remains a critical strategic asset in this scenario to ensure the Group can sustain distribution despite localised wildfires or heatwaves.

OUR RESILIENCE

In our fifth year of voluntarily aligning with the TCFD, we fully embedded its recommendations into our governance, strategy, and risk management processes. We also review our mitigations annually to ensure they remain effective and appropriate. Through our climate scenario analysis, we have tested the resilience of our business model and strategy against the identified climate-related risks and impacts under the three warming pathways and warming scenarios. We have deemed both viable and resilient under climate change.



TIME HORIZONS

To ensure continued relevance and alignment with evolving industry expectations, the three climate change warming pathways have been assessed across updated time horizons. In line with the ambitions set out by the BRC, these horizons have been refined to better reflect key decarbonisation milestones for Scope 2, Scope 1, and Scope 3 emissions. This realignment enhances the Group's ability to assess climate-related risks and opportunities over time, while maintaining consistency with sector-specific transition pathways and the UK's net zero trajectory.

Short-Term (2025–2030): Scope 2 Decarbonisation Focus: This timeframe provides insight into immediate climate-related impacts, with transition risks expected to be most material as policy, market, and technology shifts accelerate. Changes within this horizon are anticipated to emerge under proactive transition scenarios, particularly in response to evolving regulation and energy market dynamics. This period focuses on decarbonisation actions within direct control, including the transition to renewable electricity and energy efficiency improvements. It also captures decisions related to assets with shorter lifespans, such as stock, office equipment, and properties with expiring leases. This timeframe aligns with the delivery of net zero for Scope 2 (location based) target by FY30.

Medium-Term (2031–2035): Scope 1 Operational Decarbonisation: In this timeframe, both transition and physical risks become more pronounced. Regulatory requirements and stakeholder expectations continue to intensify, while acute and chronic physical risks begin to materialise more consistently. The focus shifts towards operational decarbonisation, including fleet transition, heating, and refrigeration systems, which typically require more significant capital investment and longer planning cycles. Assets with longer lifespans, including owned properties and long-term leases, are a key consideration. This timeframe aligns with the delivery of net zero for Scope 1 target by FY35.

Long-Term (2036–2050): Scope 3 Value Chain Transformation and Net Zero Alignment: This timeframe reflects the period in which the most significant physical climate impacts are expected to be realised, requiring substantial adaptation and resilience planning. Transition risks remain relevant, particularly in relation to value chain decarbonisation and evolving market expectations. The focus is on addressing Scope 3 emissions, including supplier engagement, product lifecycle changes, and broader value chain transformation. This period also incorporates long-term infrastructure investment and strategic decision-making required to achieve net zero. It aligns with Scope 3 targets by 2040 and the UK Government's net zero target by 2050.

SCENARIO ANALYSIS OUTCOMES

In our fourth year of voluntarily aligning with the TCFD, the framework's recommendations are now fully embedded within our governance, strategy, and risk management processes. Through our climate scenario analysis, we have assessed the resilience of our business model and strategy against identified climate-related risks across three warming pathways. Based on this analysis, the business model and strategy are considered to remain viable and resilient under all assessed climate change conditions. Mitigation measures are reviewed annually to ensure they remain effective and appropriate in response to evolving risks. The results of the FY26 climate scenario analysis were presented to the CFO and Head of ESG, with a total of seventeen risks identified: eleven transition risks and six physical risks. For our risk management process, a materiality threshold was set to identify which risks require prioritisation. Risks are categorised as Red, Amber, or Green based on a scoring system where Risk Probability and Risk Impact are each rated from one (No Impact) to eight (Very Extreme). These scores are multiplied to calculate a Level of Risk; if the level equals or exceeds 20, the risk is classified as material (Amber or Red), while scores below 20 are classified as Green.

Consistent with the previous year's results, only two transition risks were deemed material to the business. All other risks were classified as immaterial, and no physical risks were found to be material as the probability of an incident large enough to impact multiple sites was found to be very low. Additionally, four climate-related opportunities were identified, though none were considered material by the business at this time. These findings and the associated risk levels will be reassessed on an annual basis to maintain strategic alignment.

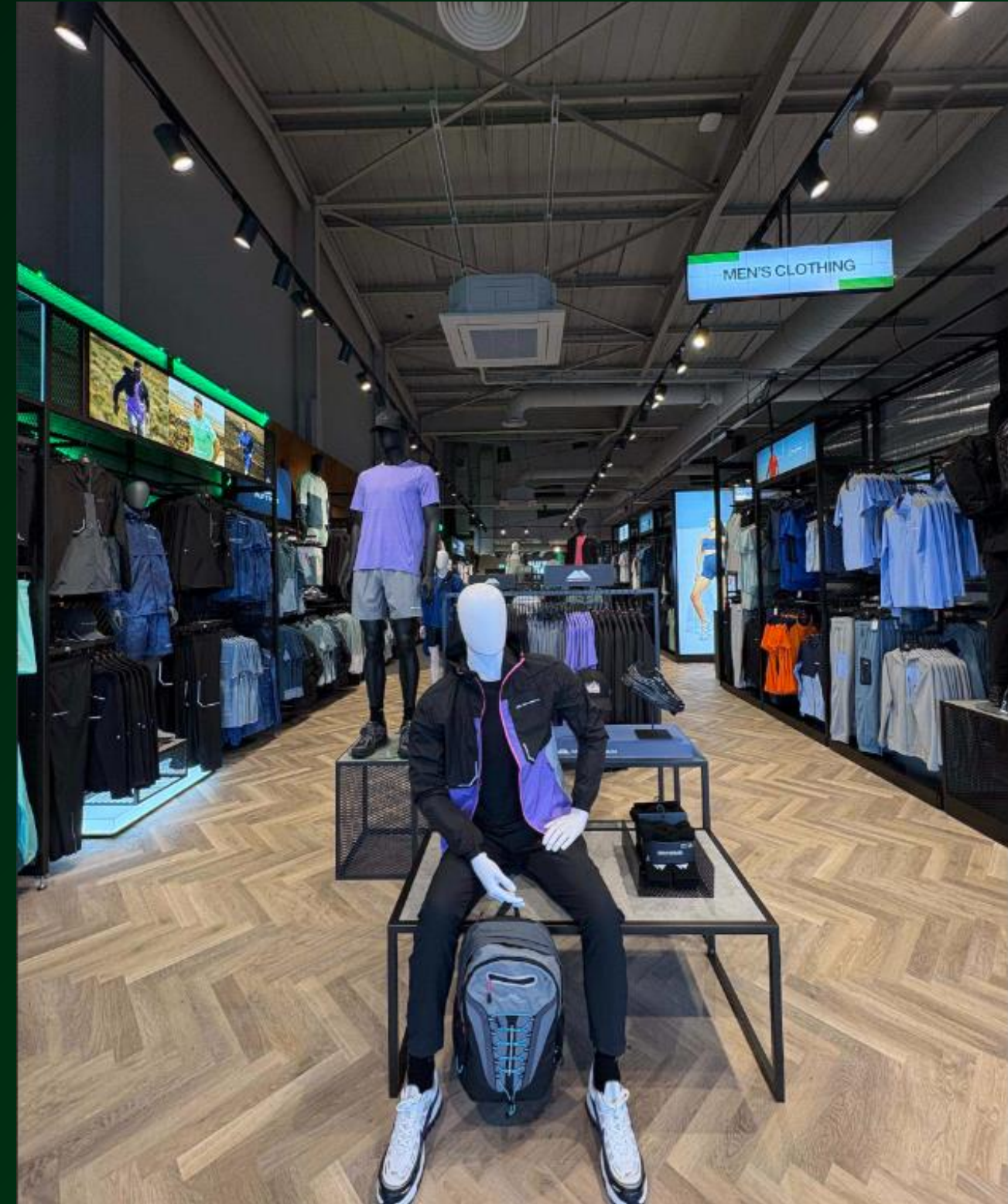
Table 2. Footasylum’s material climate-related transition risks

Risk, Warming Scenario & Time Horizon	Description of Risk	Risk Response
Policy & Legal – Mandates on and regulation of existing products and services <2°C 2-3°C Short – Medium Term (2025-2035)	New and evolving regulations may affect the types of products Footasylum is able to purchase or sell. This could include sector-specific decarbonisation requirements alongside broader climate targets or carbon pricing measures, which may at times create overlapping or conflicting obligations. As climate policy develops, compliance costs are expected to rise, particularly where requirements impact core operations. In addition, tighter climate policies and carbon pricing may increase energy costs, placing further pressure on operating expenses.	Footasylum monitors the evolving regulatory landscape on an ongoing basis, supported by third-party ESG consultants, reflecting a proactive approach to emerging requirements. To help manage the potential impact of climate-related regulation, Footasylum has voluntarily aligned with TCFD recommendations since FY23. In addition, the Group has set net zero targets aligned with the BRC and is taking steps to reduce emissions, which may help limit exposure to future carbon pricing. In relation to product and packaging requirements, Footasylum maintains compliance with all current regulations, including Extended Producer Responsibility (EPR), to reduce the risk of regulatory impact in these areas.
Market – Increased cost of energy and raw materials <2°C 2-3°C Medium-Long Term (2031-2050)	While renewable electricity prices are generally more stable than those linked to fossil fuels, they can be higher overall. As a result, Footasylum has seen an increase in energy costs in recent years. These costs may continue to rise as more businesses move to renewable electricity contracts, driving up demand. In addition, the introduction of carbon pricing on gas and oil imports could further increase energy costs, placing additional pressure on operating expenses. Increasing raw material costs may raise Footasylum’s operating expenses and put pressure on profit margins. There is only limited scope to pass these costs on to consumers before demand shifts towards more affordable options. While alternative materials may help manage cost increases, they can come with trade-offs in performance or durability, which could affect brand perception. Sustainable or recycled materials are often assumed to carry a price premium compared to conventional options. At present, however, our sustainability range is priced higher primarily due to consumer demand, rather than significantly higher material costs.	Footasylum is in the process of refitting stores with LED lighting to help reduce future energy costs and has undertaken ESOS (Energy Savings Opportunity Scheme) surveys across several sites to identify additional energy efficiency opportunities. The full rollout of LED lighting is expected to reduce annual electricity consumption by approximately 1,000,000 kWh. In addition, the Group has transitioned to a flexible renewable energy contract, enabling the advance purchase of 100% REGO-backed (Renewable Energy Guarantees of Origin) electricity. These initiatives are key drivers for the Group’s public target to achieve a 90% reduction in Scope 1 and 2 emissions by 2030. Footasylum works with a diverse supplier base and, through forward planning, is often able to secure raw material prices over defined periods, helping to manage short-term price volatility. This approach also reduces reliance on any single supplier and supports operational flexibility. As part of its progress towards its 2040 net zero scope 3 target, Footasylum is seeking to substitute higher-emission materials with lower-emission alternatives where feasible. In FY26, own-brand development teams continued to explore and trial more sustainable products and materials in support of this objective.

CLIMATE-RELATED OPPORTUNITIES

We have identified four potential opportunity areas associated with the transition to a low-emissions economy, including the adoption of energy-efficient technologies, as well as potential reputational and investment benefits. However, none of these opportunities are currently considered material.

Footasylum continues to take a proactive and responsible approach to climate change. We voluntarily produce a TCFD disclosure annually and use the outputs from climate scenario analysis to inform our business strategy. We recognise that responding effectively to climate-related risks and opportunities can strengthen business resilience, support our reputation, and help manage the costs associated with decarbonisation.



RISK MANAGEMENT

Our approach to climate risk management has matured from a voluntary disclosure exercise into a structured four-step framework: Identify, Assess, Appraise, and Address. This framework ensures that climate-related issues are treated with the same rigor as traditional financial risks. While we currently maintain a dedicated Climate Risk Register to capture technical nuances, we review the alignment of these findings with our Principal Risk Register annually to move toward full enterprise-wide integration.

Step 1: Identify

In December 2025, Inspired ESG conducted a granular climate scenario analysis on behalf of Footasylum, the results of which were presented to the Footasylum Board, the ESG and Finance teams. The assessment spanned 71 operational sites, identifying 17 distinct climate-related risks. This reduction from 19 risks in the previous period is the result of refined data mapping and increased specificity in identifying acute vs. chronic physical risks. In line with best practices, our identification process explicitly includes existing and emerging regulatory requirements. We monitor global and local shifts such as tightening emission limits and carbon pricing mechanisms to ensure our business model remains resilient to Transition Risks (policy and legal shifts).

Step 2: Assess

Climate risk workshops were conducted in December 2025 to evaluate the potential severity and likelihood of climate-related impacts on Footasylum. Each risk and opportunity was explored across three distinct temperature scenarios (<2 °C, 2-3 °C, and >3 °C) and three timeframes (short-term: 2025-2030, medium-term: 2031-2035, and long-term: 2036-2050). To ensure the rigour of this assessment, Footasylum's Finance and The Head of ESG collaborated with Inspired ESG to evaluate how these risks could disrupt business continuity or increase operational costs. We utilise a standard Likelihood vs. Impact matrix (scored 1-8) to calculate the level of risk:

Risk Likelihood: Determined by the probability of occurrence within the specified timeframes.

Risk Impact: Assessed based on the scale of potential operational disruption, regulatory non-compliance, or required capital expenditure.

RISK MANAGEMENT

A total risk score of 20 or above is used as our materiality threshold, categorising risks as amber or red. Following this workshop-based assessment, two transition risks were identified as material (amber), highlighting areas where strategic intervention is required. As our TCFD reporting matures, we intend to explore more granular quantitative methods to further refine these impact scores.

Table 3. Footasylum's Materiality Matrix

Risk Likelihood	Rating	Risk Impact	Rating
Very Extreme	8	Very Extreme	8
Extreme	7	Extreme	7
Massive	6	Massive	6
High	5	High	5
Medium	4	Medium	4
Low	3	Low	3
Slight	2	Slight	2
No Impact	1	No Impact	1
Level of Risk			
Green – The level of risk is lower than 20.			
Amber –The risk level is equal to or greater than 20 but lower than 40, qualifies as material			
Red – The risk level is equal to or greater than 40, qualifies as material			

RISK MANAGEMENT

Step 3: Appraise

The appraisal phase evaluates the residual risk after current controls are applied. In our climate risk workshop, we review the effectiveness of existing mitigation strategies. If a risk remains in the amber or red category despite current efforts, the Head of ESG would highlight to the CFO, who would approve additional capital expenditure or operational changes to reduce our vulnerability.

Step 4: Address

The Head of ESG maintains primary responsibility for the Climate Risk Register, establishing a robust feedback loop to monitor the real-time effectiveness of all mitigation strategies.



METRICS & TARGETS

Since 2022, Footasylum has measured its full Scope 1, 2, and 3 emissions, demonstrating a long-term commitment to decarbonisation. Our data is provided to third-party ESG advisors for calculation following the Greenhouse Gas Protocol; however, no formal assurance is provided. In 2022, we established science-aligned near-term and net zero targets based on the Science Based Targets initiative (SBTi) Corporate Net Zero Standard. While not officially verified by the SBTi, these targets follow the '90/10' principle: achieving a minimum 90% absolute reduction in emissions, with no more than 10% neutralised via high-quality carbon removals from the target year onwards. To remain at the forefront of global standards and align with the BRC Climate Action Roadmap, this year we have updated our targets to set a 2030 Net Zero goal for Scope 2 (location-based), a FY35 Net Zero goal for Scope 1 and a FY40 Net Zero goal for Scope 3. Detailed targets and the associated risks they mitigate are outlined in Table 4.

Table 4: Footasylum’s near-term and net-zero targets

Target	Baseline FY22 Value	Most Recent Year FY26 Value	Performance Against Targets
Reduce absolute Scope 1 emissions 90% by 2035 from an FY22 baseline, in line with net zero	739 tCO ₂ e	782 tCO ₂ e	Increase per year since baseline: 5.8%. New annual reduction required to get to 90%: 9.3%. Reason for increase: Additional sites.
Reduce absolute Scope 2 emissions 90% by 2030 from a 2022 baseline on a location-basis*, in line with net zero	1,277 tCO ₂ e	1,325 tCO ₂ e	Increase since baseline: 3.8%. New annual reduction required to get to 90%: 22.6%. Reason for increase: Additional sites.
Suppliers with Science-based targets by 2028: 75% of Purchased Goods and Services, 70% of Capital Goods and 50% of Upstream Transport and Distribution	n/a		FY26 update: Footasylum are currently working to calculate the number of suppliers with science-based targets by June 2026, and figures will be reported in our 2027 Annual Report. Mitigates product regulation risk.
Reduce absolute employee commuting emission 38% by 2030 from a FY22 baseline	1,769 tCO ₂ e	1,936 tCO ₂ e	Increase since baseline: 9.4%. New annual reduction required to get to 38%: -10.8%. Reason for increase: An increase of 17.9% in total distance travelled by employees in 2026.
Reduce absolute Scope 3 emissions 90% by 2040 from a FY22 baseline in line with net zero.	70,203 tCO ₂ e	69,686 tCO ₂ e	Decrease since baseline: 0.7%. New annual reduction required to get to 90%: 6.4%. Reason for decrease: Reduced emissions from third-party logistics.

*Scope 2 emissions targets are tracked using the location-based methodology in 2026, changing from the market-based methodology in 2025, and have been separated from Scope 1 targets to align with the BRC’s Climate Action Roadmap.

GREENHOUSE GAS (GHG) EMISSIONS FROM OUR OWN OPERATIONS (SCOPE 1 & 2)

Footasylum is mandated to complete an annual Streamlined Energy and Carbon Report (SECR), covering the Group's Scope 1, 2, and Scope 3 Grey Fleet emissions. Scope 1 emissions are produced from the combustion of natural gas and fuel oil in our sites and from transport fuels in fleet vehicles and company cars. Overall, Scope 1 and 2 (direct) and Scope 3 (indirect) transport emissions for this reporting year totalled 830.67 tCO₂e, representing a carbon increase of 4.31% from the previous year. This was influenced by a 19.85% increase in Scope 1 transport emissions due to additional site openings driving more frequent travel between locations, combined with personal mileage increasing due to data recording updates and higher employee participation in mileage claims and commuting surveys. Equally, emissions from natural gas and other fuels decreased by 6.09% rather than increasing, driven by reduced natural gas consumption and the increased use of Hydrotreated Vegetable Oil (HVO), which has a lower carbon intensity than conventional fossil fuels.

Scope 2 emissions are produced from the use of electricity at our sites and electric company cars. While site expansion led to higher electricity demand, Scope 2 indirect emissions relating to purchased electricity actually decreased by 3.33% to 1,311.91 tCO₂e because of a 14.51% decrease in the carbon intensity of the UK grid-electricity emission factor. Footasylum uses the number of sites as its intensity metric. In FY26, the operational location-based carbon intensity per site was 30.18 tCO₂e, a decrease of 10.31% compared to the previous year.

At this stage of our TCFD journey, Footasylum does not utilise an internal carbon price for financial modelling or capital expenditure appraisal. We continue to monitor global and local shifts in carbon pricing mechanisms as part of our transition risk monitoring to ensure the business model remains resilient. Our current metrics are focused on mitigating product regulation risk and energy price risk, with a long-term goal of at least 90% absolute reduction in emissions to align with a net zero future.

GREENHOUSE GAS (GHG) EMISSIONS FROM OUR OWN OPERATIONS (SCOPE 1 & 2)

Table 5: Footasylum's UK SECR Energy Consumption.

Utility and Scope	FY26 Consumption (kWh)	FY25 Consumption (kWh)
Scope 1 Total	4,632,775	3,658,637
Natural Gas and Other Fuels	3,830,053	3,000,920
Transportation	802,721	657,717
Scope 2 Total	7,487,422	6,575,818
Grid-Supplied Electricity	7,411,944	6,554,536
Transportation	75,478	21,282
Scope 3 Total	161,538	1,947
Transportation	161,538	1,947
Total	12,281,735	10,236,402

N.B. The reported Scope 1, 2 and 3 consumption has been rounded to zero decimal places. Any calculations have been conducted using complete, unrounded figures.

Table 6: Footasylum's Total UK Emissions Intensity Metrics.

Intensity Metrics	FY26	FY25	FY26	FY25
Total Number of Sites	71.00	64.00	71.00	64.00
Reporting Method	Location-Based tCO ₂ e per site		Market-Based tCO ₂ e per site	
All Scopes (1, 2 & 3)	30.18	33.65	11.70	12.44
Percentage Change	-10.31%		-5.97%	

N.B. The reported Scope 1, 2 and 3 consumption has been rounded to zero decimal places. Any calculations have been conducted using complete, unrounded figures.

GREENHOUSE GAS (GHG) EMISSIONS FROM OUR OWN OPERATIONS (SCOPE 1 & 2)

Table 7: Footasylum's UK SECR Location-based and Market-based Emissions.

	FY26 Emissions		FY25 Emissions	
Utility and Scope	Location-based (tCO ₂ e)	Market-based (tCO ₂ e)	Location-based (tCO ₂ e)	Market-based (tCO ₂ e)
Scope 1 Total	781.54	781.54	791.52	791.52
Natural Gas and Other Fuels	604.97	604.97	644.19	644.19
Transportation	176.57	176.57	147.33	147.33
Scope 2 Total	1,325.27	13.36	1,361.52	4.41
Grid-Supplied Electricity*	1,311.91	0.00	1,357.12	0.00
Transportation	13.36	13.36	4.41	4.41
Scope 3 Total	35.78	35.78	0.40	0.40
Transportation	35.78	35.78	0.40	0.40
Total	2,142.59	830.67	2,153.45	796.33

*Emissions from Grid-Supplied Electricity (Scope 2) are captured and reported in tCO₂ only, due to the market-based methodology.

N.B. The reported Scope 1, 2, and 3 emissions have been rounded to two decimal places. Any calculations have been conducted using complete, unrounded figures

GREENHOUSE GAS (GHG) EMISSIONS FROM OUR OWN OPERATIONS (SCOPE 1 & 2)

Table 8: Footasylum Limited Total UK Emissions Intensity Metrics

Intensity Metrics	FY26	FY25	FY26	FY25
Total Number of Sites	71.00	64.00	71.00	64.00
Reporting Method	Location-Based tCO ₂ e per site		Market-Based tCO ₂ e per site	
All Scopes (1, 2 & 3)	30.18	33.65	11.70	12.44
Percentage Change	-10.31%		-5.97%	

N.B. The reported Scope 1, 2 and 3 intensity metrics have been rounded to two decimal places. Any year-on-year comparison calculations have been conducted using complete, unrounded figures.



ENERGY EFFICIENCY MEASURES UNDERTAKEN IN FY26

LED Lighting Upgrade

Energy efficiency measures have been implemented across the estate to reduce overall consumption and improve operational performance. LED lighting upgrades were completed at nine sites, replacing less efficient lighting systems with modern, lower-energy alternatives. This change is expected to reduce lighting-related electricity demand while improving lighting quality and reducing maintenance requirements



Hot Water Control

Hot water control improvements were introduced at five sites, enabling better regulation of water heating schedules and usage. These controls help minimise unnecessary heating during periods of low demand, reducing energy waste and improving system efficiency.



HVAC Upgrades

In addition, HVAC (Heating, Ventilation and Air Conditioning) optimisation works were carried out at six sites. These upgrades enhance system performance by improving control settings and operational efficiency, ensuring heating and cooling systems operate more effectively in line with actual building demand.



GHG EMISSIONS IN THE VALUE CHAIN (SCOPE 3)

Footasylum has measured its full Scope 1, 2 and 3 emissions since FY22. All fifteen categories of the Greenhouse Gas Protocol were assessed for applicability, and it was found that eight categories were applicable and have been quantified. Footasylum continues to prioritise data quality improvements combined with supplier and employee engagement to tackle these emissions.

There are 7, Scope 3 categories which have been omitted as non-material or non-applicable. Categories 8 and 13 (Leased Assets) are already captured in Scopes 1 and 2, while Category 9 (Downstream Transport) is included in Category 4 to prevent double counting. Categories 10 and 11 (Processing and Use of Sold Products) are excluded, as our retail goods are finished, passive items that do not consume energy. Finally, Categories 14 (Franchises) and 15 (Investments) are not applicable to the Group's current business model.



GHG EMISSIONS IN THE VALUE CHAIN (SCOPE 3)

Table 9: Footasylum's full Scope 1, 2 and 3 Carbon Balance Sheet FY26

Carbon Balance Sheet	FY26 (tCO ₂ e)	FY25 (tCO ₂ e)	FY24 (tCO ₂ e)	FY22 (tCO ₂ e)	**% Change from FY22 baseline
Scope 1	782	792	707	739	5.8%
Scope 2 (Location-based)	1,335	1,362	1,384	1,277	3.8%
Scope 2 (Market-based)	13	4	7	0	0
Scope 3	69,686	76,363	67,376*	70,203*	-0.7%
1. Purchased Goods and Services	60,800	63,477	57,473*	57,627*	5.51%
2. Capital Goods	3,663	6,760	3,869*	3,924*	-6.6%
3. Fuel- and Energy-related Activities	733	611	606	639	14.6%
4. Upstream Transportation and Distribution	1,096	2,181	2,192*	5,253*	-79.1%
5. Waste Generated in Operations	37	42	52	15	151.2%
6. Business Travel	397	608	497*	119*	235.2%
7. Employee Commuting	1,936	1,682	1,750	1,769	9.5%
12. End-of-life Treatment of Sold Products	1,023	1,003	938	858	19.2%
Total All Scopes (Location-based)	71,792	78,517	69,467*	72,219*	-0.6%
Total All Scopes (Market-based)	70,480	77,159	68,090*	70,942*	0.7%
Total per £m revenue (Location-based)	204	221	213	256	-20.3%

*Indicates that this category has been restated due to a correction in the DEFRA factors published by the UK Government. N.B. The reported Scope 1, 2 and 3 consumption and emissions have been rounded to zero decimal places. Any calculations have been conducted using complete, unrounded figures.

GHG EMISSIONS IN THE VALUE CHAIN (SCOPE 3)

In 2026, Footasylum's total greenhouse gas emissions reached 71,793 tCO₂e (location-based), representing an 8.6% year-on-year reduction. This progress was largely driven by a 45.8% decrease in Capital Goods emissions due to a 41.7% reduction in capital spend, and a 49.7% drop in Upstream Transportation and Distribution emissions, resulting from an 80.6% decrease in third-party logistics spend. While Scope 1 emissions fell by 1.3% as a 16.8% reduction in natural gas use offset a 19.8% rise in transport emissions, Scope 2 (location-based) emissions decreased by 2.7%, primarily aided by a 14.5% decline in the UK grid electricity emission factor despite a 12.7% increase in consumption.

Notably, Scope 2 (market-based) emissions for electric vehicle charging fell by 100% as all charging transitioned to sites utilising 100% renewable electricity contracts. Despite these gains, challenges remain in the value chain, which accounts for 97.1% of total location-based emissions; specifically, Employee Commuting emissions rose by 15.1% due to increased travel distances, and Purchased Goods and Services emissions, the largest footprint contributor at 84.7%, saw a 4.2% decrease driven largely by a 38.3% reduction in the footwear emission factor. To ensure long-term viability, Footasylum will continue to prioritise supplier engagement to address these embedded emissions while leveraging green energy procurement for direct operations.



APPENDIX I: OUR NON-MATERIAL CLIMATE-RELATED RISKS AND OPPORTUNITIES

Appendix Table 1: Non-Material Transition Risks

Risk, Warming Scenario and Time Horizon	Effect of Risk	Risk Response Strategy
Policy and Legal T1: Increase in regulation due to climate change, enhanced emissions reporting obligations Short - Medium (2025-2035) Medium Term (2031-2035) <2°C 2-3°C	Footasylum is already impacted by Government regulation which has been introduced to reduce energy use and emissions including UK ESOS, SECR and TCFD regulation as of FY22. As the world aims to transition to a decarbonised economy, enhanced regulation may be introduced over time. The costs and resources required to ensure Footasylum remains compliant with additional reporting and to manage internal initiatives is likely to increase. The TNFD is not yet mandated but may be expected by stakeholders.	Through our existing sustainability programme, we have dedicated resources in place, and work with our third-party ESG specialists to ensure we remain compliant with current and emerging regulations. A Head of ESG has been appointed, with responsibility for ensuring compliance with increasing climate-related regulation. These costs on the business will be relatively low due to our revenue. It costs us between £90,000 and £100,000 per year to remain compliant with current climate reporting requirements, which we anticipate increasing within the short-medium term.
Policy and Legal T3: Carbon pricing mechanisms Medium - Long (2031-2050) 2-3°C	Carbon pricing would put a price on the direct emissions of Footasylum, therefore increasing operational and compliance spending. Carbon pricing can be a variable cost and can be increased by governments to further reduce emissions. Companies in Footasylum’s supply chain may be captured by carbon pricing mechanisms which may increase the cost of their goods and services. Using projected carbon tax values across each scenario, the cost could be most significant for Footasylum in the medium and long term of the Reactive scenario.	We anticipate this impact to be small for clothing retailers, but we may see potential increased costs within our supply chain if a carbon tax is applied to any of our suppliers. Net Zero strategy aims to reduce our scope 1 and 2 emissions by 2030 through energy efficiency, waste management, and other initiatives. Implement an action plan for scope 3 emissions and value chain engagement. Aim to reduce emissions as much as possible to minimise the cost of offsetting. Continue to monitor the development of carbon taxation. Use 100% renewable energy by FY25.
Policy and Legal T4: Exposure to litigation Short - Medium (2025-2035) <2°C 2-3°C	The introduction of new policies, mandates and reporting requirements exposes Footasylum to litigation risks. Failing to adequately meet the new requirements may result in lawsuits or fines, leading to heavy financial costs and reputational damage. During a lawsuit, Footasylum will also have to pay legal fees. To avoid climate litigation, compliance costs will increase. This will include third party, verification, certification and internal resource costs. Any litigation cases may have an adverse effect on the company's reputation.	Ownership of policies and publications sits with Head of ESG, Legal & Chief People Officer with support from 3rd party advisors.

Risk, Warming Scenario and Time Horizon	Effect of Risk	Risk Response Strategy
Market T5: Changing consumer preferences Short - Medium (2025-2035) Medium - Long (2031-2050) <2°C 2-3°C	With the increasing importance of ESG, stakeholder concern for our organization's part in helping the environment is likely to increase. Failing to communicate how we will reduce our environmental impact proactively could result in losing customers and impact our position in the market. Customer purchases change, favouring more sustainable and low impact products which may have a lower profit margin, therefore impacting revenue opportunities. Customers may change how they shop, wanting more products delivered in an attempt to reduce their own impact, this in turn may increase Footasylum's Scope 3 and emission reduction plans.	We believe that by communicating our evolving sustainability programme, we can minimise this risk. As we are on a journey to reduce our carbon emissions, we can position ourselves the ready for changing customer demands. We are continuing with our sustainability programme that has a number of initiatives, such as recycled plastic bags, zero waste to Landfill with Biffa and Fresco and paperless invoicing. Our commitments to the planet are detailed on our sustainability web page. We have dedicate resources to identifying and assessing potential sustainable alternatives for our products and packaging within our supply chain, and to ensure these initiatives are communicated to our customers and stakeholders. We monitor customer sentiment monthly, and at present, we have not seen a massive shift towards sustainability from our target customer base (16-24 year-olds). However, we do expect this shift to come in the future, and we understand we need to be ready to take action. Currently, 92 % of revenue is associated with non-sustainable products. The buying team stay in touch with the Footasylum target customers through social media, festivals and trade shows.
Reputation T7: Shifts in Consumer Preferences (B2C) Short - Medium (2025-2035) Medium - Long (2031-2050) <2°C 2-3°C	Awareness of high-emission industries and their climate impacts is becoming increasingly common among the public. As a result, there is an increased risk of negative perception of the sector, which may lead to reduced revenue opportunities, the reduced ability to attract new investment and entice new workforce talent. Sectors can become stigmatised if another business fails to take climate action, leading to indirect reputation damage and the increased risk of reduced revenue. As sectors become stigmatised due to climate inaction, investment opportunities may decrease, leading to an increased risk of debt buildup.	Footasylum has already allocated internal resources towards the net zero strategy. Footasylum regularly monitors current and emerging regulations. Footasylum has been publishing a stand-alone TCFD report annually since FY22 to communicate efforts to stakeholders, including customers.
Reputation T8: Change in Customer Demands (B2B) Short - Medium (2025-2035) Medium - Long (2031-2050) <2°C 2-3°C	Footasylum's business is sensitive to changes in the climate-related expectations of its business customers and commercial partners. Shifts in purchasing behaviour or procurement criteria could reduce demand and have an adverse effect on revenue and profitability. Products or operations associated with higher emissions may become less attractive as business customers increasingly align purchasing decisions with wider climate commitments and market expectations. Footasylum may also face increased competitive pressure from peers able to demonstrate stronger climate performance while remaining price competitive. Failure to anticipate and respond effectively to these changes could negatively affect sales and financial performance.	Footasylum remains close to suppliers and identifies the upcoming trends that can be ordered in advance to mitigate against the risk. Expansion of sales categories and channels reduces the impact of one missed trend in one category. The Retail Area Team shares insights internally as they become aware of what our competitors are doing in relation to displays, products being promoted and the plans for Footasylum in the coming weeks.

Risk, Warming Scenario and Time Horizon	Effect of Risk	Risk Response Strategy
Reputation T9: Increased stakeholder concern Medium (2031-2035) 2-3°C	As the world transitions to a decarbonised economy, stakeholders are likely to have increased interest and concern regarding sustainability credentials. An actual or perceived inability to understand and be seen to be taking action to reduce our overall carbon footprint is likely to negatively impact investor sentiment/ratings, potentially limiting access to capital, as the focus on environmental impacts, climate change and net zero targets increases.	Footasylum have already allocated internal resources towards their net zero strategy. Voluntary alignment with British Retail Consortium (BRC) net zero goals. Footasylum has published a FY25 stand-alone TCFD Report and will be publishing a FY26 report to communicate our efforts to stakeholders, including customers. Footasylum is under new ownership from Aurelius Group, whose core focus is to enhance ESG aspects in their portfolio companies. The sustainability strategy will continue to be monitored and developed by the sustainability committee, with updates regularly communicated to the Board.
Technology T10: Substitute existing products to lower emissions alternates Short - Medium (2025-2035) Medium - Long (2031-2050) <2°C 2-3°C	Customer preferences are changing as people consider environmental impacts when making purchasing decisions. The costs to ensure our products are sustainable are likely to increase as we may need to invest in more technology and resources. Shifting to more efficient technology and sustainable products may require a write-off or the retirement of existing assets at a high impact on businesses and increased capital investments over time due to reduced demand for existing products and services, which are high emitting. The upfront cost to capitalise on this opportunity would increase capital expenditures for business, as an investment will be required into alternative materials to develop lower-emission products.	We do not anticipate that substituting our products with lower emission alternatives will come at a substantial cost to the company however, nor will it happen quickly without warning, which should give us time to plan and budget for new sustainable lines. We monitor customer sentiment monthly, and at present, we have not seen a massive shift towards sustainability from our target customer base (16-24 year-olds). However, we do expect this shift to come in the future, and we understand we need to be ready to take action.
Technology T11: Costs to transition to lower emissions technology Short - Medium (2025-2035) Medium - Long (2031-2050) <2°C 2-3°C	As we aim to reduce our carbon emissions, Footasylum may need to invest in lower-emission technology, resulting in increased costs for the Company. Payback periods for some technology can take years, which may affect profit and loss forecasts. Early retirement of existing technology may be required.	Dedicate a capital expenditure budget to invest in low-emission technology to align with the Net Zero strategy. These costs could be substantial to the business, and as such, it is crucial to plan for them each financial year. Initiatives include refitting all our stores with LED lighting, to reduce our energy usage across our portfolio. This is currently 40 % complete across the retail estate. In addition, the bulk warehouse underwent overnight closures from mid-January 2025 through to the end of March 2025. This initiative, which ran seven days a week, contributed to savings on lighting and heating. A comprehensive evaluation was conducted to assess the viability of voltage optimisation technologies across both retail locations and distribution centres. The review aimed to identify further opportunities to reduce electricity usage. Building on previous progress, Footasylum continued transitioning its vehicle fleet to more sustainable alternatives. The goal for FY25 was to increase the proportion of electric or hybrid vehicles from 60% to 80%. This target has already been surpassed. As of March 2025, 97% of Footasylum's vehicle fleet is either electric or hybrid, demonstrating a strong commitment to reducing transport-related emissions.

Appendix Table 2: Non-Material Physical risks

Risk, Warming Scenario and Time Horizon	Effect of Risk	Risk Response Strategy
Acute P1: Increased Severity of Flooding Medium - Long (2031-2050) 2-3°C >3°C	11 out of 71 (15%) of Footasylum's sites are directly exposed to fluvial flooding. 33 out of 71 (46%) of Footasylum's sites may be indirectly exposed to fluvial flooding. Flooding is a risk to Footasylum's sites, and this is expected to increase with frequency and severity as the climate changes. This may result in direct damage to property, equipment, and transport networks, resulting in increased costs. There is also potential for delivery delays and further operational disruptions. Costs may also increase as global property insurance premiums are forecast to rise by 29% by FY40 due to climate change. Extreme weather conditions may increase production costs or cause supply chain disruptions. Extreme weather conditions may also result in direct damage to buildings and property and increase costs for the business as insurance premiums rise.	To counter this risk, we have invested in some flood mitigation schemes at our warehouses. For example, at our Heywood warehouse, we have invested in sandbags and are looking into further mitigation measures to tackle storm flooding. Footasylum's office workers have the option to work from home if offices are affected. Ensure the maintenance of drainage systems at all warehouses and stores. Invested in flood mitigation schemes at warehouses including sandbags. Fully detailed Disaster recovery plan in place that is adequately tested, reviewed and updated every 12 months. Having two functional warehouses reduces the risk of not being able to supply stock. Ensure that appropriate property insurance is in place for all sites at risk of flooding.
Acute P2: Heatwaves/ Extreme heat Short - Long (2025-2050) <2°C 2-3°C >3°C	65 out of 71 (92%) of Footasylum's sites will experience heatwaves. Building fabric with poor thermal resistance will allow more heat into a building, resulting in the internal temperature rising. Increased strain on HVAC (Heating, Ventilation, and Air Conditioning) systems, leading to more frequent breakdowns, higher maintenance costs, and the risk of a temporary store closure if systems fail. The frequency and intensity of heatwaves are expected to rise in the UK with climate change. The heatwaves of the summer of 2022 led to 40-degree temperatures in the UK and disruption to multiple transport links. Heatwaves may reduce our in-store revenue, as customers choose not to leave their homes. This risk leads to increased demand for cooling and energy (Air-conditioning, fans, water) at Footasylum's sites. Spikes in energy usage during the summer months may increase Footasylum's energy consumption and ultimately Scope 1 & 2 carbon emissions, hindering progress in our journey to net-zero in Scope 1 & 2 by FY30. Increased energy demand could also lead to power outages, which could cause disruption to our business operations. Supply routes may be disrupted as railways buckle and roads melt. Regular comfort breaks may be needed to ensure employees do not suffer from heat-related illness, which reduces productivity.	Footasylum's operations were not significantly impacted by the heatwaves as well, where temperatures reached 40 degrees for the first time. In our stores and warehouses, we ensured employees were hydrated and had regular breaks. Our head office is air-conditioned, and all office staff can work from home, which many choose to do during periods of intense heat.

Risk, Warming Scenario and Time Horizon	Effect of Risk	Risk Response Strategy
Chronic P4: Sea Level Rise Long (2036-2050) >3°C	14 out of 71 (20%) of Footasylum's sites may be impacted by sea level rise in the long term of the Inactive scenario. Rising seas increase the risk of erosion, storm surges and saltwater intrusions into aquifers that supply sites with fresh water. Damage to our sites could lead to closures and increased insurance premiums. Damage and disruption to major distribution centres such as ship ports and airports could also impact our supply routes.	The 0.5m sea level rise is projected to occur after the long-term time horizon in FY70, so this is a low risk. As this risk occurs gradually over time, we could be able to relocate our operations if necessary, ahead of time.
Chronic P5: Rising Mean Temperatures Long (2036-2050) 2-3°C >3°C	71 out of 71 (100%) of Footasylum's sites will experience a major or critical increase in mean temperature in the long term of the Inactive scenario. Rising mean temperatures will lead to a higher demand for cooling. Energy costs will rise as sites require additional cooling to maintain optimum temperatures for staff and operations. Staff well-being may be impacted if adequate cooling is not maintained. Employees may require more frequent breaks to avoid health risks associated with higher temperatures. Productivity may be impacted across the Company. Spikes in energy usage during the summer months may increase Footasylum's energy consumption and ultimately Scope 1 & 2 carbon emissions, hindering progress in our journey to net-zero in Scope 1 & 2. Power outages due to increased demand and pressure on the grid can lead to operation disruption.	Sites need to be well-equipped to manage the rise in mean temperatures. Ensure all employees are well hydrated and given regular breaks.
Chronic P6: High Water Stress Medium-Long (2031-2050) >3°C	13/71 (18%) Footasylum sites are expected to be impacted by water stress in the long term under all three climate scenarios. Footasylum's operations in high water stress areas may result in restricted water usage and additional regulations to report on water consumption. However, our own operations are not water intensive. Water scarcity will have a bigger impact on our supply chain. Water will require greater treatment which will result in increased costs. Increased capital cost of purchasing and installing water efficient technology. We recognise that water is an important resource throughout our supply chain in the production of the products we procure. Companies operating in areas of high water stress could be impacted by additional regulation of restricted water usage (hose pipe bans) as well as reporting requirements for water consumption.	As our direct operations are not water intensive, other than for employee use, this is a low risk. We are monitoring water consumption in stores.

Appendix Table 3: Non – Material Opportunities

Opportunity, Warming Scenario and Time Horizon	Effect of Opportunity	Opportunity Response Strategy
Resource Efficiency O1: Use and installation of low emission energy technology Short - Medium (2025-2035) <2°C 2-3°C	Possible options such as installing Solar PV would allow Footasylum to generate electricity onsite and transition away from grid reliance. Onsite energy generation would reduce energy costs significantly, therefore reducing annual operational spending. Onsite generation would also help Footasylum to significantly reduce its direct emissions, which may help in mitigating any carbon price risks.	Footasylum has begun its net zero journey by engaging with a third-party specialist Inspired ESG with the aim of achieving their carbon targets in line with the UK’s net zero by 2050 strategy. Currently, there are four proposals in place to introduce solar, and will likely happen next year.
Products and Services O2: Development of new products or services through R&D and innovation Short - Medium (2025-2035) <2°C 2-3°C	By investing in lower emissions products, we can appeal to a wider customer base and remain competitive in the market. We recognise that although customer preferences haven't fully shifted yet, we predict them to shift in the future, as our customers move towards more sustainable choices. Consumer goods and services place greater emphasis on a product’s carbon footprint in its marketing and labelling (e.g., travel, food, beverage and consumer staples, mobility, printing, fashion, and recycling services).	We anticipate that the upfront cost of sustainable products would be outweighed by the potential increase in revenue associated with increased demand for sustainable products from our customers. We provide sustainability credentials for customer products online to help customers make informed decisions about the products they buy.
Reputation O3: Climate-related reputation and stakeholder trust Short - Medium (2025-2035) <2°C 2-3°C	Organisations that proactively identify and respond to climate-related risks and opportunities may enhance brand reputation and stakeholder confidence. As awareness of climate change and expectations around corporate responsibility continue to increase, a credible and transparent approach to climate-related issues can support trust among customers, investors, employees and wider stakeholders.	Maintain oversight of climate-related risks and opportunities and ensure that relevant actions, targets and progress are communicated clearly and consistently. This may include ongoing alignment of disclosures with recognised frameworks such as TCFD and GRI, alongside the continued integration of climate-related considerations into wider governance arrangements and decision-making processes.

Thank You 

Footasylum

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