

FOOTPRINTS FOR THE FUTURE

Annual ESG Report 2026

Environmental, Social, Governance performance report

Improving lower-limb healthcare through responsible innovation, inclusive growth, ethical governance and measure environmental action.

A. Algeo Ltd trading as Algeos
Liverpool, United Kingdom

Reporting basis

This report brings together the latest verified management information available up to August 2026. Several indicators relate to the 2025 financial or calendar year and are labelled accordingly. Where complete 2026 results are not yet available, no full-year outcome is claimed

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About this report

Algeos is a Liverpool-based healthcare business established in 1947. We supply medical products and technologies to musculoskeletal, diabetic foot, podiatry, orthotic and prosthetic professionals in the UK and internationally. Our purpose connects improved lower-limb health with responsible, resilient business growth.

Our ESG Approach

Our “Footprints for the Future” strategy integrates environmental, social and governance priorities into operations, investment and long-term planning. It is guided by our EPIC values: Excellence, Passion, Innovation and Care. Performance is monitored through an ESG Dashboard covering carbon, energy, waste, colleague development, procurement and governance.



2026 at a glance



Material themes

- Climate action and energy efficiency
- Resource efficiency, waste and circularity
- Sustainable product innovation
- Colleague wellbeing, inclusion and development
- Ethical sourcing and supply-chain resilience
- Community health, education and opportunity
- Accountable governance and transparent measures

Leadership statement

"Our ESG is driven from the top and built from the ground"

Sustainability is a strategic priority for Algeos because it supports better healthcare, stronger relationships and long-term business resilience. During the period covered by this report, we continued to reduce measured carbon emissions, maintained ISO 14001 certification, improved our NHS Evergreen assessment, invested in recyclable packaging and developed more efficient approaches to orthotic manufacturing.

Our social commitments are equally important. Living Wage Employer status, Investors in People Gold, colleague wellbeing support, learning opportunities and community partnerships demonstrate our ambition to create value beyond financial performance.

We also recognise where our reporting must mature. Our priorities include clearer baseline-to-target KPI reporting, stronger supplier ESG measures, quantified eco-product performance, more formal climate-risk assessment and improved public communication. This report presents confirmed achievements while identifying these next steps transparently.

Max Sheridan
Managing Director

Governance overview

Level	Responsibility
Board of Directors	Approves ESG policy and strategic direction; oversees major investment and performance.
Managing Director	Provides executive leadership and ensures ESG remains connected to business priorities.
Cross-functional ESG Team	Meets quarterly to review performance data, coordinate actions and identify improvements.
ESG Working Group	Enables participation across functions and levels of the business.
KPI owners	Maintain assigned measures, targets and review cycles within the ESG Dashboard.
All colleagues	Support responsible practices and contribute ideas through everyday work and engagement forums.

Our contribution to the UN SDGs

Our business activities contribute most directly to three United Nations Sustainable Development Goals. Climate action and responsible consumption and production support these priorities across our operations and value chain.

SDG 3: Good Health and Well-being

Our products, technologies and professional education support clinicians in improving lower-limb health and patient outcomes. Internally, private healthcare, Mental Health First Aiders, Menopause Champions, wellbeing activities and the Listening Room support colleague wellbeing.

SDG 8: Decent Work and Economic Growth

As a Living Wage Employer and Investors in People Gold organisation, we support fair pay, development, external qualifications and progression. Local purchasing, work experience and apprenticeships contributes to regional economic value.

SDG 13: Climate Action

Our Net Zero by 2040 ambition, carbon reduction programme, carbon reporting and ISO 14001 environmental management system provide the framework for reducing emissions and improving resilience.

SDG 12: Consumption and Production

Waste reduction, recycling, paper-based packaging, consolidated freight, responsible procurement and on-demand manufacturing support Responsible Consumption and Production.

Strategy and Accountability

The ESG Dashboard introduced in January 2025 centralises relevant measures and identifies owners, targets and review cycles. The ESG Team reviews progress quarterly, while environmental performance is also supported through ISO 14001 management and audit processes.

Environmental Performance

Strategy and Accountability

The 2022 emissions footprint of 978,385 kg CO₂e is the baseline against which progress is measured. The 2023 footprint was 808,544 kg CO₂e, representing a 17% reduction. Internal ESG information records a further 7% reduction in 2024 and 8% in 2025. These later percentages should be supported by the annual carbon calculations when this report is externally published.

Indicator	2022 baseline	2023 result	Later reported progress	Long-term direction
Total emissions	978,385 kg CO ₂ e	808,544 kg CO ₂ e	Further 7% reduction in 2024 and 8% in 2025	Net Zero ambition by 2040
Scope 1	128,215 kg CO ₂ e	107,252 kg CO ₂ e	Annual measurement continues	Reduce direct operational emissions
Scope 2	28,766 kg CO ₂ e	26,798 kg CO ₂ e	Energy-efficiency programme continues	Increase renewable energy and efficiency
Scope 3	821,405 kg CO ₂ e	674,493 kg CO ₂ e	Supplier and freight actions continue	Improve value-chain data and engagement

Energy and operational efficiency

- The move to 100% LED lighting was completed in March 2024, reducing electricity used for lighting by 62%.
- Ageing HVAC systems were replaced with more energy-efficient equipment.
- At least 50% of purchased electricity is sourced through a renewable or green-energy tariff.
- All UK company cars are plug-in hybrid or fully electric, with an ambition to transition the eligible fleet to fully electric vehicles by 2030.
- Water-saving taps, efficient hand dryers, recycling facilities and eco-friendly uniforms have been introduced.

Environmental management

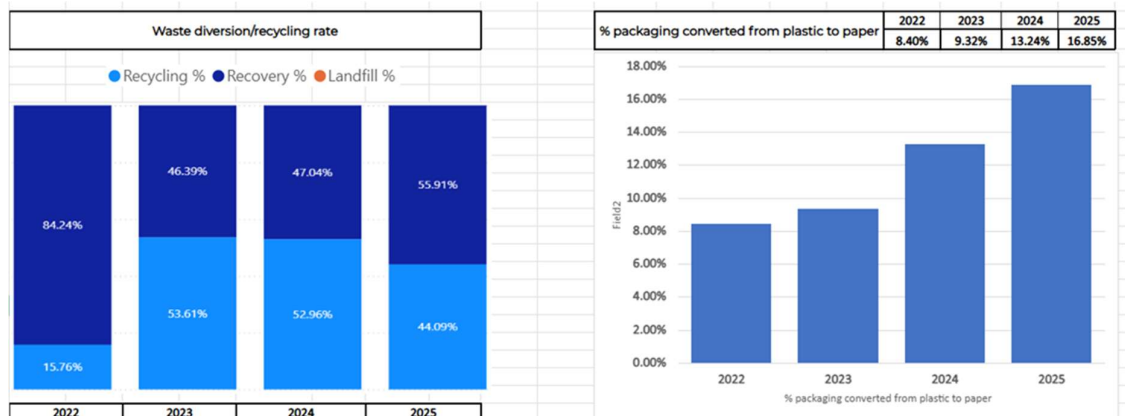
Algeos achieved ISO 14001 certification in 2024 and maintained certification in 2025, with no non-conformances identified during the relevant audits. The NHS Evergreen Sustainable Supplier Assessment improved from Level 1 to Level 2.

Resources, Circularity and Nature

Waste and packaging

Our aim is to eliminate waste sent to landfill and improve waste segregation, recycling and packaging reduction. Our preferred waste provider reports that product waste is recycled, with no waste sent to landfill. All packaging used on site was reported as fully recyclable following a change of packaging supplier.

- Paper-based packaging replaces plastic in a growing number of applications.
- A UK Shared Prosperity Fund-supported paper-bagging system replaces many single-use plastic packaging applications with recyclable alternatives.
- Outer cartons are reused as packing material where practical, reducing the need for additional void-fill materials.
- Overseas shipments are consolidated and sea freight is favored over air freight where practical



Priority	Measure to establish or strengthen
Packaging	16.85% of packaging converted from plastic to paper
Waste Diversion	55.91% of waste diversion recovery
Recycling	44.09% Recycling

Sustainable Innovation

Algeos 3D is intended to deliver more sustainable orthotic manufacturing through efficient on-demand production. The approach is designed to reduce overproduction, excess stock and material waste. The longer-term ambition includes recycled nylon content and renewable energy from solar generation. In 2026, commercial engagement included 36 registrations for an Algeos 3D Innovation Day. Full product lifecycle and eco-product sales measures are still being developed.

Nature

Our headquarters is located on an established industrial estate, which limits opportunities for extensive habitat creation. Bird boxes and bug hotels have been installed, and proportionate opportunities to support local biodiversity will continue to be considered.

Environmental priorities for the next reporting cycle

Priority	Measure to establish or strengthen
Packaging	Weight or units of plastic avoided; percentage of packaging recyclable.
Waste	Tonnes by waste stream; recycling rate; evidence supporting zero-to-landfill claims.
Eco-products	Revenue share, units sold and evidenced environmental benefit.
Supplier emissions	Supplier Code participation, certifications and high-risk action plans.
Climate resilience	Formal physical and transition risks, controls, owners and review dates.

Social Performance

Fair work and colleague experience

Living Wage
Employer
commitment

IIP Gold
Investors in
People

95%
retention, FY
ending 2025

- Private healthcare and enhanced maternity and paternity benefits.
- Mental Health First Aiders, Menopause Champions and a dedicated Listening Room.
- Regular wellbeing activities and practical support during major life events.
- Quarterly whole-company meetings led by the Managing Director.
- Employee Culture Club Forum, colleague surveys and “You Said, We Did” communication.
- Funding for external qualifications, training and internal progression.

Inclusion

Algeos reports a near-equal gender balance, with women holding more than half of management positions. Inclusive recruitment, management training, flexible working and workplace adjustments support accessible opportunity. We recognise that broader representation remains an area for continued attention and improvement.

Colleague Engagement

Annual Green Day activity and company-wide updates communicate environmental objectives and encourage participation. In 2026, ESG reporting through Track My Carbon, waste management and the dashboard was scheduled for monthly management updates.

Learning and opportunity

The Algeos Academy helps healthcare professionals improve outcomes and adopt new technologies. Algeos also supports apprenticeships, work experience and engagement with young people, including work with The King’s Trust. Future reporting will continue quantify learners, training hours, qualifications, progression and participant outcomes more consistently.

Algeos Academy	Results
Learners	3031
Countries Reached	39
Live Webinars	51
Workshops	4
Hours of Content Delivered	786 of which 16 were CPD accredited learning.

Community Impact

Community activity focuses on health, education and local wellbeing. Algeos combines financial support, donated materials, colleague fundraising, match funding, work experience and leadership involvement.

Area	Activity
Global lower-limb health	Support for the Zanzibar Infant Club Foot Appeal, Knowledge for Change in Uganda and Ukraine orthotics-based initiatives.
Health awareness	Support for Legs Matter and leadership involvement with the South Liverpool Parkinson's Society.
Young people	School engagement, work experience, apprenticeship and activity with The King's Trust.
Local wellbeing	Grassroots sports sponsorship and colleague-led fundraising supported by company match funding.
Professional education	The Algeos Academy supports healthcare learning and adoption of new technologies.

Impact measurement

Our next step is to continue to report community outcomes more consistently. Proposed measures include total financial and in-kind support, colleague volunteering hours, learners and students engaged, placements offered, beneficiaries reached and partner feedback.

Area	Activity
Amount raised for charitable causes	£3796
Number of work experience placements	8
Number of students engaged	8
Volunteer hours	66 hours

Economic contribution

Algeos views commercial success as a means of investing responsibly in people, innovation, communities and environmental improvement. Approximately 29% of pre-tax profits were invested in ESG initiatives over the three-year period reported in the previous sustainability submission. This included environmental improvements, colleague engagement and wellbeing, charitable support, professional education and ESG consultancy. A further approximately £300,000 was invested in roof improvements in 2024, supporting building maintenance and energy efficiency.

Responsible Governance and Supply Chain

Ethical business

Ethical standards are reinforced through colleague onboarding, the Code of Conduct, Supplier Code of Conduct, supplier audits and annual evaluations. ESG principles are intended to inform operational planning, procurement and investment decisions.

Supply-chain profile



The percentages above describe supplier numbers, not supplier spend. They demonstrate regional representation but should not be interpreted as a measure of procurement value.

Supplier ESG risk

During 2026, a supplier audit dashboard was populated using supplier questionnaire responses to provide an overview of ESG risk. Management minutes identify the need for action plans and evidence for suppliers rated as high risk.

Risk and resilience

Current mitigations include building and HVAC investment, energy efficiency, renewable electricity purchasing, local sourcing, shipment consolidation, preference for sea freight where practical, supplier evaluation and packaging alternatives. The next step is to formalise climate-related physical and transition risks within the business risk register, with ratings, controls, owners and review dates.

Performance dashboard

The table below distinguishes confirmed outcomes from measures still requiring a stronger evidence trail. It is designed to support transparent reporting and continuous improvement.

Theme	Indicator	Latest stated position	Status / evidence note
Climate	Carbon emissions	17% reduction in 2023; further 7% in 2024 and 8% in 2025	2022 and 2023 footprints quantified; retain annual calculations for later years.
Energy	LED lighting	100% conversion; 62% reduction in lighting electricity	Completed March 2024.
Energy	Renewable tariff	At least 50% of electricity purchased	Retain tariff and consumption evidence.
Environment	ISO 14001	Certified 2024; maintained 2025	No non-conformances in relevant audits.
Healthcare supply	NHS Evergreen	Improved from Level 1 to Level 2	Maintain assessment evidence.
Fleet	Company cars	All UK cars plug-in hybrid or fully electric	Eligible fleet ambition: fully electric by 2030.
People	Retention	95%	Financial year ending 2025.
People	Accreditations	Living Wage Employer; Investors in People Gold	Maintain current accreditation evidence.
Supply chain	Regional suppliers	68% Liverpool City Region; 18% wider Northwest	By number of non-stock suppliers, not spend.
Governance	ESG Dashboard	Owners, targets and review cycles	Introduced January 2025; strengthen trend reporting.
Products	Eco-product performance	Not yet quantified	Establish revenue share and impact measures.
Community	Beneficiary outcomes	Not yet aggregated	Establish consistent annual measures.

2027 Priorities

The priorities below respond to gaps identified while preparing this report.

Priority	Planned direction	Proposed evidence
Carbon plan	Reconcile legacy Net Zero dates and publish one approved pathway aligned to the current 2040 ambition.	Updated Carbon Reduction Plan and Board approval.
Eco-products	Define and label eco-products consistently and increase visibility.	Product criteria, sales share and impact data.
Supplier ESG	Expand assessment and manage high-risk suppliers.	Coverage %, Code acceptance %, certification % and action closure.
Climate resilience	Formalise physical and transition risks.	Risk register entries, controls, owners and review dates.
Community outcomes	Move from activity reporting to outcome measurement.	Funding, volunteering, reach and partner feedback.
Governance	Strengthen financial input into ESG oversight.	Finance representation or documented finance review process.

Reporting commitments

- Use consistent methodologies and explain any restatement of prior-year data.
- Separate verified outcomes from ambitions and planned initiatives.
- Retain source evidence for material claims.
- Review performance through the ESG Team and Board governance structure.
- Publish an updated annual ESG report using the best available completed-year data.

Basis of preparation and data notes

This is a voluntary management report prepared from Algeos internal information, the ESG Policy 2026, Carbon Reduction Plan documentation, environmental management records, management updates and the previous sustainability award submission. It has not been independently assured unless a specific accreditation or audit is stated.

Important qualifications

- The latest full quantified carbon footprint located for this report covers 2023 against the 2022 baseline. Later percentage reductions are drawn from the ESG Policy and should be accompanied by annual footprint calculations for external publication.
- The current ESG Policy sets a Net Zero ambition of 2040. A 2024 carbon document referred to 2045, while a 2025 objectives document referred to 2030. These dates should be reconciled through one formally approved Carbon Reduction Plan.
- Supplier-location percentages relate to the number of non-stock suppliers and do not represent procurement spend.
- The report does not state the percentage of suppliers that have signed the Supplier Code of Conduct or hold environmental accreditation because this was not specified in the available evidence.
- Claims concerning eco-product sales, plastic avoided, waste tonnage, training reach and community beneficiaries require additional quantified data.

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Document control

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