

UK Carbon Reduction Plan

June 2026



Carbon Reduction Plan | Stericycle UK Operations¹

UK Carbon Reduction Plan Overview & Net Zero Commitment

With more than 30 years of experience serving healthcare facilities across the United Kingdom (UK), Stericycle brings deep operational and technical expertise to the management of complex healthcare waste streams. Our services are delivered within highly regulated environments, where patient safety, environmental protection and regulatory compliance are paramount. This experience informs a practical and disciplined approach to greenhouse gas (GHG) emissions reductions, one grounded in data, operational excellence and continuous improvement.

Stericycle is committed to working toward achieving Net Zero GHG emissions across our UK operations by 2045. For purposes of this Carbon Reduction Plan (CRP), *Stericycle UK* encompasses our regulated waste and compliance services and the Shred-it® secure information destruction businesses operating within the UK.¹

This CRP reflects the verified GHG emissions of *Stericycle UK*, for the reporting period January 1 to December 31, 2025, prepared in accordance with the UK Government's Procurement Policy Notes (PPN) 006 (formerly PPN 06/21). Beyond meeting procurement requirements, the CRP represents a public affirmation of our commitment

2025 Progress Highlights

- **21% Reduction:** Scope 1 and 2 GHG emissions in the UK (vs 2021)
- **12% Reduction:** Total Scope 1, 2 & 3 emissions in the UK (vs 2021)
- **Primary Drivers:** Reduced incineration and renewable procurement for electricity emissions
- **Scope 3 Trend:** Increase driven by business growth and spend

to decarbonisation and our intent to contribute meaningfully to the UK's transition to a low-carbon economy. We recognise the critical role we play in supporting the Net Zero ambitions of the National Health Service (NHS), Government Commercial Agency (GCA) and broader UK climate objectives.

In November 2024, Stericycle, including its UK operations, became part of WM, North America's largest environmental services provider. *Stericycle UK* operations now form a part of WM's Healthcare Solutions segment, focused on helping healthcare systems manage waste safely, responsibly and sustainably across the UK. Through this integration with WM, *Stericycle UK* contributes to a broader sustainability programme that emphasises

¹ The scope and applicability of this report and all GHG emissions data are representative of a global boundary for the reporting entities of SRCL Limited (UK) and Shred-it Limited (UK).

transparency, innovation and long-term climate leadership, strengthening our ability to reduce GHG emissions while continuing to deliver critical services to our customers and communities in the UK.

Our leadership recognises that climate action is a dynamic and evolving process that must be regularly reassessed in response to emerging scientific data, advancing technologies and growing stakeholder expectations. Supported by WM's comprehensive sustainability programme, *Stericycle UK* is well positioned to evolve and strengthen our decarbonisation efforts and strategies over time.

UK Greenhouse Gas Emission Profile – Baseline (2021)

Stericycle UK's baseline emissions have been recalculated using global warming potentials (GWPs) from the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5), replacing the previously used AR4 values, to ensure consistency with current reporting standards. To support transparency, a detailed breakdown of the full Scope 1, 2 and 3 GHG inventory is included in the Appendix.

Stericycle UK's baseline emissions total was 96,290 tCO₂e, with Scope 1 emissions representing the majority of the footprint. These emissions are primarily driven by incineration activities, which constitute the single largest source and the most significant opportunity for decarbonisation. While Scope 3 emissions account for a smaller share of the total emissions, they are more distributed across categories and are influenced by business activity levels and supply chain dynamics.

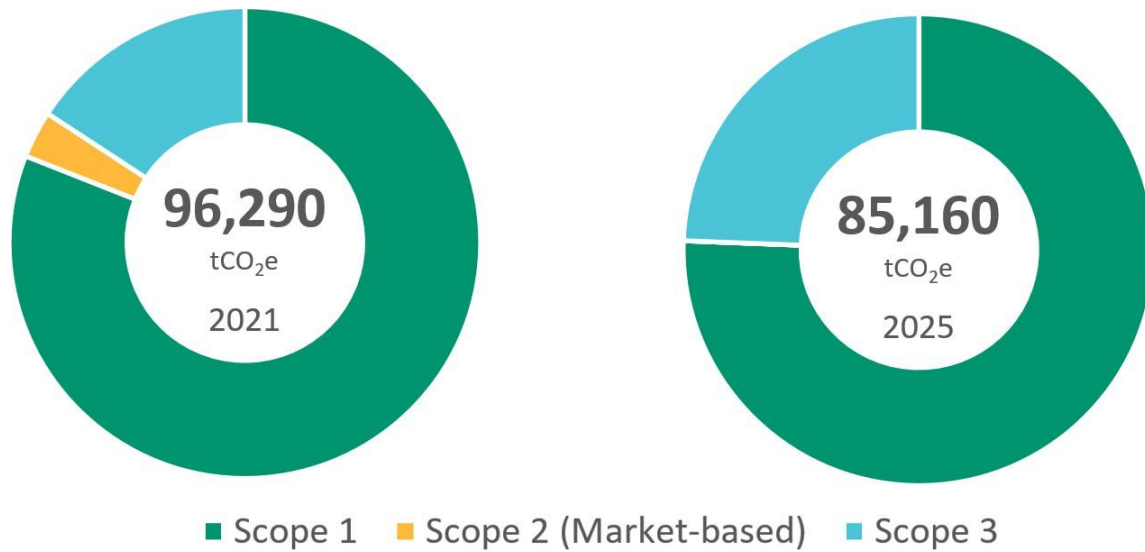
UK Greenhouse Gas Emissions Profile – Current Year (2025)

Stericycle UK's total GHG emissions for the 2025 reporting year were 85,160 tCO₂e, representing a 12% reduction compared to the 2021 baseline. This reduction was primarily driven by a 21% decrease in Scope 1 and 2 GHG emissions, largely attributed to reduced incineration and electricity-related emissions. Scope 1 emissions remain the dominant contributor to the overall footprint, while Scope 2 emissions have reduced to zero on a market-based method. In contrast, Scope 3 emissions have increased over the same period, reflecting higher business activity and supply chain spend, resulting in a more distributed emissions profile across categories.

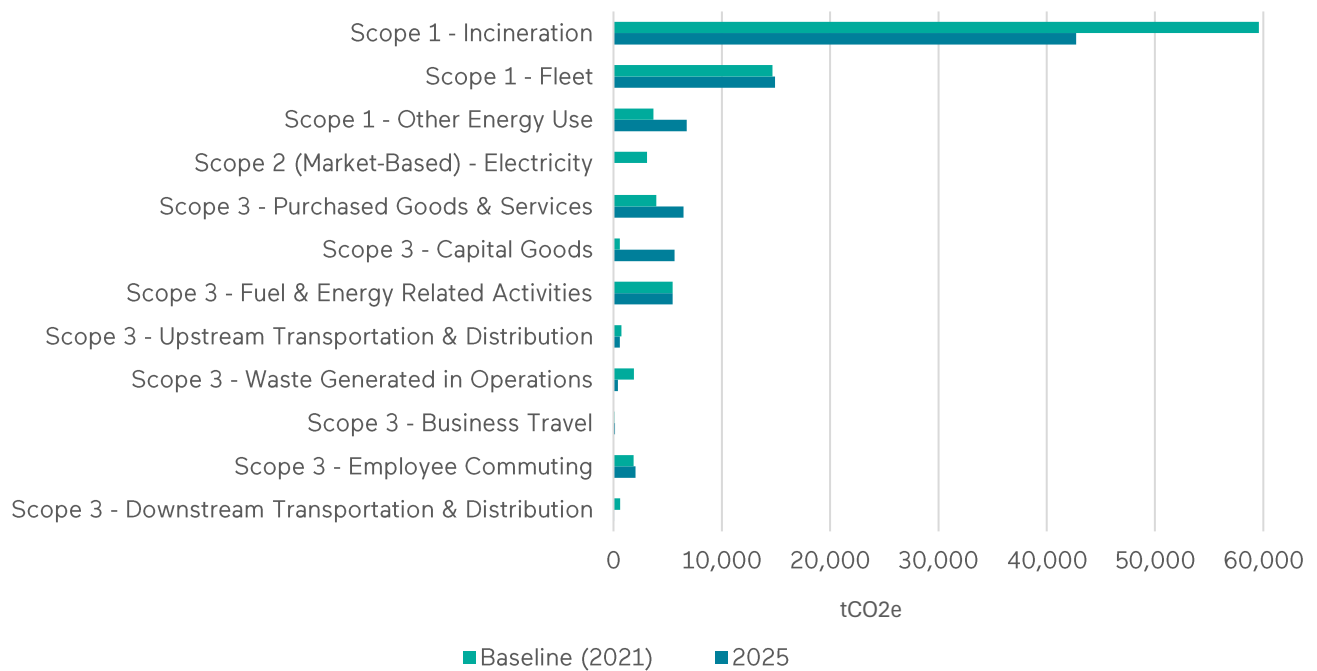
Key Insights:

- Scope 1 emissions remain dominant but have materially declined due to lower incineration emissions.
- 100% of electricity consumption was matched with Renewable Energy Guarantees of Origin (REGOs), reducing Scope 2 emissions to zero on a market-based basis.
- Scope 3 increased due to business growth, with higher contributions from capital goods and purchased goods & services.

Total GHG Emissions by Scope (Baseline 2021 vs. 2025)



GHG Emissions by Scope and Category (Baseline 2021 vs. 2025)



Emissions Reduction Targets

We are committed to working towards achieving Net Zero GHG emissions across our *Stericycle UK* operations by 2045. This target, which supports the NHS Scope 3 ambition, reflects both a focus on continuous improvement and a recognition of the operational and regulatory complexity of our industry. We recognise the importance of this commitment to our customers, our communities and the healthcare systems we support. The NHS Net Zero goals provide a clear framework for suppliers, and we take those mandates seriously.

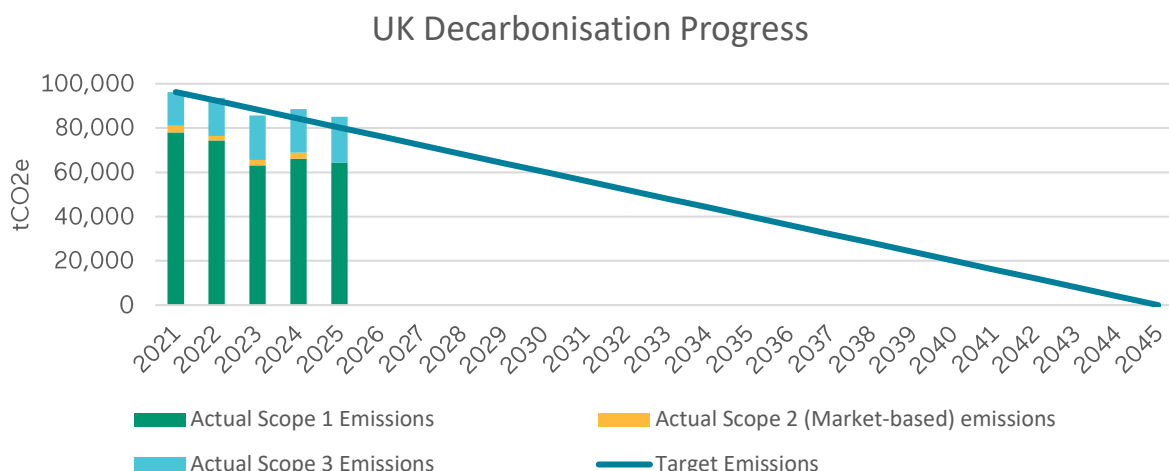
Stericycle UK operates high-temperature incineration facilities, which are legally required to treat specific healthcare waste streams. These facilities operate at mandated temperatures designed to ensure safety, compliance and efficacy, but also generate carbon emissions as a byproduct. Because we operate in sensitive, highly regulated healthcare environments with highly specialised waste types, generalised or prescriptive approaches to decarbonisation may be insufficient or inappropriate. Despite these structural constraints, our incineration assets present opportunities to deliver environmental benefit, both within our own operations and through collaboration with co-located NHS hospitals. We are dedicated to continuous improvement and innovation and aim to decrease GHG emissions year over year. Specifically, our incineration emissions have decreased 28% compared to our 2021 baseline year.

To meet our 2045 goal, we are prioritising targeted initiatives that aim to deliver measurable GHG emissions reductions without compromising regulatory requirements, patient safety or service quality for our customers. In doing so, we demonstrate that climate responsibility and operational excellence can progress together. We also recognise that serving healthcare customers carries an elevated responsibility. Our commitment to achieving Net Zero within our *Stericycle UK* operations must be customised, clinically responsible and operationally sound. In this context, we view the transition to WM's Healthcare Solutions segment not as an end point, but as a foundation for a more coordinated and scalable decarbonisation programme, aligned with WM's Science Based Targets initiative (SBTi) [validated near-term target](#) and demonstrated progress to date. While GHG emissions from *Stericycle UK* represent less than 1% of WM's total emissions, we see this commitment is contributing to WM's enterprise-wide climate goals. Since 2021, WM's total consolidated operations have achieved a 27% reduction in absolute Scope 1 and 2 GHG emissions through 2025, demonstrating strong progress and positioning the company ahead of its SBTi-validated pathway toward its 42% reduction target by 2031.

Enterprise-wide sustainability data for WM's total consolidated operations, inclusive of the Healthcare Solutions segment, is available in [WM's 2026 Sustainability Data & Metrics report](#). Additional information on WM's sustainability strategy, ambitions, targets and performance can be found within WM's public sustainability disclosures, [here](#).

Progress

Progress toward our *Stericycle UK* Net Zero target is illustrated in the graph below and includes Scope 1, Scope 2 and relevant Scope 3 categories.



Stericycle UK Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The Scope 1 and 2 GHG emission reductions achieved by *Stericycle UK* total 16,700 tCO₂e, representing a 21% reduction compared to the 2021 base year. Overall, *Stericycle UK* has achieved a 12% reduction in total Scope 1, 2 and 3 GHG emissions over the same period, reflecting both operational improvements and increased business activity. These reductions demonstrate the impact of targeted environmental management measures implemented since 2021. In 2025, this progress is further supported by *Stericycle UK* achieving a Level 2 status on the Evergreen Sustainable Supplier Assessment, a UK-recognised framework to evaluate and benchmark environmental and sustainability performance.

Prioritising Less Carbon-Intensive Waste Treatment

In support of the NHS Clinical Waste Strategy, we are actively shifting towards less carbon-intensive waste treatment methods. One key initiative supporting this effort is the expanded use of “alternative treatment” for sharps waste, which significantly reduces the volume of material requiring incineration while maintaining high standards of public health protection. Since 2021, we have reduced the volume of incinerated sharps by approximately 36% by diverting this material to alternative treatment. By diverting appropriate waste streams from incineration, we are strengthening our network resilience and increasing the volume of materials that could potentially be recycled.²

² We are currently exploring the possibility of recycling clinical waste that has been treated at an alternative treatment site. Please see the future initiatives section for more details.

Complementing this, our Bio Systems solution supports the use of reusable sharps containers that can be safely reused up to 600 times, significantly reducing the volume of single-use containers sent for incineration. In 2025, we upgraded our Bio Systems facility with enhanced robotics and automated loading systems, increasing throughput and improving operational efficiency and reliability. We are also expanding our Bio Systems offering to additional locations. To further accelerate the adoption of reusable containers, we are broadening our range of available container types and advancing a project to onshore the production of reusable lids and container bases in the UK, thereby reducing GHG emissions associated with shipping and long-haul transportation of these materials.

Optimising Energy Use

In 2025, the *Stericycle UK* operations were powered using 100% renewable energy for the first time through the purchase of Renewable Energy Guarantees of Origin (REGOs), enabling us to reduce Scope 2 market-based emissions to zero. Alongside renewable electricity procurement, we are also reducing reliance on grid electricity through the direct consumption of on-site renewable generation. In 2025, rooftop solar supplied approximately 16 megawatt-hours (MWh) of electricity at our Brentford facility, meeting approximately half of the site's electricity demand. Reducing overall energy demand remains an ongoing priority, as fuel-based heating emissions persist and efficiency improvements continue to deliver operational, cost and long-term decarbonisation benefits across our sites.

Alongside these efforts, we are implementing operational improvements across our sites through targeted energy efficiency upgrades and innovative heat recovery strategies. At the facility level, thermal efficiency continues to be enhanced through targeted boiler upgrades and system improvements. In 2025, we completed boiler retubing at four facilities and, through efficiency testing, identified additional opportunities to improve steam system performance within our *Stericycle UK* operations. These activities support a broader, ongoing programme to upgrade boilers and related systems over time, with further heat recovery and efficiency improvements planned.

We also progressed our gas burner replacement programme in 2025, with the installation of modern modulating burners at two additional incineration facilities with further upgrades underway or planned. These improvements support more efficient and responsive fuel use and are only the beginning of a wider, multi-year replacement strategy. To further reduce fossil fuel consumption within our facilities, we purchased more than 30 forklifts to replace older diesel and liquified petroleum gas (LPG) models. High-efficiency air compressors were also installed at two facilities during the year, improving compressed air performance. Further, the transition to LED lighting across our network of facilities continued, with installations completed in 2025 as part of ongoing local efficiency initiatives.

Additionally, the heat generated from our incineration process presents a unique opportunity to displace fossil fuel consumption external to our operations. We currently supply thermal energy to NHS facilities via our incinerators, supporting critical services such as water heating, steam sterilisation and laundry operations. In 2025, we exported over 105,000 metric tons of steam and over 15 MWh of hot water to NHS hospitals that are co-located with our incinerators.

Modernising Our Fleet

Stericycle UK is taking a phased and strategic approach to modernising our fleet, with a focus on improving fuel efficiency and building the groundwork for long-term decarbonisation. Route optimisation and reduced idling have already contributed to better fuel performance, and we are now monitoring load utilisation to further enhance route efficiency and reduce vehicle underutilisation within our fleet. We regularly assess our fleet to identify opportunities to improve efficiency and reduce emissions, including the replacement of older diesel vehicles with more fuel-efficient models. In 2025, we replaced 40 older diesel vehicles with newer diesel models to improve fuel performance, contributing to an approximately 18% improvement in average fuel economy relative to the 2021 baseline.

While the pace of technological advancement for heavy-duty electric vehicles remains slow, we are making measured early investments to prepare for the future. Since 2024, we have introduced six electric vehicles into our *Stericycle UK* fleet and continue to evaluate additional opportunities for fleet electrification. These steps represent foundational progress in support of our 2045 Net Zero climate goals.

Future Initiatives

Looking ahead, we are evaluating opportunities to further reduce our environmental impact through a range of targeted measures. We continue to assess emerging technologies, building on WM's leadership and established sustainability programme. We are exploring renewable natural gas procurement in the UK, with the long-term objective of reducing reliance on fossil fuels in our operations. We also continue to assess other technologies, including carbon capture, usage and storage (CCUS), while recognising both our Net Zero ambitions and the technical and regulatory complexity of this emerging area. In addition, we are evaluating the potential use of biofuels within our fleet, subject to fuel availability and route suitability.

In parallel, we are advancing several sustainability-related projects aimed at enhancing our service offerings. Our engineering teams are collaborating with leading technology companies and external consultants to identify, trial and implement innovative equipment capable of recovering metals and suitable plastics from clinical waste streams. These efforts are focused on enabling material recycling and delivering circular solutions for our customers. Plastic recycling trials have achieved recovery rates of approximately 50%, creating an opportunity for recovered material to be used

in sharps container manufacturing. We have also installed a metal recovery system at one location, which has recently become operational as of mid-2026.

We are advancing projects that leverage thermal energy that may improve internal energy efficiency and enable on-site power generation, potentially enhancing overall operational performance. A viable waste-to-energy system has been identified for our Avonmouth facility, which is expected to use recovered thermal energy to generate electricity for on-site use. Following the implementation of this project, we plan to undertake feasibility assessments at additional locations. In parallel, approvals have been secured to upgrade and reinstate localised heating systems at our Knostrop facility. This investment is designed to enable the use of waste heat from the incineration process to heat offices and welfare facilities, reducing on-site fuel demand. We are also evaluating the opportunity of supplying surplus thermal energy to district heating networks and supporting government initiatives to co-locate these systems with our facilities.

Beyond operational initiatives, *Stericycle UK* serves Chair of the Environmental Services Association (ESA) clinical waste group. This role provides a platform for leadership and industry engagement with regulators and government stakeholders to drive changes in healthcare waste policy that support the advancement towards Net Zero and other sustainability efforts.

We continue to review and enhance our decarbonisation approach by building on existing Scope 1 and 2 initiatives while further strengthening our Scope 3 strategy over time. The business remains committed to working towards a Net Zero target by 2045 and developing clear pathways to execution over the coming years, in preparation for evolving NHS requirements.

Declaration and Sign Off

The Carbon Reduction Plan (CRP) has been completed in accordance with Procurement Policy Note (PPN) 006 (formerly PPN 6/21) and the associated guidance and reporting standards for Carbon Reduction Plans.

GHG emissions have been reported and recorded in accordance with the published CRP reporting standard, the GHG Protocol Corporate Accounting and Reporting Standard and applicable emission factors. Emissions have been third-party verified by an accredited assurance provider at the limited assurance level, which can be found [here](#).

Scope 1 and 2 GHG emissions have been reported in accordance with Streamlined Energy and Carbon Reporting (SECR) requirements, and the Scope 3 GHG emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Protocol Corporate Value Chain (Scope 3) Standard.

This CRP has been reviewed and approved by Stericycle's Senior Vice President (SVP), UK and Ireland.

Signed on behalf of the Supplier:

A handwritten signature in black ink, appearing to read 'T. Black'.

Toby Black, SVP UK & Ireland Operations
Date: 26 June 2026

Appendix

This appendix provides a detailed breakdown of *Stericycle UK*'s full Scope 1, 2 and 3 greenhouse gas (GHG) inventory, supporting the emissions disclosures presented in this report.³ To enhance transparency and credibility, the GHG data has undergone limited assurance by an independent third-party provider, with the assurance statement available [here](#).

UK Greenhouse Gas Emissions	Units	Baseline (2021)	2025
Scope 1			
Incineration	Tonnes CO ₂ e	59,600	42,720
Fleet	Tonnes CO ₂ e	14,680	14,920
Other Energy Use	Tonnes CO ₂ e	3,700	6,750
Total Scope 1	Tonnes CO ₂ e	77,980	64,390
Scope 2			
Market-Based	Tonnes CO ₂ e	3,110	0
Scope 3			
Category 1: Purchased Goods & Services	Tonnes CO ₂ e	3,960	6,470
Category 2: Capital Goods	Tonnes CO ₂ e	590	5,640
Category 3: Fuel & Energy Related Activities	Tonnes CO ₂ e	5,470	5,450
Category 4: Upstream Transportation & Distribution	Tonnes CO ₂ e	730	590
Category 5: Waste Generated in Operations	Tonnes CO ₂ e	1,900	410
Category 6: Business Travel	Tonnes CO ₂ e	80	140
Category 7: Employee Commuting	Tonnes CO ₂ e	1,860	2,020
Category 9: Downstream Transportation & Distribution	Tonnes CO ₂ e	610	50
Total Scope 3	Tonnes CO ₂ e	15,200	20,770
Total Emissions	Tonnes CO₂e	96,290	85,160

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