

NORTH LONDON WASTE AUTHORITY

REPORT TITLE: ANNUAL REPORT OF DIRECTORS OF LONDONENERGY LTD

REPORT OF: MANAGING DIRECTOR

FOR SUBMISSION TO: AUTHORITY MEETING

DATE: 25 JUNE 2026

SUMMARY OF REPORT:

This provides the annual report of the Directors of LondonEnergy Ltd and sets out the performance and activities of the Company in the Authority's financial year 2025/2026.

RECOMMENDATIONS:

The Authority is recommended to note the report.

SIGNED:  Managing Director

DATE: 15 June 2026

1. BACKGROUND

- 1.1. LondonEnergy Ltd (LEL) is wholly owned by the Authority. It is the operating company which is responsible for: operating the Authority's public reuse and recycling centres, receiving boroughs' waste at transfer stations and transporting it to destinations for treatment; and operating the energy from waste facility at Edmonton EcoPark which provides the destination for the majority of north London's residual municipal waste. As the Authority is the sole shareholder, it receives regular updates on LEL matters and an Annual Report of the Directors of the company.
- 1.2. The company's Annual Report for 2025/26 is attached as Appendix A.

2. OVERVIEW OF LEL DIRECTORS' ANNUAL REPORT

- 2.1. The Company's financial year runs from January to December and the results are for the year ended 31 December 2025.
- 2.2. LEL incurs operating costs for carrying out its responsibilities as set out in section 3.1 of the Annual Report per year. In the year ended 31st December 2025 LEL's costs were £96.1 million. Its main sources of income are fees from the Authority for the management and transport of waste and income from selling electricity generated at the EcoPark. In 2025 LEL's income was £95.1m meaning that the Company made a loss of 0.6m.
- 2.3. This was better than budgeted provision at the beginning of the year. The energy from waste plant had higher than forecast availability which meant that it could process more waste and generate more electricity than anticipated while remaining firmly within permitted limits for the site.
- 2.4. The company would not be able to sustain consistent annual losses over the long term. But as its income comes overwhelmingly from NLWA, the Authority is not looking to receive dividends but wishes to take the benefit of its ownership through having low waste treatment costs which is beneficial for the boroughs.
- 2.5. The year 2025 proved to be a pivotal year for LEL, characterised by strong operational delivery in the face of significant external and internal challenges. The Company marked the first full year of a new contract with the NLWA to operate, manage and maintain the new facilities constructed on the southern section of the EcoPark. These comprise the resource recovery facility for receiving bulky and recyclable waste, the public reuse and recycling centre and EcoPark House. The successful operation of these new facilities represents a major milestone in LEL's transition from owner and operator of older assets to operator and maintainer of new assets on behalf of its parent.
- 2.6. LondonEnergy operates an extensive Health & Safety management system which is accredited to ISO 45001. The Company investigates all incidents, reviews its

practices and procedures, and gives appropriate and regular training to employees. LEL's approach prioritises the health, safety and well-being of all, giving greatest attention to those activities which present the greatest danger.

- 2.7. In 2025, LEL retained the Gold award from the Royal Society for the Prevention of Accidents (RoSPA) for its health and safety performance. The Company was also shortlisted for the Safety and Health Excellence Awards in the "Safer Logistics" category, recognising the positive impact of the Life-Saving Rules initiative.
- 2.8. Supporting the community and giving something back is important to LEL's employees. The Company carried out a range of sustainability and social value initiatives in 2025, led by its Sustainability Steering Committee (SSC) and supported by the Board. In July 2025, LEL held its inaugural Sustainability Awards, with teams from across the business competing for recognition and demonstrating widespread engagement with sustainability priorities across the organisation. The awards are intended to promote innovation, highlight good practice and reinforce behaviours that contribute to long-term value, resource efficiency and alignment with selected UN Sustainable Development Goals.
- 2.9. As LEL is a company wholly owned by NLWA, the Authority managing director makes recommendations on board appointments for approval by the Authority. No board resignations or new appointments took place in 2025.

3. EQUALITIES IMPLICATIONS

- 3.1. The Human Resources section of the report highlights the action which the Company is taking to develop staff and promote equality in the workplace.

4. COMMENTS OF THE LEGAL ADVISER

- 4.1. The Legal Adviser has been consulted in the preparation of this report and comments have been incorporated.

5. COMMENTS OF THE FINANCIAL ADVISER

- 5.1. The Financial Adviser has been consulted in the preparation of this report and comments have been incorporated.

Contact officer:

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APPENDIX A: ANNUAL REPORT OF THE DIRECTORS OF LONDONENERGY LIMITED

1. Introduction

- 1.1. Since December 2009 LondonEnergy Ltd (LEL) has been owned 100% by NLWA. The Company provides a range of waste management services to the Authority through a contract that was awarded by the Authority in December 2014, and which was extended during the year to 1 December 2027. This is the annual report from the Directors of LondonEnergy Limited to the Authority summarising the performance and activities of LondonEnergy Limited for the year 2025.

2. Directors and Board Meetings

- 2.1. The following non-executive directors, appointed by NLWA, served during the year:

Don Lloyd (Non-executive Director) appointed Chair February 2021
Ulla Rottger (Non-executive Director) appointed July 2019
Martha Desmond (Non-executive Director) appointed May 2023
Clyde Loakes (Non-executive Director) appointed January 2021
Peter Zinkin (Non-executive Director) appointed January 2021
Rebecca Rennison (Non-executive Director) appointed January 2021
Ian Williams (Non-executive Director) appointed January 2021
Martin Capstick (Non-executive Director) appointed January 2021
Rowena Champion (Non-executive Director) appointed July 2022
Mike Hakata (Non-executive Director) appointed July 2024
Craig Miller (Non-executive Director) appointed December 2024

The following executive directors, who are responsible for the day-to-day activities of the Company, served during the year:

Jim Kendall (Managing Director) appointed December 2021 following a period as acting managing director
Justin Price (Finance Director) appointed January 2022
Kathy-Ann Pearce (General Counsel & Co. Secretary) appointed September 2021

- 2.2. Directors attend monthly LondonEnergy board meetings, with face-to-face meetings held quarterly and the intervening meetings handled via circulation pack and email Q&A. Signed copies of confidential board minutes are submitted to each NLWA meeting for information. These appear on the exempt part of the Authority meeting agendas (the Part II section). The NLWA as shareholder is also advised of the Company's progress through Quarterly Reports to NLWA meetings.
- 2.3. The audited statutory accounts will be adopted at the Company's Annual General Meeting currently scheduled for 23rd July 2026. The Company produces an annual Sustainability Report which supports the statutory accounts.

3. Finance and Operations

- 3.1. In the year ended 31st December 2025 LondonEnergy made a loss of £0.6m, against a budgeted loss of £4.2m. Turnover for the year was £96.1m (2024: £104.2m). No electricity generator levy was due in 2025 (2024: £2.7m).
- 3.2. P&L performance was strengthened by lower inbound residual waste volumes and the boroughs' direct to third-party disposal initiative during the Energy Centre's boiler and header outage programmes. This facilitated additional transfers of waste from the Wembley transfer station to the energy centre. This had a favourable impact on the P&L of £2.6m.
- 3.3. Electricity revenue was £1.8m above budget due to a successful hedging strategy in Q1 2025.
- 3.4. Operating costs were £1.3m better than budget driven in part by lower chemical and transport costs and by a range of savings across the business.
- 3.5. The Energy Centre performed at 99% of budget, narrowly missing full budget achievement. This result was especially positive considering that substantial additional maintenance works were required on two of the five boilers during the year (boilers are the part of the energy from waste plant where waste is burned).
- 3.6. The Company remained debt-free throughout the year. Cash reserves at the end of 2025 were £29.6m. This balance is expected to reduce over time, due to decreasing electricity revenues and the continuing requirement to fund the extended asset life programme in the Energy Centre and maintain the operational assets over the life of the Business Plan.
- 3.7. Despite significant maintenance programmes during the year, the Company successfully delivered the requirements of its waste contracts, and the Reuse and Recycling Centres (RRCs) achieved an average recycling rate of 72%. A UK biomass plant closure (July and August 2025) led to increased wood exports during 2025 which negatively affected recycling rates. This was reported to the Authority at the time.
- 3.8. In the year the Energy Centre exported 213,500 MWh of electricity and the Company recycled or converted to electricity 99.8% of the waste received (2024: 99.8%).

4. Business Review

- 4.1. LondonEnergy continued to provide a high level of service to NLWA during the period. LEL manages the waste delivered by the seven boroughs to its facilities at Hornsey Street, Wembley and the Edmonton EcoPark. This waste is either recycled, turned into electricity in the Energy Centre or sent for further processing by third parties (eg garden waste transported for composting). In addition, the Company delivers services direct to residents at seven Reuse and Recycling Centres (RRCs) across the region.
- 4.2. 2025 was a pivotal year for the Company, characterised by strong operational delivery in the face of significant external and internal challenges, alongside substantial

progress in positioning the organisation for its transition to the new Energy Recovery Facility (ERF). 2025 also marked the first full year of the new contract with the NLWA to operate, manage and maintain the new facilities constructed on the southern section of the EcoPark – a major milestone in LEL’s transition from owner and operator of its assets to operator and maintainer of assets on behalf of its parent.

- 4.3. The headline achievements of the year were the successful delivery of the waste services contract while operating an ageing facility through a particularly demanding maintenance year; meaningful improvement in the safety record; significant external recognition of asset management capability; and Board approval of a refreshed five-year business strategy that gives clarity of direction for the period to handover of the new energy recovery facility and beyond.
- 4.4. During the year, the Company’s waste management contract with the NLWA was extended by two years to 1 December 2027, and discussions are now underway on how best to bridge from the current contract to the new arrangements when the replacement facility is ready.

Operating the Energy Centre

- 4.5. The Company continued to support NLWA in developing the North London Heat and Power Project (NLHPP). Following the indication in 2024 that the new Energy Recovery Facility (ERF) would be delivered later than originally planned, work during 2025 to develop options for extending the operation of the existing Energy from Waste plant was taken forward, alongside plans for transition to the new ERF.
- 4.6. The most significant operational event of the year was a fire on 13th July 2025 involving Turbine T/A2 at the Energy Centre. Turbines generate electricity, and the facility has four turbines with a reserve turbine. The fire was detected at 17:38 through the infrared fire detection system, immediately triggering the Company’s emergency response procedures. All personnel were safely evacuated with no injuries, and the fire was extinguished by 19:00 with the assistance of London Fire Brigade. The initial root cause was identified as oil from a blocked drainage system in the turbine’s drip tray, which subsequently ignited on hot steam pipework. A thorough investigation generated 27 actions across the hierarchy of controls. Engineering responses have included redesigned tapered drip trays, high-level monitors with alarms to detect blockages, secondary drain points, enclosed metal containers for waste oil collection and sight glasses for monitoring collection rates. Operational improvements have included replacement of all untreated scaffold boards with fire-retardant alternatives, enhanced housekeeping protocols and strengthened sign-off procedures post-maintenance. The incident is informing wider thinking on fire suppression and emergency response equipment, and lessons are being applied to design discussions for the new facilities.
- 4.7. Despite the disruption caused by the T/A2 fire and an extended outage on Turbine T/A1, the Energy Centre achieved 99% of its budgeted annual throughput and 99.8% of waste received was recycled or converted to electricity (2024: 99.8%). Outage

works originally scheduled mid-year were rescheduled to November to accommodate the turbine work; even with this and a separate Christmas Eve fire at the Hornsey Street transfer station (caused by a lithium-ion battery in the waste stream) the contractual requirements to the boroughs were delivered safely throughout the year.

- 4.8. The capital programme oversaw substantial investment in the prioritised elements of the facility. Of particular note was the completion of the two-year project to recondition four of the five boilers, requiring the replacement of over 12 km of pipework, with the final element closing out in September 2025. Investment in Flue Gas Treatment (FGT) structural repairs, the FGT plant, the Effluent Treatment Plant, transformer monitoring and roofing repairs all progressed during the year, materially reducing a number of asset-condition risks on the LEL risk register.
- 4.9. The latest Ramboll condition survey, commissioned by LEL/NLWA during 2025, confirmed the Company's view that the EfW plant is well-operated and well-maintained for its age and that, with targeted investment and continued good operation and maintenance, it should be capable of operating through to 2030. The survey did not identify any significant risks or issues that had not already been addressed by mitigation measures or planned capital investment. Crucially, however, the survey replaced previous assumptions of an Energy Centre in "managed decline" ahead of ERF handover with a recognition that LEL will need to maintain existing service levels right up to – and quite possibly slightly beyond – handover. In direct response, during 2025 LEL initiated "Project 60", a comprehensive programme to ensure the facility can continue operating reliably until it is no longer required. The scope of Project 60 was being developed for formal agreement in 2026, with planning split across eleven strategic workstreams covering People, Plant and Process/Policy.
- 4.10. External assurance during the year was strongly positive. The company's insurers, Zurich, conduct an annual risk-engineering survey, and the July 2025 survey confirmed the high standards of facility management, with the underwriting team consistently commending the Operations and Maintenance teams for their work in keeping an ageing plant operating to an impressive standard. LEL's management systems remain accredited to the relevant ISO standards for quality, safety and environmental management.

Recycling, Waste Operations and EcoPark South

- 4.11. The EcoPark Reuse and Recycling Centre, which opened to the public in July 2024, completed its first full year of business-as-usual operation during 2025. Visitor numbers across the RRC estate as a whole remained substantially above 2024 levels, with growth particularly strong in the final quarter. The Kings Road Reuse Shop continued to expand its contribution to the circular economy, with increases in throughput and revenue against the prior year and the addition of upholstered furniture to its product range during Q4.
- 4.12. EcoPark South performance against the Key Service Outcomes which are specified in the contract with NLWA remained generally strong throughout the year,

with 100% site availability sustained and 100% of waste treated via the Energy from Waste facility. The Company's asset management work at EcoPark South was recognised externally with the Corporate/Organization Transformation Award from the Institute of Asset Management, awarded jointly to LEL and NLWA.

- 4.13. Transport operations maintained the Company's long-standing exemplary compliance standards. The Fleet Operator Recognition Scheme (FORS) Gold Accreditation was retained (for the sixteenth consecutive year) and a "Green" DVSA Operator Compliance Risk Score was sustained throughout the year, indicating very low risk of non-compliance with roadworthiness and traffic regulations. There were no prohibition notices, MOT failures or adverse roadside checks. The delivery of twelve new Volvo FM trucks during the year supported the ongoing modernisation of the fleet, with state-of-the-art safety systems and enhanced driver comfort. The trial of one electric HGV concluded successfully on the primary short route during the year, and proposals will now be developed for a second vehicle to trial on a longer route.
- 4.14. During Q4, LEL was unexpectedly notified by its appointed textile recycler that all RRC mattress collection contracts would be terminated from 22 December. A combined 19,000 mattresses had been collected across all sites during the quarter, and an alternative supplier was procured on a fixed-term basis with the result that collections continued without any impact on service. LEL also began tendering for a new wood recycling supplier from April 2026, with the objective of achieving a 100% wood recycling rate.

Future facilities, organisational transformation and strategy

- 4.15. Significant progress was made during the year on LEL's readiness for the transition to new facilities. Working with external consultants, the Company conducted a thorough review of documentation and artefacts prepared for ERF handover. Significant progress was achieved in change excellence initiatives and the design of enabling functions for the future organisation. The Asset Management Steering Committee evolved into an effective governance forum, reflecting growing competence across the organisation.
- 4.16. The Geron Way transfer station project will provide a permanent replacement for the Wembley transfer station where waste from Barnet and Camden is delivered. It made meaningful progress during the year. RIBA Stage 4 designs were formally signed off, the Geron Way Operational Readiness Group commenced regular meetings and construction commenced on site on 30 September 2025. Pre-application engagement with the Environment Agency was conducted; the EA's position on the applicable odour benchmark and the timeliness of its response remain risks under active management. In parallel, work continued with the London Borough of Barnet on extending the existing Wembley lease to provide schedule contingency.
- 4.17. Following a request from the London Borough of Enfield, LEL agreed during 2025 to take on the operation of the Barrowell Green RRC from July 2026. Internal mobilisation of the project commenced in Q4 with workstream leads identified and

Safety, Health and Environment (SHE) Advisor support secured. TUPE arrangements were under preparation for staff, alongside permitting work.

- 4.18. In September 2025, the Board endorsed a revised five-year LEL Business Strategy. The new strategy is structured around three pillars – Organisational Excellence; Transition to World-Class; and Ambitious Collaboration – supported by 24 business objectives that provide a clear framework for organisational priorities and decision-making over the coming years. The strategy acknowledges the Company’s current position, articulates an ambitious vision for the future state and was developed through an inclusive process designed to maximise alignment between the Board, the NLWA and the management team.
- 4.19. LEL’s management systems were subject to external surveillance audit during the year. The auditors concluded that the Company’s commitment to customer and to the organisation’s management systems was evidenced and that LEL’s approach to operating its management systems provides an effective overall framework to support continual improvement.

5. Health & Safety

- 5.1. The Board of LondonEnergy Ltd is legally responsible for Health and Safety matters and closely monitors the Company’s performance. LondonEnergy operates an extensive Health & Safety management system which is accredited to ISO 45001. The Company investigates all incidents, reviews its practices and procedures, and gives appropriate and regular training to employees. LEL’s approach prioritises the health, safety and well-being of all, giving greatest attention to those activities which present the greatest danger.
- 5.2. The Health, Safety and Environment Committee continued working with the board-level Operations, Health, Safety and Sustainability (OHSS) Committee throughout 2025 to ensure that health and safety is prioritised and receives sufficient attention at the most senior level. Sustained focus on the consistency and thoroughness of incident investigations, and on the timely closure of actions arising, was a feature of the year.
- 5.3. In 2025, LEL retained the Gold award from the Royal Society for the Prevention of Accidents (RoSPA) for its health and safety performance. The Company was also shortlisted for the Safety and Health Excellence Awards in the “Safer Logistics” category, recognising the positive impact of the Life-Saving Rules initiative.
- 5.4. LEL’s Accident Frequency Rate (AFR) continued the multi-year downward trend, with data through 2025 showing AFR trending downwards or remaining consistent for both LEL employees and the combined employees-and-contractors population, with and without Dangerous Occurrences. Full-year totals showed that in 2025 there were 43 minor injuries, zero Lost Time Injuries (LTIs) and one reportable incident under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR). This compared with 48 minor injuries, one LTI and four RIDDOR incidents over the

same period in 2024 – a meaningful improvement in performance. Continued attention will be needed to the gap between LEL employee performance and contractor performance. The Company’s overall performance remains extremely high, especially in comparison with standards achieved elsewhere in the waste sector.

- 5.5. The most significant incident of the year was the fire on Turbine T/A2 on 13 July 2025, described in Section 4 above. Despite the scale of the incident, all personnel evacuated safely with no injuries; the investigation has driven a substantial programme of engineering, operational and systems improvements. A separate fire occurred on Christmas Eve at the Hornsey Street Waste Transfer Station, caused by a lithium-ion battery in the waste stream that was crushed during routine operations. The Hornsey Street incident, with similar incidents at EcoPark and Wembley, illustrates a growing operational risk linked to the increasing prevalence of lithium-ion batteries in residual waste streams. The Company is working with NLWA, boroughs and other stakeholders on improved separate battery collection, public communication and enforcement to address this.
- 5.6. An HSE prosecution arising from an incident at the Temporary Bulky Waste and Recycling Facility (TBWRF) in May 2022, which involved an LB Enfield borough driver and an LEL employee, was concluded during the year. The matter was heard in May 2025 and the financial penalty, prosecution costs and victim surcharge were paid in full during Q3 2025, formally closing the matter. The lessons from the incident had previously been integrated into the operations of the replacement facility, including in respect of thorough testing, evaluation, traffic management planning and investment in vehicle monitoring systems.
- 5.7. The Company continued its programme of training and awareness focused on the prevention of serious incidents and fatalities. The programme, originally developed and implemented in the oil and gas industry, involves adoption of nine “life-saving rules” aimed at effectively controlling the risks most likely to cause significant harm. A diagnostic review during the year identified both legacy and new challenges; further work to embed the rules continues, supported by leadership engagement and supervisor calibration. The Fatality Prevention Programme has been initiated, and directors and senior managers are taking regular diarised tours of site to identify potential hazards and reinforce the safety culture.
- 5.8. Drug and alcohol testing remains a critical health and safety control. In the 2025 calendar year, 289 tests were conducted, covering over 60% of the workforce. A total of ten employees were dismissed following confirmed positive results. This proactive approach supports the Company’s duty of care, regulatory compliance and the maintenance of a safe working environment.

6. Human Resources

- 6.1. LEL has a strong commitment to investing in the development of its employees and to building and recognising talent across the Company. Training and development is

available for employees at all levels within the organisation. The Company's aim is to increase productivity, job satisfaction and safety, and to equip the next generation of leaders and employees with appropriate knowledge, skills and the competencies they need to thrive.

- 6.2. Significant investment was made in the workforce during 2025 to lay the groundwork for the transition ahead. All employees were transitioned to new, modernised contracts of employment. A new payroll system was initiated as a precursor to further HR information system integration planned for 2026. A comprehensive leadership and management training programme was delivered to all managers and supervisors, developing core competencies ahead of the transition to the new facilities. In Q4 alone, 27 training courses were delivered to 101 employees with a 100% completion rate.
- 6.3. The average monthly number of employees during the year was 402 (2024: 394). About a third of these employees operate and maintain the Energy Centre, which is a 24 hour per day, 7 day per week operation. Around half are engaged in handling or transporting waste at the various transfer stations and Reuse and Recycling Centres. The remainder are engaged in corporate functions such as health & safety, IT, finance, procurement, HR and corporate communications.
- 6.4. Employee turnover remained low throughout the year. Q4 quarterly turnover stood at 3.79%, and the rolling 12-month voluntary turnover rate was 9.72%. Voluntary turnover for employees with more than 12 months' service was 6.92%, indicating strong retention among longer-tenured staff. Recruitment challenges persisted in specific technical roles, particularly Electrical & Instrumentation Technicians and Mechanical Maintenance Technicians; mitigations are in train including role redesign, agency engagement and a streamlined recruitment process for site operational roles.
- 6.5. LEL continues to use GoodShape to register and log all absences, which enables staff to have a conversation with a nurse about their symptoms and helps with predictability around return-to-work dates. Support is also available via the Company's employee assistance programme and, where needed, the occupational health teams. The organisation now has 25 trained Mental Health First Aiders active across all sites, providing vital support for employee wellbeing.
- 6.6. The LondonEnergy Employee Forum, established in 2022 with representatives from each area of the business, continued to meet quarterly during 2025. The representatives work with the LondonEnergy executive team to create two-way communication between the employees and the directors. The forum helps to influence and support business changes and ensures employees remain front and centre of all the Company does.
- 6.7. In addition to the Employee Forum the Company has built a collaborative relationship with its recognised trades unions, and quarterly meetings are held with them to discuss employment and business concerns. The Company recognises the rights of every employee to join a trade union and participate in its activities.

- 6.8. During 2025 the Culture Survey was run twice via the Culture15 platform, with the second iteration achieving a record 264 responses, the highest participation to date. Action planning based on the survey insights is underway. The HR Hub – a new intranet page for policies, benefits, FAQs and forms – was launched during the year. Survey results indicated continuing progression of the target culture, with employees reporting increasing levels of trust in the organisation and improving scores against the three key behaviours of accountability, helpfulness and questioning.
- 6.9. The Company encourages the involvement of employees in the performance of the Company through participation in a bonus scheme based on successful achievement of Company performance targets, which are agreed by the Remuneration and People Committee. LEL is proud to pay all its employees at or above the London Living Wage.
- 6.10. In addition to the current company pension scheme, LEL is also responsible for the LondonWaste pension scheme. This is a closed scheme, having been closed to new entrants since 2004 and to future accrual on 31 December 2018. In order to remove risk from the scheme the trustees have been following a long-term plan to gradually switch investment in equities into bonds as the scheme heads towards maturity. During 2025 the trustees entered into a buy-in contract with Royal London, a major step towards fully placing the scheme with an insurer to better serve the pension members and reduce volatility for the Company. As a result of this transaction the Company no longer considers the volatility of obligations regarding the defined benefit pension scheme as financially material. Following the transaction, regular employer pension contributions in respect of a deficit reduction plan are no longer being made; LEL continues to meet the fund's expenses as agreed with the Trustees. As at 31 December 2025 the scheme had net pension assets of £0.2m, with a fair value of plan assets of £19.5m.
- 6.11. The Company promotes equality of opportunity and diversity across all areas, including gender and ethnicity. The workforce diversity profile remained broadly stable across 2025, with no significant changes across key indicators such as age, gender or ethnic origin. Positive progress was made within the Energy Centre, where the appointment of a female colleague to a supervisory position in the maintenance team improved gender representation in a traditionally male-dominated function.
- 6.12. The Gender Pay Gap calculation for April 2025 reflects the Company's position within a sector that is historically and consistently male-dominated. The mean gender pay gap is -34.0% (the mean pay for women is higher) and the median gender pay gap is 0.0% (no median pay gap). The mean bonus pay gap is -45.4% (the mean bonus pay for women is higher) and the median bonus pay gap is 0.0%. Women hold a proportionately higher share of leadership positions across the Company. Operations and frontline functions remain predominantly male, which is the principal driver of the underlying composition; LEL continues to work to broaden representation across all roles.
- 6.13. The Apprenticeship Scheme continued during the year. The Company has four mechanical engineering apprentices and is recruiting an Electrical Apprentice and a

Project Management Apprentice for the year ahead, alongside the development of a general management scheme.

7. Community & Sustainability

- 7.1. Supporting the community and giving something back is important to LEL's employees. The Company carried out a range of sustainability and social value initiatives in 2025, led by its Sustainability Steering Committee (SSC) and supported by the Board. In July 2025, LEL held its inaugural Sustainability Awards, with teams from across the business competing for recognition and demonstrating widespread engagement with sustainability priorities across the organisation. The awards are intended to promote innovation, highlight good practice and reinforce behaviours that contribute to long-term value, resource efficiency and alignment with selected UN Sustainable Development Goals.
- 7.2. Following many years of working with The Felix Project, the Company's charity partner, a new charity partner selection process was undertaken during 2025 based on employee nominations and voting. North London Hospice was selected as the new charity partner. Twelve LondonEnergy employees ran the Battersea Half Marathon during the year, raising £2,750 for the charity and demonstrating the determination, teamwork and spirit of LEL's people.
- 7.3. EcoPark House completed its first full year of use, hosting a busy programme of educational sessions and stakeholder visits for local schools, councillors, council officers, students and community groups. The building, which provides a base for the Edmonton Sea Cadets, is partially powered by 2,235 solar panels on the Resource Recovery Facility's roof and is heated by ground source heat pumps.
- 7.4. The annual Wrap Up London campaign saw LEL employees donate 35 coats during Q4, doubling the previous year's contribution. The Toy Drive for the Royal Free Hospital continued throughout December, with employee volunteers wrapping gifts for delivery in mid-December. The Kings Road Reuse Shop ran a Christmas promotion to support waste reduction, with half-price toys and free books, attracting positive media coverage.
- 7.5. LondonEnergy continued as the main shirt sponsor of Enfield Town Ladies F.C. for a fourth year, supporting grass-roots women's football in the community and helping girls to ignite a passion for sport. The Company also continued to support a range of awareness events through the year, including Pride and Black History Month. Fleet vehicles were decorated with bespoke designs for Black History Month, visible across north London, and colleague stories were shared on social media. People Panels promoting road safety, inclusion and key awareness periods were rolled out across the fleet.
- 7.6. The Company's partnership with the Wise Up Network continued, providing mentoring and work experience opportunities for school children in the local community. The programme gives LEL employees an opportunity to help shape young people's lives

while developing crucial mentoring skills required for effective leadership. A new partnership with Harris Academy Tottenham was established for summer 2025, continuing the Company's commitment to supporting local education and career development. LondonEnergy reached 10,000 followers on LinkedIn during the year, a significant milestone in expanding its digital presence and engaging with a growing audience interested in sustainability, energy and innovation.

- 7.7. Looking forward, the SSC has continued to drive the Company's wider environmental agenda. Work to develop a Climate Action Plan was advanced during the year, with LEL assessing baseline emissions and developing approaches to enhance tracking of monthly metrics across all Company sites. Procurement and sustainability strategies have been aligned, with the Contract Management and Procurement Framework now featuring increased sustainability weighting in tenders and a more robust evaluation process aligned with new regulatory standards. The successful conclusion of the first electric HGV trial during 2025 has paved the way for a second vehicle trial on a longer route, supporting the Company's wider work to decarbonise its operations.