

EUROCELL PLC

2024 Half Year Results

eurocell

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Presenters

Darren Waters

Michael Scott



Overview

Darren Waters – Chief Executive

Profits up 33% on lower sales, driven by proactive gross margin management and reduced input costs

Full year expectations unchanged, despite trading conditions remaining challenging

Good early momentum on new strategy to build a £500m revenue business generating a 10% operating margin

Remain well positioned for when markets recover

Driving shareholder returns through a combination of a progressive ordinary dividend and share buybacks

Revenue

£175.7m

▼ 5% H1 2023

Adjusted profit before tax

£8.0m

▲ 33% H1 2023

Net cash from operating activities

£21.9m

▲ 5% H1 2023

Net debt (pre-IFRS 16)

£4.3m

December 2023: £(0.4)m (net cash)

Interim dividend

2.2p per share

▲ 10% H1 2023

A photograph of a modern, multi-story brick building. The building features a mix of light and dark red bricks. It has several large windows with dark frames and some balconies with black railings. A prominent feature is a vertical garden wall on the left side, covered in lush green plants. The sky is blue with some light clouds. The image is framed by a red graphic overlay on the left and right sides.

EUROCELL PLC

Financial Review

Financial Highlights

Michael Scott – Chief Financial Officer

Revenue

£175.7m

▼ 5% H1 2023: £184.4m

Adjusted profit before tax

£8.0m

▲ 33% H1 2023: £6.0m

Adjusted earnings per share

5.6p

▲ 30% H1 2023: 4.3p

Net cash from operating activities

£21.9m

▲ 5% H1 2023: £20.9m

Net debt/(cash) (pre-IFRS 16)

£4.3m

▲ £4.7m December 2023: £(0.4)m

Interim dividend

2.2p per share

▲ 10% H1 2023: 2.0p per share

▶ Revenue ▼ 5% vs H1 2023

- Trading conditions challenging, with volumes down 3%

▶ Adjusted profit before tax ▲ 33% vs H1 2023

- Proactively managing gross margin, combined with the benefit of lower input costs
- Competitive pressure on prices in the branch network
- Continued labour and other overhead cost inflation

▶ Adjusted earnings per share ▲ 30% vs H1 2023

- Includes impact of a higher tax rate

▶ Net cash from operating activities ▲ 5% vs H1 2023

- Continued focus on managing working capital
- Pre-IFRS 16 net debt £4.3m, with good headroom and liquidity

▶ Driving shareholder returns through a combination of a progressive ordinary dividend and share buybacks

- Interim dividend of 2.2p per share up 10% vs H1 2023
- £10m share buyback programme completed in H1
- Further £5m buyback launched

Financial Performance

Income Statement

£m	H1 2023	H1 2024	Change
Revenue	184.4	175.7	▼ 5%
Gross profit	84.8	92.2	
<i>Gross margin %</i>	<i>46.0%</i>	<i>52.5%</i>	
Overheads	(65.1)	(70.4)	▲ 8%
Adjusted EBITDA⁽¹⁾	19.7	21.8	▲ 11%
Depreciation and amortisation	(12.1)	(12.5)	
Adjusted operating profit⁽¹⁾	7.6	9.3	▲ 22%
Finance costs	(1.6)	(1.3)	
Adjusted profit before tax⁽¹⁾	6.0	8.0	▲ 33%
Taxation	(1.2)	(1.9)	
Adjusted profit after tax⁽¹⁾	4.8	6.1	▲ 27%
Adjusted basic EPS (pence)⁽¹⁾	4.3	5.6	▲ 30%
Dividends per share (pence)	2.0	2.2	▲ 10%
Non-underlying items	(2.5)	(0.4)	
Reported profit before tax	3.5	7.6	▲ 117%

▶ **H1 2024 non-underlying items £0.4m**

- Implementation costs for strategic IT projects – cloud-based “Software as a Service”

▶ **H1 2023 non-underlying items £2.5m**

- £1.8m termination costs in respect of Q2 2023 restructuring
- £0.7m implementation costs for strategic IT projects

(1) Adjusted measures are stated before non-underlying items of £0.4m and the related tax effect (H1 2023: £2.5m)

Sales

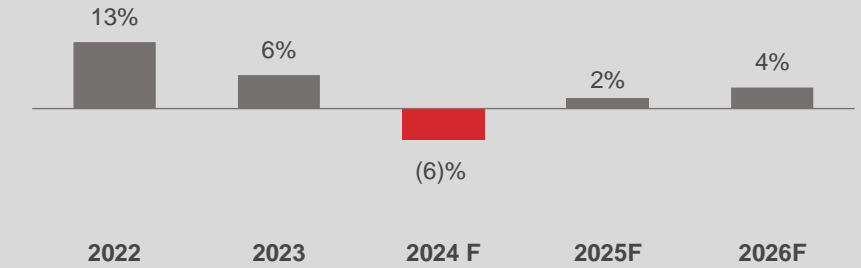
Continued Weak Market Conditions

Sales Bridge

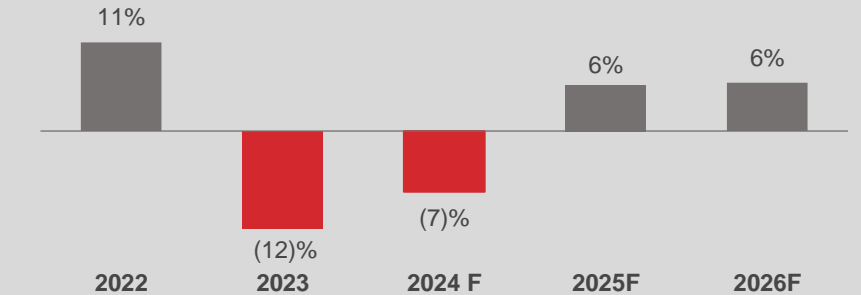


CPA Construction Products Industry Forecasts 2024-26 ⁽¹⁾

Private housing RMI growth



Total housing growth



▶ Sales ▼ 5%, with volumes ▼ 3%

- Trading conditions continue to be tough, exacerbated by wet weather and the Election
- RMI impacted by weak consumer confidence
 - Lower investment in home improvements
- Weak residential construction market
 - Successive interest rate increases and falling house prices

▶ Profiles ▼ 9%, with volumes ▼ 8%

- Subdued RMI and weak new build activity
- Selectively acquired a small number of new fabricator accounts over the last 18 months

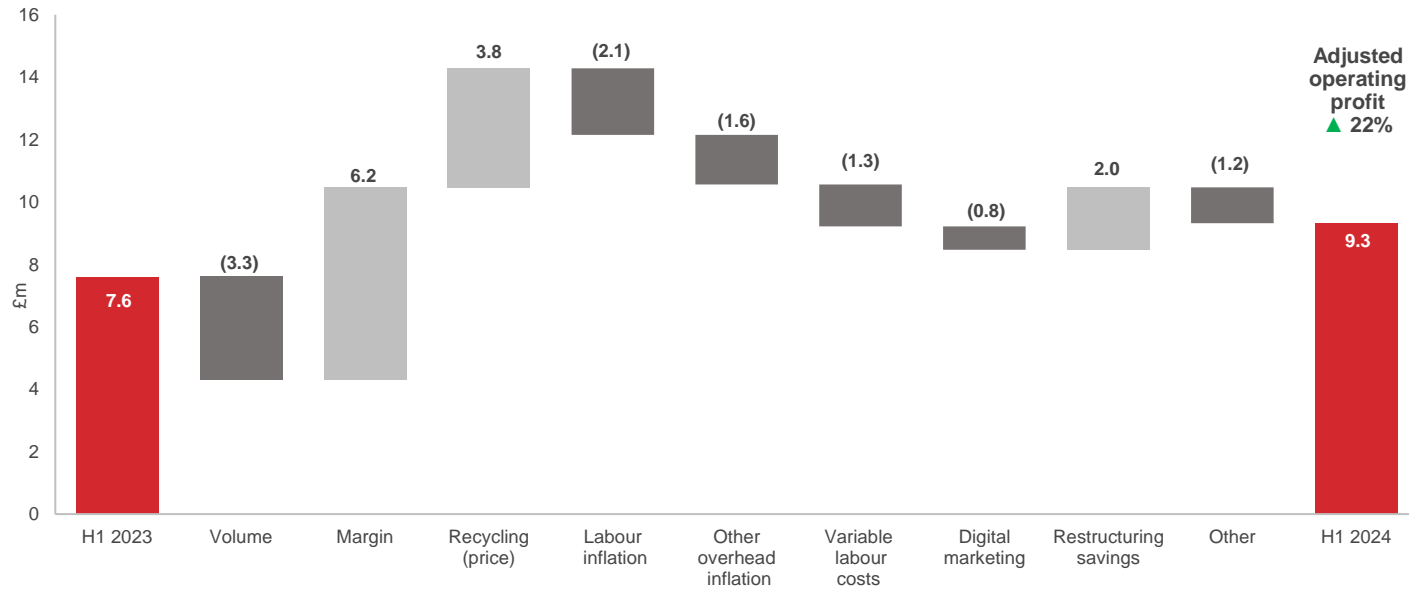
▶ Branch Network ▼ 2%, with volumes ▲ 1%

- Subdued RMI activity, with underlying volumes down
- Good early progress with strategic initiatives: garden rooms, digital, windows and doors
- Pricing pressure in the branch network

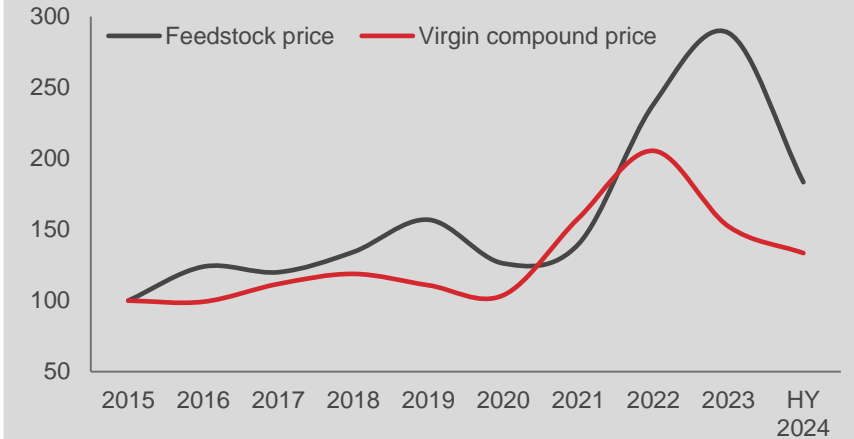
Adjusted Operating Profit

Profits Up Driven by Reduced Input Costs

Operating Profit Bridge



Virgin Resin and Recycling Feedstock Prices (indexed)



▶ **Adjusted operating profit ▲ 22%**

▶ **Volume ▼ 3%**

- Lower sales volumes and impact of operational gearing

▶ **Proactively managing gross margin**

- Continue to offset cost inflation with selling price increases
- Increased competition for limited demand leading to pressure on margins in the branches
- Lower raw material and electricity costs

▶ **Recycling feedstock prices lower**

- Securing additional sources of feedstock
- Absolute gross margin benefit from 9.1kt used instead of virgin compound

▶ **Labour, other inflation and variable pay**

- April 2024 pay award (4%) and other overhead cost inflation
- Normalised bonus and share-based payment charges

▶ **Increased investment in digital marketing to support strategic initiatives**

▶ **Restructuring savings**

- Q2 2023 restructuring delivers c.£4m savings on an annualised basis

Capex

Well-invested Facilities

▶ H1 2024 capex £4.5m (H1 2023: £3.8m)

- Primarily maintenance capex

▶ 2024 capex guidance c.£12m

- £2m for strategic initiatives
 - Includes new branches plus windows and doors
- £2m for branch refurbishments and relocations
- £1m to develop IT infrastructure
- Remainder is maintenance capex

▶ Implementation costs for ERP replacement project

- Charged to P&L (non-underlying) where cloud-based “Software as a Service”
- £0.4m in H1 2024
- Estimate c.£3m for FY 2024
- See Business Effectiveness update

▶ Recent investments in capacity resolved historic operational constraints

- Focus now is on delivering improved operating efficiencies
- Capacity headroom facilitates strategic initiatives and further growth when markets recover

Total Capital Expenditure and Allocation (£m)

	2018 ⁽¹⁾	2019	2020	2021	2022	2023	H1 2024
Manufacturing capacity	3	5	-	7	4	1	-
Recycling capacity ⁽¹⁾	7	6	2	1	1	-	-
Warehousing capacity	-	-	8	2	1	-	-
IT Infrastructure	-	-	-	-	2	1	-
Other (inc. new branches and maintenance)	4	4	4	7	4	7	5
Total	14	15	14	17	12	9	5

Manufacturing Capacity Expansion

	2018	2019	2020	2021	2022	2023
Extruders (#)	51	59	59	64	69	69
Capacity at year end (kt)	49	60	60	66	71	71
Production (kt)	50	55	46	57	54	51

(1) Includes acquisition consideration of £5m for Eurocell Recycle North

Working Capital

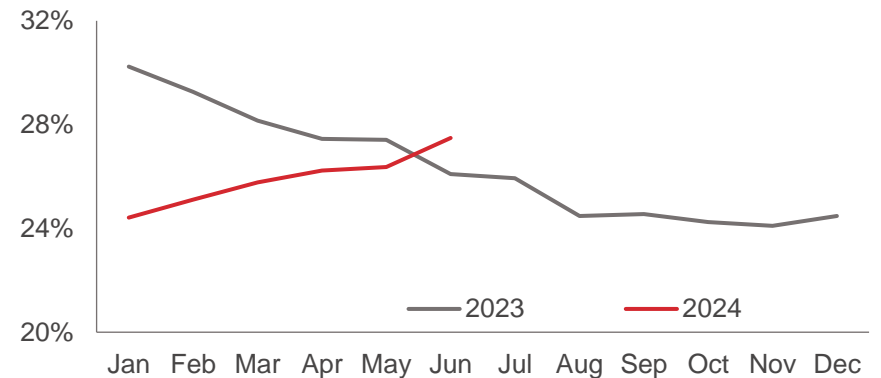
Efficient Cash Flow Management

- ▶ **Inflow from working capital £0.9m**
- ▶ **Stock days at 88 vs 84 at December 2023 and 86 at June 2023**
 - Stocks ▲ £1.3m
 - Supports strategic growth initiatives
 - Follows optimisation programme in 2023 (£13m reduction in stocks)
 - Achieved through improved conformance to production plans and operating efficiency
 - No impact on customer service, with OTIF⁽¹⁾ remaining at 95%
- ▶ **Debtor days at 32 vs 27 at December 2023 and 34 at June 2023**
 - Receivables ▲ £5.7m – impact of seasonality offset by good cash collection
- ▶ **Creditors ▲ £7.9m since December 2023 – impact of seasonality**
- ▶ **2024 guidance – outflow of c.£3m**
 - Impact of strategic growth initiatives, less ongoing stock optimisation

Key Working Capital Metrics

	Stock Days	Debtors Days
June 2023	86	34
December 2023	84	27
June 2024	88	32

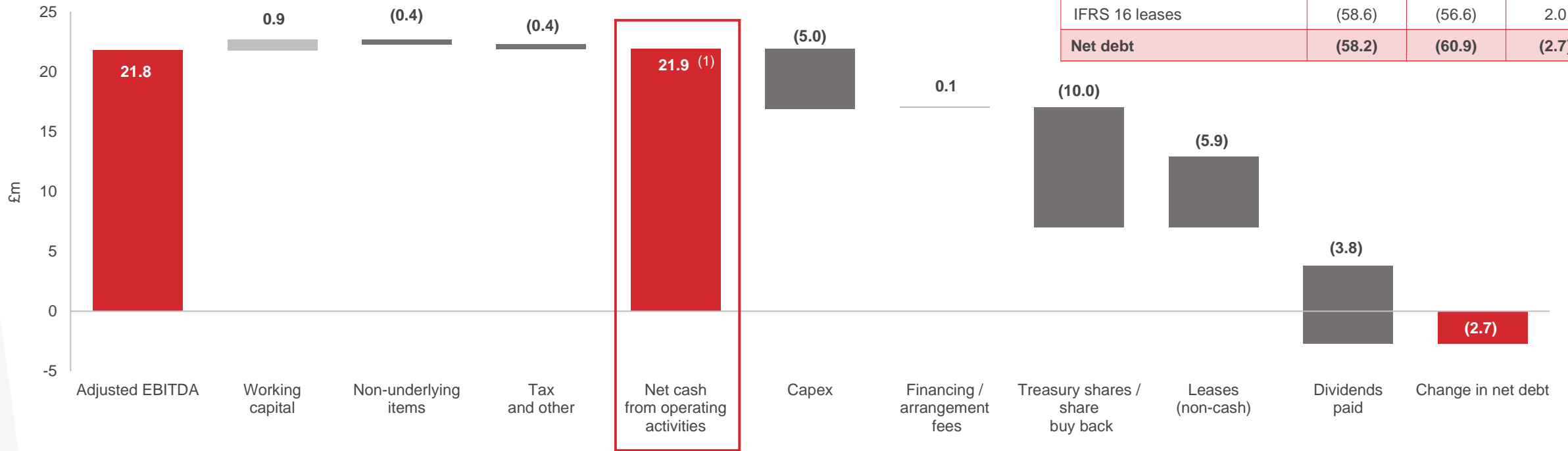
Inventory as a % of LTM Cost of Sales



(1) OTIF is on-time-in-full

Cash Flow

Strong Balance Sheet and Liquidity



Net Cash/(Debt) Reconciliation

£m	Dec 2023	Jun 2024	Change
Cash and overdraft	0.4	0.1	(0.3)
Borrowings	-	(4.4)	(4.4)
Net cash/(debt) (pre-IFRS 16)	0.4	(4.3)	(4.7)
IFRS 16 leases	(58.6)	(56.6)	2.0
Net debt	(58.2)	(60.9)	(2.7)

► **Inflow from working capital £0.9m**

- Stocks ▲ £1.3m
- Receivables ▲ £5.7m
- Payables ▲ £7.9m

► **Tax paid and other**

- Tax payments £1.1m
- Share-based payments and other non-cash items £0.7m

► **Reported net debt increase £2.7m**

- Pre-IFRS 16 net debt increase £4.7m
- IFRS 16 leases debt decrease £2.0m – net impact of cash payments on leases, less branch renewals and new leases

► **Strong balance sheet and liquidity**

- £75m debt facility matures in 2027

(1) Cash generated from operations of £23.0m less tax paid

Capital Allocation Policy

Focused on Enhancing Shareholder Returns

▶ **Capital allocation policy updated following launch of new strategy**

- The Board has assessed how we enhance shareholder returns
- Intend to drive returns through a combination of a progressive ordinary dividend and supplementary distributions (currently via share buybacks)



▶ **Prioritise organic investment in line with strategic plan**

- Maintenance capex
- Strategic plan initiatives
 - Branch network
 - IT systems
 - Continuous improvement

▶ **Recognise importance of ordinary dividend**

- Progressive going forward

▶ **Market purchase of shares for employee incentive schemes**

- Hold treasury shares to satisfy options in next 2 years

▶ **Disciplined approach to acquisitions**

- Clear strategic rationale consistent with our plan
- Compelling financial justification

▶ **Periodically consider supplementary distributions**

- Always seek to maintain a strong financial position
- No borrowing to fund supplementary distributions
- Net debt not to exceed 1x EBITDA (pre-IFRS 16), unless clear short-term deleveraging plan
- Currently via share buybacks
 - £10m completed in H1 2024
 - Now extended by up to £5m

Financial Summary

Including Technical Guidance for 2024

- ▶ **Adjusted PBT up 33% despite lower sales, driven by:**
 - Proactive gross margin management, combined with the benefit of lower input costs
 - Partially offset by lower volumes and competitive pressure on selling prices in the branches
- ▶ **Expectations for the full year unchanged**
- ▶ **Net cash generated from operating activities up 5%, reflecting:**
 - Continued focus on working capital management
- ▶ **Strong balance sheet and liquidity**
- ▶ **Well-invested facilities with available operating capacity**
- ▶ **Well positioned to deliver our strategy and for market recovery**
- ▶ **Updated capital allocation policy**
 - Driving shareholder returns through a combination of a progressive ordinary dividend and share buybacks

Guidance (post-IFRS 16)	2023 Reported	2024 Guidance
Underlying Income Statement		
Depreciation and amortisation	£24.7m	c.£25m
Finance costs	£3.2m	c.£3m
Effective tax rate	18.8%	c.24%
Non-underlying Income Statement		
Strategic IT systems implementation	£0.8m	c.£3m
Balance Sheet		
Working capital	£13.4m inflow	c.£3m outflow
Capex	£8.9m	£12m



EUROCELL PLC

Strategy Update

New Strategy

Launched March 2024

eurocell

Creating sustainable building solutions for the trade of today, the homes of tomorrow and the environment of the future

5-YEAR
AMBITION

£500m

Sales

£50m

Operating
profit

10%

Operating
margin

CUSTOMER GROWTH

Be the trade customers' **preferred choice**, in all markets and segments in which we decide to compete

- Branch network
- Extended living
- Fabricators
- Digital growth

BUSINESS EFFECTIVENESS

Be a **lean, and efficient business** that enables agility and enhances our profitability

- Operational efficiencies
- IT systems and digitalisation

PEOPLE FIRST

Be a **great place** to work, and a **great brand** to invest in

- Health and safety
- Engagement
- Employee value proposition
- Growing talent

ESG LEADERSHIP

Earn a reputation for being a **truly responsible** company

- Environmental
- Path to Net Zero
- Circular economy
- Waste minimisation

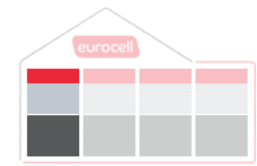
OUR CORE VALUES

AGILE

GRITTY

PROUD

DECENT



CUSTOMER GROWTH

Customer Growth – Branch Network Update

Confirmed Optimal Estate Size of at Least 250 Branches, with Priority Locations Identified

CACI help us determine **eurocell**'s demand map

CACI LOCATION INTELLIGENCE DATA MODEL

CACI model combines Eurocell data with UK population and housing data sources

Customer demand derived using drive-times

DEMAND MAP



Key Drivers and Critical Success Factors for **eurocell** Branches

Customer demand for Eurocell product is driven by...

- higher number of households within catchment area...
- with higher proportion of home ownership...
- skewed more towards larger residential properties...
- in areas where age of housing stock is at least 25 years old...
- and where affluence is higher.

Attractiveness of a Eurocell branch is affected by...

- proximity to other Eurocell branches...
- in branches with strong teams, with low labour turnover...
- with a slight skew towards overperformance in coastal locations...
- and in branches with good access and parking.

Catchment area for a Eurocell branch is impacted by...

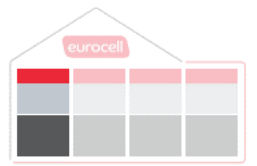
- customer drivetimes at peak hours (rush hour)...
- in branches where competitors create a “hub effect” that attracts demand...
- despite competitors pulling on our available demand...
- which is primarily driven by key competitors (Gap / Epwin).

Conclusion Output of CACI modelling and detailed review confirm an optimal estate size of at least 250 branches

- 2024/25**
- Sites identified for 8 new branches (2 opened in Q4 2024 and 6 in Q1 2025)
 - Further 11 high priority new locations to be progressed in 2025
 - 3 relocations planned for 2024 and 4 in 2025

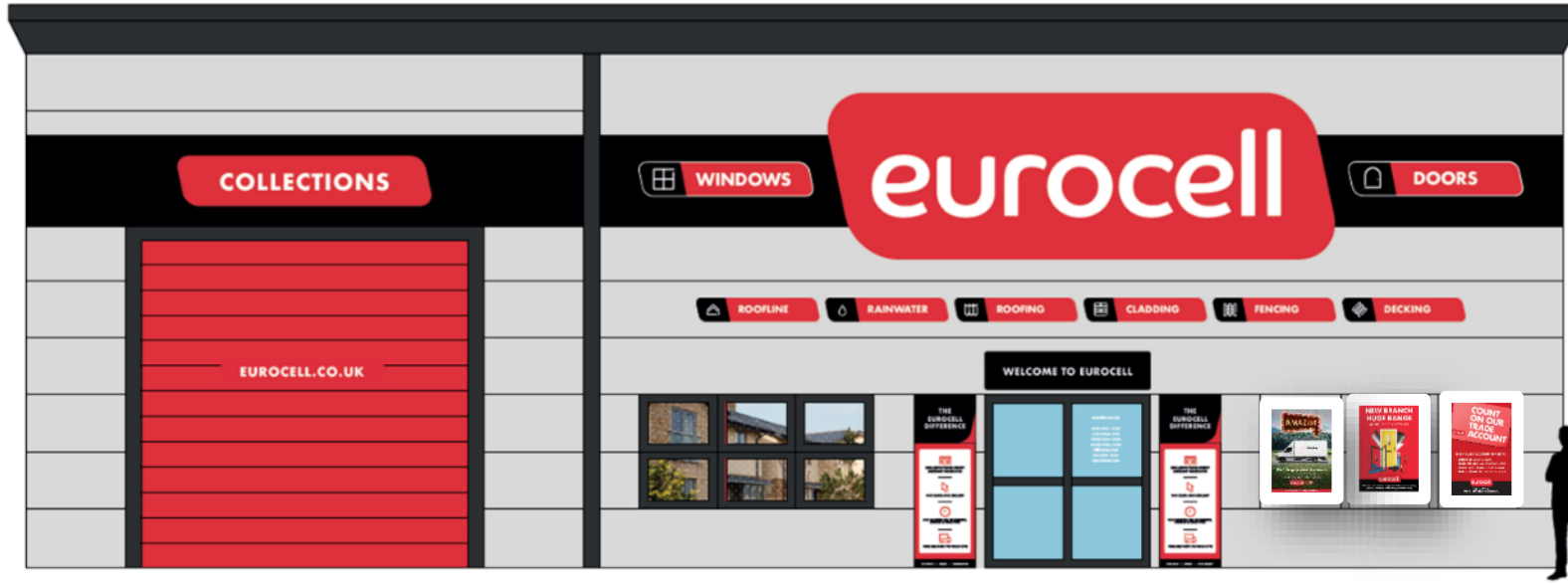
Customer Growth – Branch Network Update

Refreshed Branch Exterior and Signage



CUSTOMER GROWTH

New Exterior Standard



Live Example – Wembley Relocation

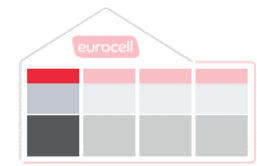


► Brand loud and proud

- Windows and doors prominent, with core categories mid-height
- Services at eye-level for trade counter entry
- Promotional space for seasonal activity and campaigns

► Wembley relocation using new exterior standard

- Consolidated Greenford and Staples Corner into new site at Wembley in April 2024
- Performing ahead of plan

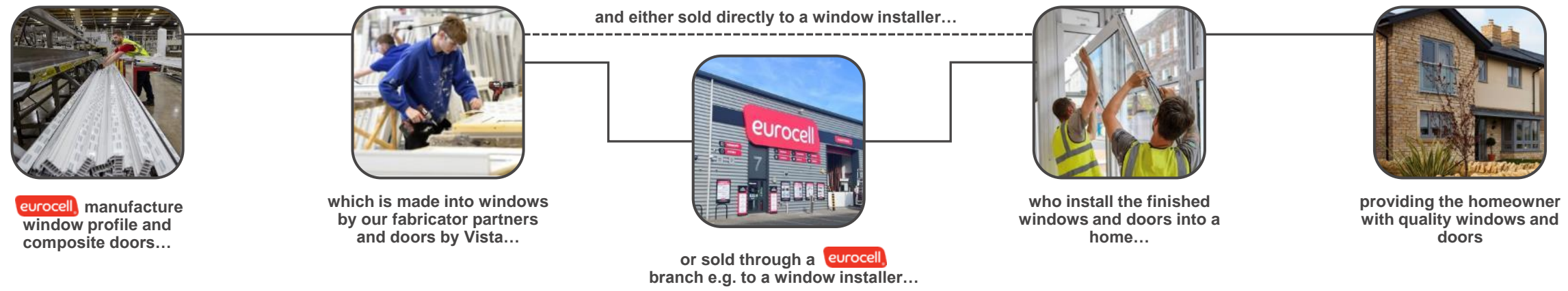


CUSTOMER GROWTH

Customer Growth – Windows and Doors

Strategy Overview

Route to Market for **eurocell** Windows



The Growth Opportunity for **eurocell**

- Improves returns for the whole branch network
- Shortens time to break-even and payback for new branches
- Utilises spare production capacity for window profile and doors

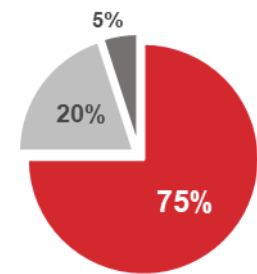
Opportunity to increase window and door sales to installers through our network of UK branches...



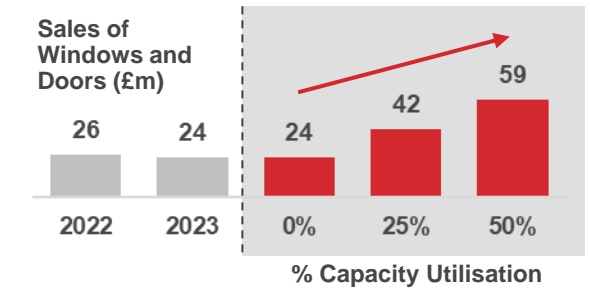
by utilising spare capacity in our branches, which currently sell c.1,100 frames per week, but have the space to sell up to c.6,300 frames per week...

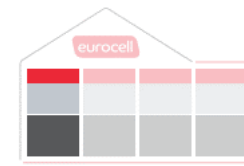
through a targeted approach, focussing primarily on window installers (who buy competitor windows)...

- Target Customers
- Window installers
 - General builders
 - DIY'ers



which through a phased roll-out, has potential to deliver c.£35m incremental sales (at 50% capacity)



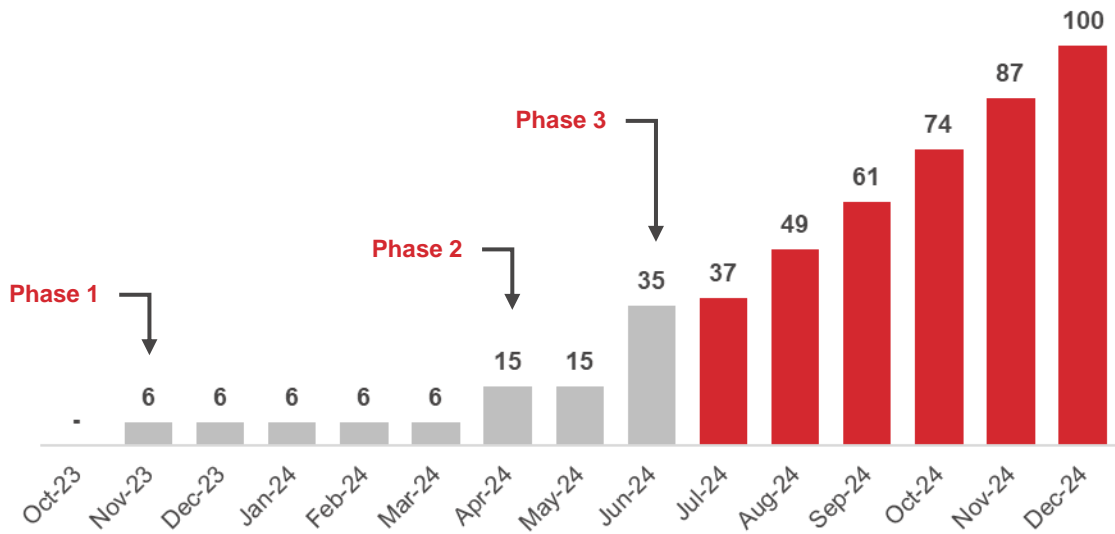


CUSTOMER GROWTH

Customer Growth – Windows and Doors Update

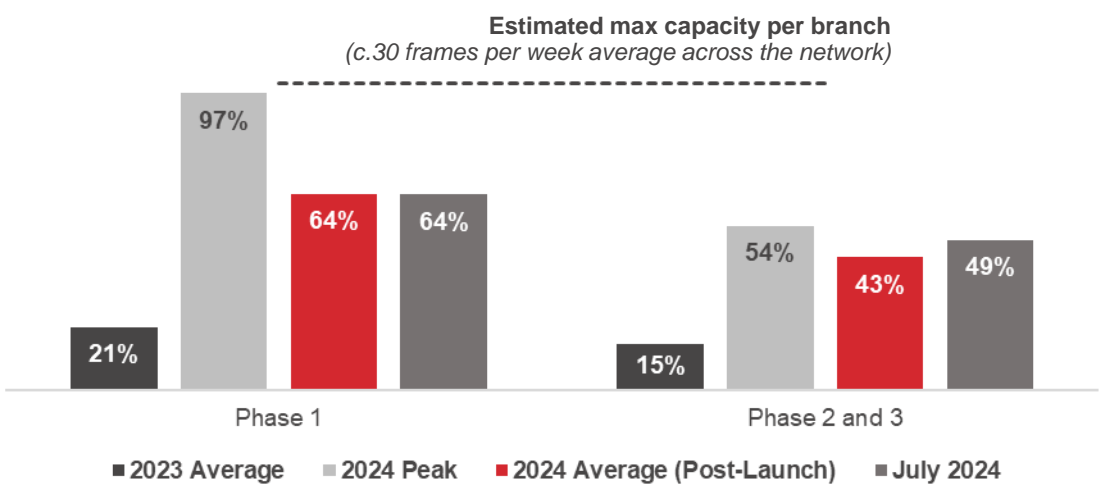
Successful Trial with Roll-out Now Being Accelerated

Estimated # Branches Live on Programme



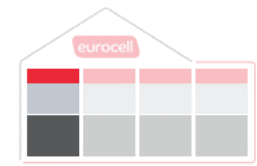
Sales of Windows and Doors – Estimated Capacity Utilisation from Live Branches

“2024 Peak” is an average of the best individual months of each branch within the phase



- ▶ **6 branch trial in Q4 2023 exceeded expectations**
- ▶ **Roll-out accelerated to c.100 branches live by year end**
 - Previously c.50, with remainder in 2025
- ▶ **2024 focus on:**
 - Establishing supply chain – incremental sales for existing fabricators
 - Branch staff training, plus efficient centralised quotation and order processing

- ▶ **First 3 phases running at 50%+ capacity**
 - Phase 1 (6) – demonstrates operational capability at c.30 frames per week
 - Phase 2 and 3 (29) – good start, with upward sales trajectory



CUSTOMER GROWTH

Customer Growth – Extended Living Update

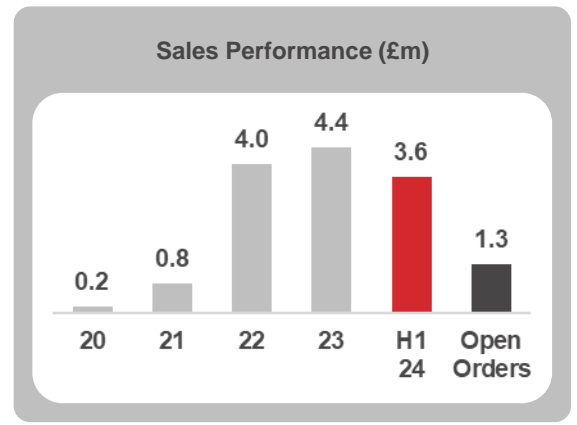
Performance on Track

- ▶ **Garden rooms**
 - Leveraging exceptional customer journey and efficient processes
 - Good opportunity to gain share
- ▶ **Extensions**
 - Cost-effective, energy-efficient solution to convert or extend property
 - Modern methods of construction in innovative kit form
 - Installation in weeks not months
 - Encouraging launch in 2023
- ▶ **Potential for incremental sales of c.£30m in 5 years**

OUR AMBITION Take share from established market leaders and become best-in-market

Horizontal / Vertical Cladding

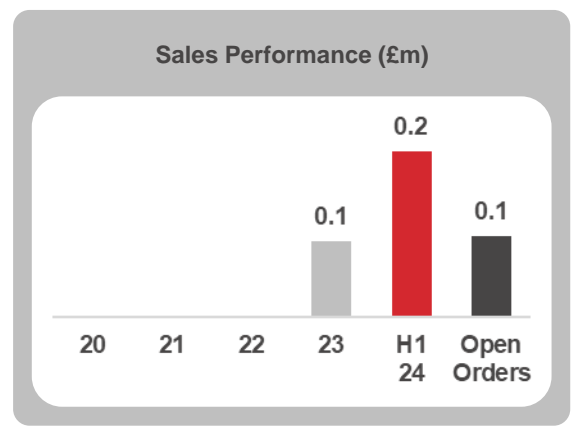
High End Model



OUR AMBITION Develop our innovative solution for homeowners to convert or extend property

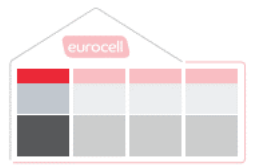
Conservatory Conversion

New Build Warm Rooms



Digital Growth

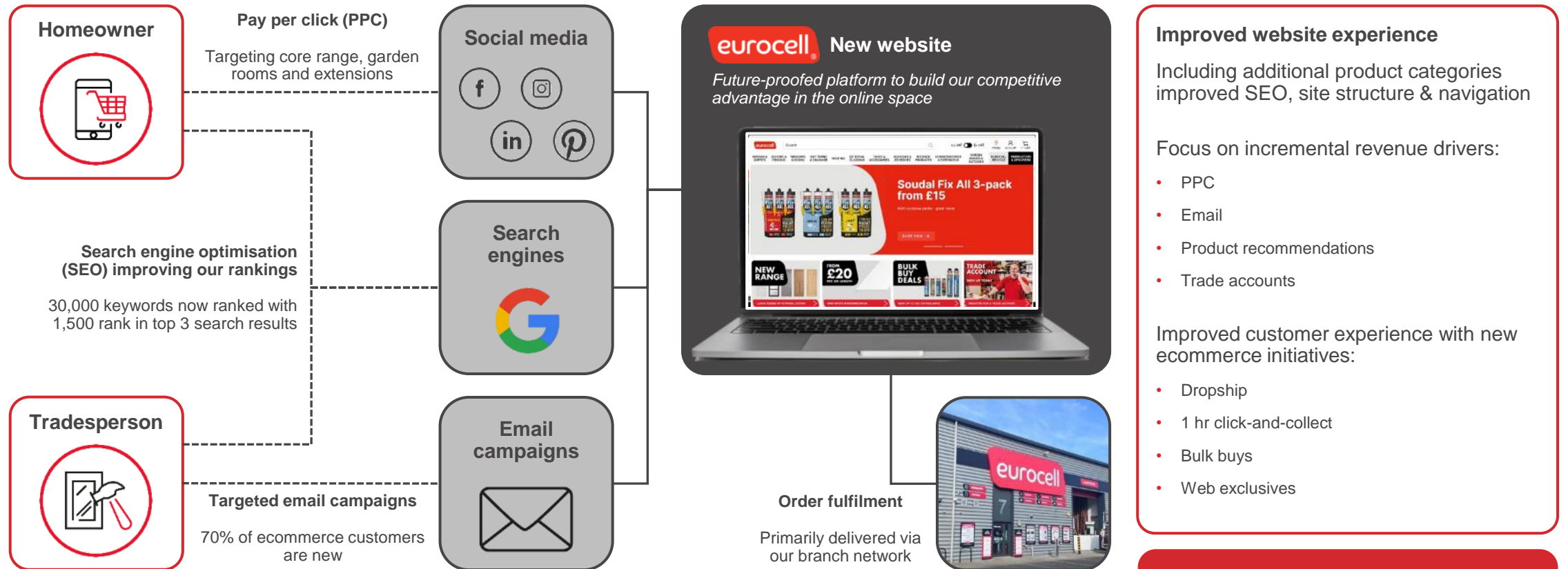
Strategy Overview and Update



CUSTOMER GROWTH

OUR AMBITION

Enhance our market leading digital proposition to build awareness of our products and home improvement solutions, driving new customers and incremental sales

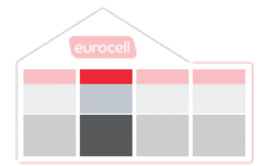


Digital activity builds awareness of our brand, attracts new customers and drives traffic to our branches

Resulting in stronger web trading

Organic traffic is now ▲ c.200% v 2023

B2C e-commerce sales ▲ 40% v 2023



Business Effectiveness

Strategy Overview and Update

OUR AMBITION

A lean and efficient business that enables agility and enhances our profitability

IT SYSTEM REPLACEMENT

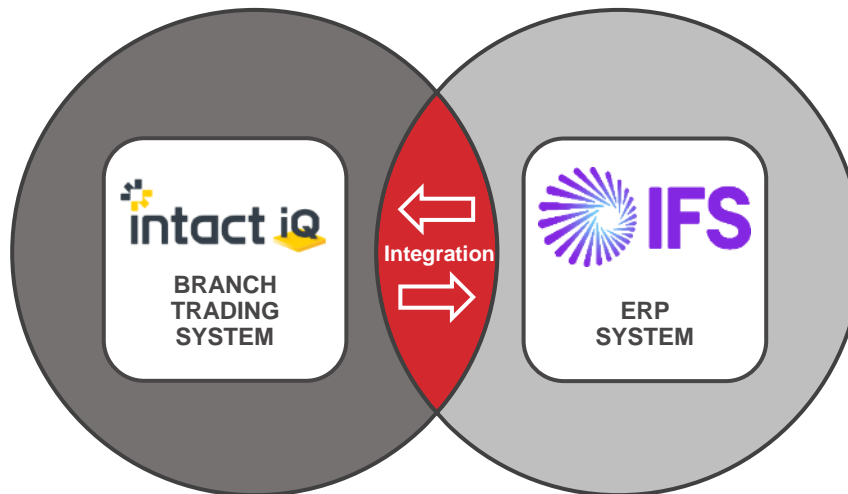
Estimated cost of IT system replacement project in the region of £10m over the next 3 years (including c.£3m in 2024)

Branch system benefits ● Shared benefits ● ERP system benefits ●

PROCESS SIMPLIFICATION

QUOTATION MANAGEMENT

DELIVERY MANAGEMENT AND TRANSPORT PLANNING



DATA TO DRIVE DECISION MAKING

IMPROVED MANAGEMENT INFORMATION

REMOVAL OF STANDALONE NON-INTEGRATED SYSTEMS

CONTINUOUS DEVELOPMENT

CONTINUOUS IMPROVEMENT

Expecting customer growth initiatives to exploit spare manufacturing capacity

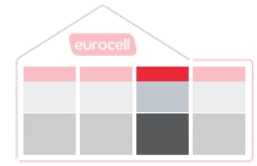
Targeting better use of operational footprint

Identified opportunities for:

- Process innovation to drive material efficiency and yield improvements
- Reduced scrap and lower cost of poor quality
- Improved labour utilisation
- Use artificial intelligence to optimise inventory levels

People First

Strategy Overview and Update



PEOPLE FIRST

OUR AMBITION

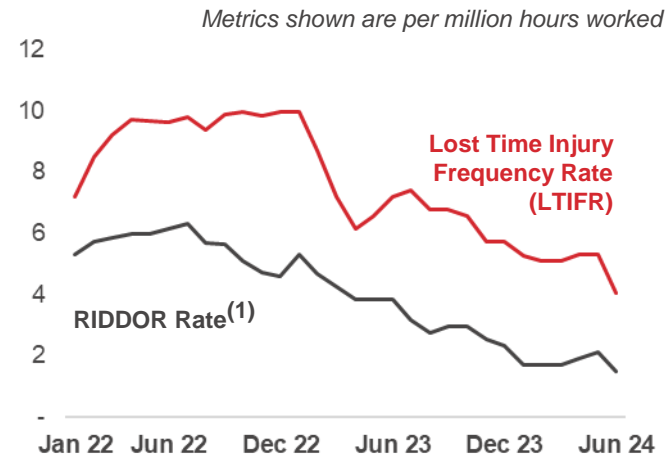
Eurocell will be a great place to work where talented, engaged and motivated colleagues work passionately to achieve clear business and personal goals

Launch of new **eurocell** people branding



Underpinned by a relentless focus on health and safety

HEALTH AND SAFETY



ENGAGEMENT

- Internal communications enhanced, with annual calendar of events
- “Proud” awards introduced, driving group-wide recognition and embedding values
- Eurocell 50th year anniversary fundraising for Maggie’s charity
- New engagement survey launch September 2024

EMPLOYEE VALUE PROPOSITION

- “Eurocell & You” brand created
- New careers website – job applications up by 17%
- Improving reward and recognition schemes – grading and salary/benefit structure under development
- Wellbeing framework launch planned early 2025

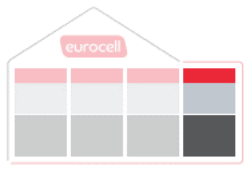
GROWING TALENT

- Review completed with improvements prioritised on:
 - Induction consistency
 - Use of apprenticeships
 - Succession planning
 - Leadership Development

(1) RIDDOR is the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013

ESG Leadership

Strategy Overview and Update



ESG LEADERSHIP

OUR AMBITION

Earn a reputation for being a truly responsible company

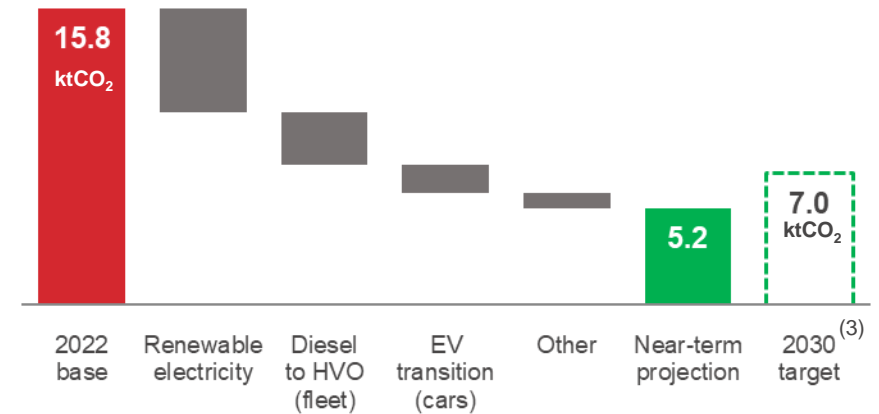
▶ Target Net Zero by 2045

- File targets with SBTi in 2024 and publish transition plan in 2024 Annual Report
- Scope 1 and 2 emission reduction actions under consideration:
 - Transition to 100% renewable electricity
 - Conversion of commercial fleet to HVO ⁽¹⁾ and company cars / vans to electric vehicles
- Scope 3 actions expected to include:
 - Maximise use of recycled material in primary extrusion processes (target 40% by 2030)
 - Progressive conversion to commercially viable low-carbon alternative to virgin PVC resin
 - Supplier engagement to set and meet their own science-based targets

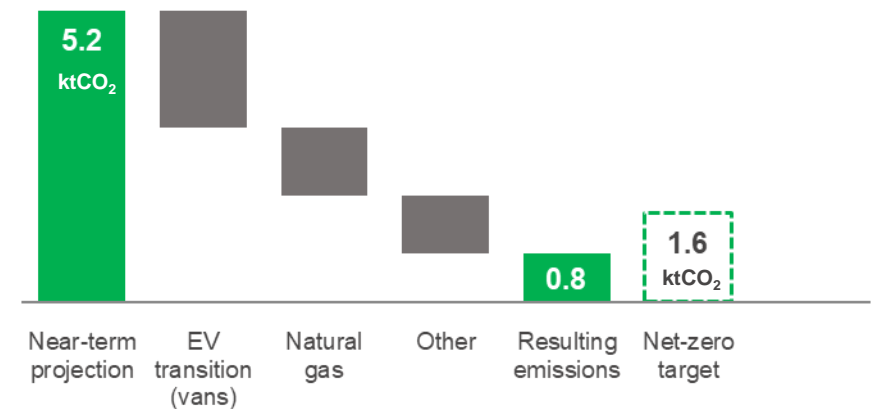
▶ 2024 sustainability improvements

- Use of recycled material increased to 33% in H1 2024 (FY 2023: 32%)
- Installed 1.1MWp⁽²⁾ solar system at extrusion facility (lifetime CO₂ saving of c.3,500t)
- Installation of 0.6MWp solar system at main distribution centre approved
- Lower carbon PVC resin to be used in Modus profile from 2025
 - Embodied carbon 40% below EU average

Scope 1 & 2 – Illustrative Near-term Reduction Pathway



Scope 1 & 2 – Illustrative Long-term Reduction Pathway



(1) HVO is hydrotreated vegetable oil

(2) MWp is Megawatt peak

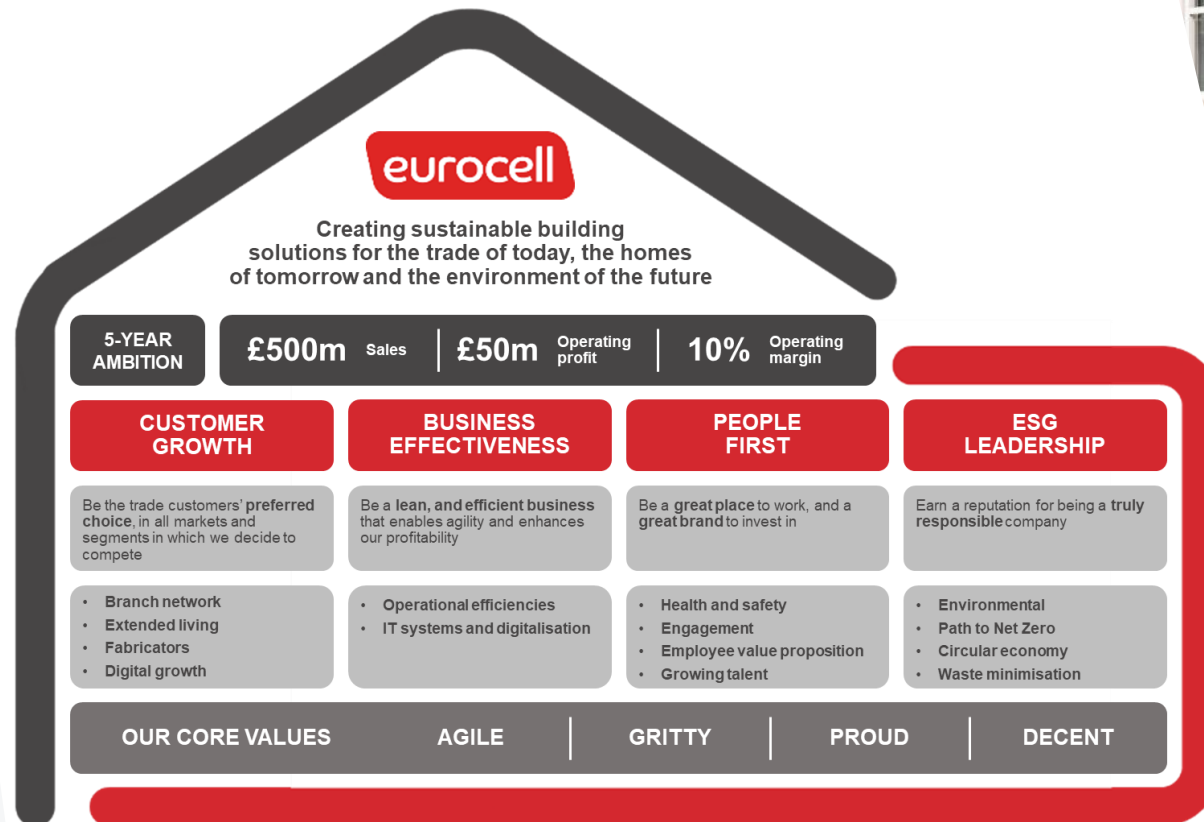
(3) Near-term target can be 2029-2034, with 2030 shown for illustration only

Summary and Outlook

Increased first half profits

Full year expectations unchanged

Good early momentum with strategic initiatives





APPENDIX

Divisional Review

2024 Performance

▶ Profiles

- Sales down 9%, with volumes down 8%
 - Subdued RMI activity and a weak new build market
 - Selectively acquired a small number of new accounts over the last 18 months
 - Cost of living pressures, interest rate increases and falling house prices have all had a significant adverse impact on our end markets
- Adjusted operating profit up 74%
 - Lower input costs and selling price increases
 - Partially offset by lower volumes and overhead cost inflation

▶ Building Plastics (Branch Network)

- Sales down 2%, with volumes up 1%
 - Underlying volumes down, with homeowners holding back on discretionary expenditure against a backdrop of macro uncertainty
 - Good early progress with our strategic initiatives for garden rooms, digital, windows and doors
- Adjusted operating profit down 36%
 - Increased competition for limited demand continuing to drive pressure on selling prices, plus overhead cost inflation
 - Partially offset by lower input costs and selling price increases

Profiles Division P&L

£m	H1 2023	H1 2024	Change
3 rd party revenue	79.5	72.6	▼ 9%
Inter-segmental revenue ⁽¹⁾	34.9	32.7	▼ 6%
Total revenue	114.4	105.3	▼ 8%
Adjusted operating profit⁽²⁾	4.9	8.5	▲ 74%
Operating profit	3.4	8.5	▲ 150%

Branch Network Division P&L

£m	H1 2023	H1 2024	Change
3 rd party revenue	104.9	103.1	▼ 2%
Inter-segmental revenue	0.2	0.2	-
Total revenue	105.1	103.3	▼ 2%
Adjusted operating profit⁽²⁾	3.4	2.2	▼ 36%
Operating profit	2.4	1.8	▼ 26%

(1) Sales of foam profile to Branch Network at transfer price

(2) Adjusted performance measures are stated before non-underlying items

Powerful Sustainability Credentials

Leading UK-based Recycler of PVC Windows

▶ Improving % of recycled material consumed

- Use in primary extrusion increased to 33% of consumption in H1 2024 (FY 2023: 32%)
- Objective to increase to 40% of consumption by 2030
- Output also used in products made from 100% recycled material or sold to third parties

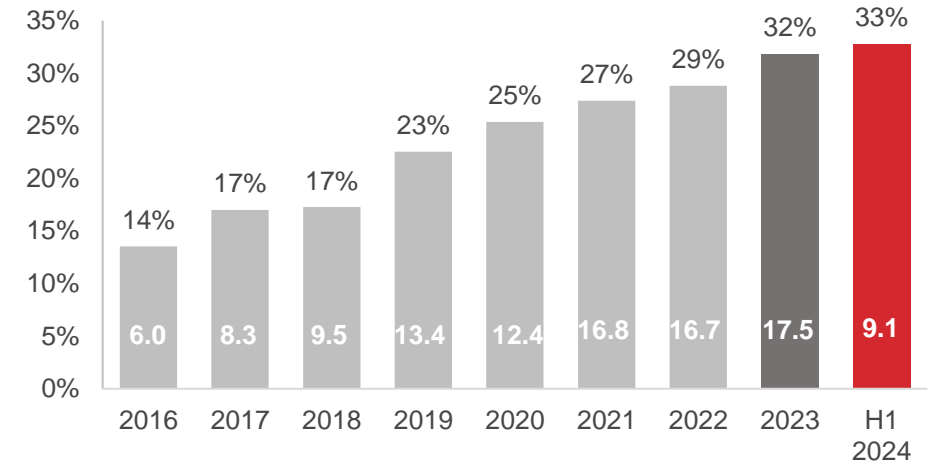
▶ Recycling drives substantial carbon and cost savings

- Estimate recycling operation saved c.47kt of carbon in 2023 vs the use of virgin PVC⁽¹⁾
- c.3m end-of-life window frames saved from landfill in 2023
- Gross margin benefit from use of recycled material vs virgin compound

▶ Total waste recycled 76% in 2023 (2022: 82%)

- New applications for recycling operation waste products previously landfilled
- Substantially all scrap generated in extrusion is recycled

Use of Recycled PVC in Manufacturing



What does c.47k tonnes of CO₂ look like?

Annual CO₂ output of > 7,000 homes⁽²⁾

What does it mean for house builders?

Estimate a house builder constructing 2,500 semi-detached houses will save c.500 tonnes of CO₂ equivalent per year by using Eurocell windows and cavity closures, compared to a competitor using virgin PVC windows⁽³⁾

(1) Savings calculated at c.1.7t of CO₂ saved per tonne of recyclate, derived from "Life Cycle Assessment of Re-cycling PVC Window Frames", Heinz Sticchothe, School of Chemical, Engineering and Analytical Science, University of Manchester

(2) Based on 2017 UK national figures

(3) Based on typical semi-detached home with 7 windows and french doors

Environmental and Social

Targets and KPIs

	KPI	2022 Result	2023 Result	Target	Link to UN SDGs
Environmental – circular economy					
Waste to landfill	% landfill	12%	9%	No more than 5% waste to landfill by 2025 and 1% by 2030	
Waste recycled	% recycled	82%	76%	Increase of 2% per annum by 2025 then 1% per annum thereafter	
Recycled material used in production	% used	29%	32%	40% by 2030	
CO ₂ saved by recycling operation	Tonnes saved	47kt	47kt	Year-on-year increase	
Recycled material yield	% generated	59%	63%	72% by 2030	
Environmental – emissions, energy management and pollution					
Scope 1, 2 and 3 emissions (market-based)	Absolute Scope 1, 2 and 3 emissions	210,704 tCO ₂ e	188,199 tCO ₂ e	Net Zero by 2045	
Renewable energy	% renewable energy used	72% total energy	94% total energy	More than 90% by 2025	 
Social					
Health & safety	Lost time injury rate	10.0 per 1m hours	5.7 per 1m hours	4.9 per 1m hours by 2025	
Employee engagement & recruitment	Labour turnover	32%	27%	Year-on-year reduction	   
Employee satisfaction	Annual survey response rate and overall satisfaction level	69% and 77%	73% and 75%	Year-on-year increase	
Diversity	Female employees	15.3%	16.3%	Year-on-year increase	
Remuneration	National Living Wage (NLW)	All employees at or above NLW	All employees at or above NLW	All employees above NLW by 2023	
Education	Apprenticeships / Kickstarters	69	61	20% increase by 2025	



No poverty



Good health and well-being



Quality education



Gender equality



Affordable clean energy



Decent work and economic growth



Responsible production and consumption



Climate action

Product Range

Standard products

Ranges of window profile and doors



Fascias, soffits and guttering



Traded goods



Made-to-order products

Skypod pitched skylights



Conservatories and Equinox tiled roofs



Syncro patio and Aspect bi-fold doors



Profiles Division

▶ Manufactures:

- Extruded rigid and foam PVC profiles using virgin PVC compound
- Rigid products also include recycled compound

▶ Recycles:

- Factory offcuts (post-industrial) and old windows (post-consumer waste)

▶ Sells:

- Rigid PVC profiles to a network of c.400 third party fabricators
 - Two-thirds trade fabricators, one-third new build
 - c.300 produce windows, trims cavity closer systems for customers
 - c.100 make patio doors and conservatories
- Foam PVC profiles to Branch Network division

▶ Acquisitions since IPO:

- S&S Plastics (injection moulding, acquired in 2015)
- Vista Panels (composite and panel doors, acquired in 2016)
- Eurocell Recycle North (formerly Ecoplas, PVC window recycler, acquired in 2018)



Branch Network Division

▶ Sells:

- Range of Eurocell manufactured and branded PVC foam roofline and window fitting / maintenance products
- Third party manufactured ancillary products: sealants, tools and rainwater products
- Vista doors
- Windows fabricated by third parties using products manufactured by the Profiles Division

▶ Distribution:

- Through our nationwide network of 210 branches

▶ Main customers:

- Roofline and window installers
- Small and independent builders, house builders
- Nationwide maintenance companies



eurocell