Environmental Report

2025

Selective Marketplace Ltd

POETRY | WRAP LONDON

Contents

Introduction

We recognise that sustainability extends beyond the fabrics we use, and we are committed to ensuring that every aspect of our business reflects these values. This report takes a snapshot of the environmental impact on some of our key activities and processes throughout 2025.

At Wrap London, and at our sister brand POETRY, we take pride in creating beautiful clothing made exclusively from natural materials, while striving to minimise our impact on the planet. However, we recognise that sustainability extends beyond the fabrics we use, and we are committed to ensuring that every aspect of our business reflects these values. This report takes a snapshot of the environmental impact on some of our key activities and processes throughout 2025.

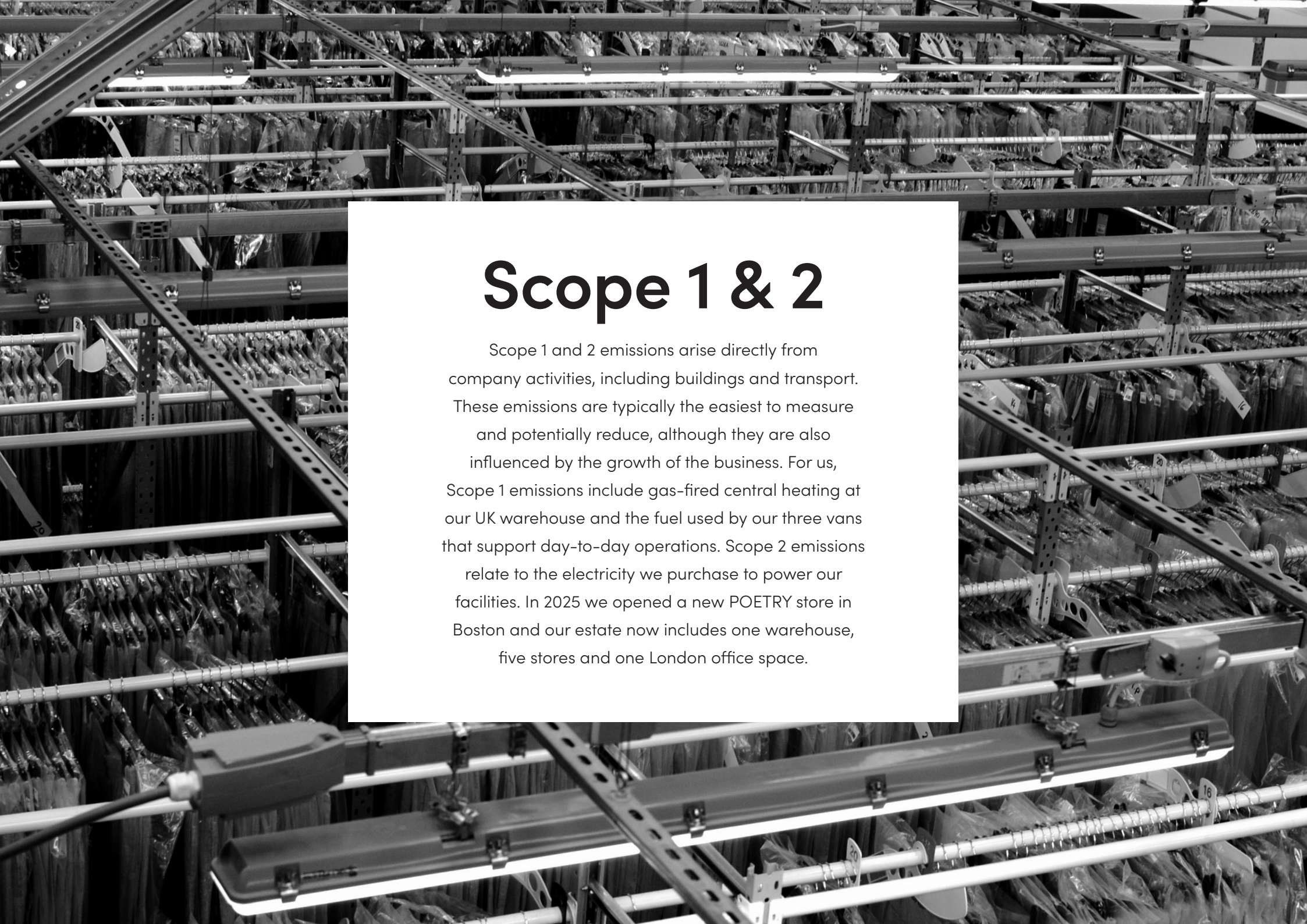
In 2025, we opened our second US store in Boston, MA. Despite this expansion, our energy consumption increased by only 5% compared with the previous year, while our overall Scope 1 and 2 emissions decreased by 3%.

We continued our work to improve the accuracy of emissions calculations for our packaging, a significant proportion of which is purchased by our suppliers and is therefore more challenging to monitor. We expanded our reporting to include not only the materials used in our own warehouse, but also those supplied by our partners. Since 2024, all our soft plastic packaging is made from recycled materials.

Whether working on large-scale projects or smaller initiatives, we partner with companies that share our commitment to respecting both people and the planet. We continuously seek the most effective solutions for both our business and the environment.

This report follows the 'Greenhouse Gas Reporting Protocol – Corporate Standard' and is complete for Scope 1 and Scope 2. We have used the operational control boundary method and the data are gathered for 2025 (1st Jan-31st Dec). The data for emission factors is taken from the UK government-provided document: "Greenhouse gas reporting: conversion factors 2025".

In Scope 3 of this report, we cover only some aspects of our business's indirect emissions. We are reporting on the aspects with the most impact on the environment and where the data is available. For indirect emissions in Scope 3, we have, whenever possible, used direct sources from our suppliers' and business partners' monitoring. The data has not been third-party verified.



Scope 1 & 2

Scope 1 and 2 emissions arise directly from company activities, including buildings and transport. These emissions are typically the easiest to measure and potentially reduce, although they are also influenced by the growth of the business. For us, Scope 1 emissions include gas-fired central heating at our UK warehouse and the fuel used by our three vans that support day-to-day operations. Scope 2 emissions relate to the electricity we purchase to power our facilities. In 2025 we opened a new POETRY store in Boston and our estate now includes one warehouse, five stores and one London office space.

SCOPE 1 & 2

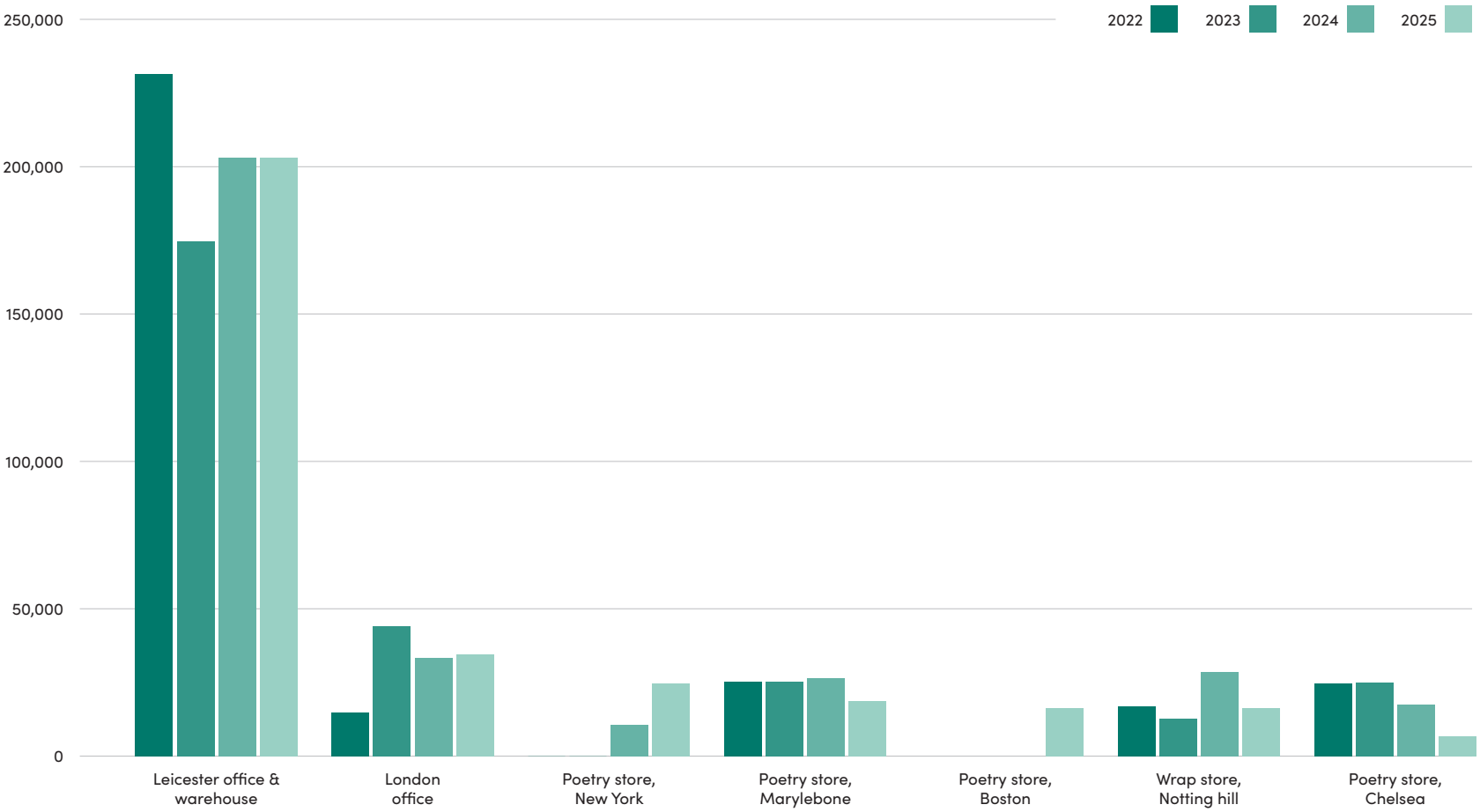
Our largest CO_2e footprint comes from our Leicester office and warehouse, which form the operational heart of the company. This is where customer orders are received, carefully picked, packed and dispatched. It is also home to our customer service team and several key departments, including IT, finance and product development.

In 2023, we completed the installation of solar panels on the roof of our warehouse. In 2025, these generated 43.85 MWh of electricity, which was exported back to the UK grid. This represents a 7% increase compared with the previous year and is more than enough to power our London office for an entire year. The energy generated is equivalent to a saving of 7.76 tonnes of CO_2e emissions.

Energy consumption across our buildings increased slightly from 327 MWh to 342 MWh, with a similar rise in associated CO_2e emissions. Emissions from gas heating at the warehouse totalled 24.73 tonnes of CO_2e, while fuel used by company vehicles accounted for a further 24.35 tonnes.

Solar panel on warehouse roof

Purchased Electricity 2022-2025 (KWh)



7.76 tonnes of CO_2e saved by selling solar-generated electricity back to the grid

121.51 tonnes of CO_2e emitted directly from the Company's activities (Scope 1 & 2)

Scope 3

The largest portion of our footprint comes from indirect emissions - those not produced by us directly but for which we are indirectly responsible. That's why we carefully choose partners who share our values. While we can't account for all third-party emissions, we focus on key areas where we can make a meaningful impact and drive improvement.

Recycling

In 2025, the total amount of household waste generated across all our buildings was 14.5 tonnes, of which 29.2% was recycled. While the overall volume of waste increased compared with the previous year, the recycling rate remained broadly consistent. This figure includes waste arising from the day-to-day operations of our offices and retail stores.

To strengthen our recycling efforts, we have for many years worked closely with one of our box suppliers to recycle the cardboard and plastic waste produced through our warehouse operations. When delivering new boxes, the supplier also collects our recyclable waste materials. To further support this initiative, we invested in an on-site cardboard baler, which has significantly improved the efficiency of our recycling processes.

In 2025, our partner collected 54.34 tonnes of cardboard waste and 2.52 tonnes of plastic waste. The recycled cardboard is distributed to recycling facilities in Europe and the Far East, where it is processed into new cardboard products. The plastic waste is sent to a converter in nearby Derby, where it is repurposed into plastic bags.

Overall, we successfully recycled 86% of the total waste generated, although this represents a slight decrease compared with previous years.

In addition, our associated CO_2e emissions fell significantly from 0.43 tonnes to 0.33 tonnes. This reduction was largely driven by an overall improvement in the UK waste emissions factor.

86%
Recycled waste

14%
General waste

70.51 tonnes of CO_2e saved by not sending anything to landfill

0.33 tonnes of CO_2e emitted as a result of waste processing

Textiles

We design our clothing with longevity in mind and are committed to ensuring that no garment goes to waste. We have never disposed of unsold clothing and remain dedicated to giving every piece the opportunity to be worn, repaired and enjoyed for as long as possible before reaching the end of its lifecycle.

When garments develop minor faults, such as loose buttons or small seam issues, they are carefully repaired by our in-house seamstress, Anne-Marie. Most repairs take only a few minutes, allowing the garments to be returned to use quickly. In 2025, her skilled work helped extend the life of 1,693 pieces of clothing.

Alongside our repair initiatives, we aim to make a positive social impact by donating unsold stock. In 2025, we donated a total of 1,320 garments to several charities, including the British Red Cross and Barnardo's, as well as smaller organisations such as New Future Project and New Dawn New Day, which provide holistic support for vulnerable women and young people.

For the fourth consecutive year, we supported the Wrap Up London initiative, helping to collect more than 250 coats for people in need. In 2025, for the first time, we not only donated coats ourselves but also established our London store as an official collection point.

Last year we fully repaired 1,693 pieces of clothing

1320 pieces of clothing donated to charity

250 coats donated to charity

Our in-house seamstress Anne-Marie repairing an item

Cardboard boxes

The largest component of our packaging is the cardboard boxes used to deliver our products to customers. All our boxes are FSC-certified, made from recycled cardboard (with approximately 70% recycled content) and are fully recyclable. In 2025, we purchased 108 tonnes of cardboard boxes and envelopes.

To further reduce the environmental impact of our packaging, since 2023 we have used paper envelopes for smaller or single-item orders. These envelopes require around three times less material than the boxes previously used for the same purpose. We have also replaced plastic sealing tape with tape made from recycled paper.

We work with two cardboard box suppliers, both of whom support our aim to achieve more environmentally responsible packaging. Each supplier has solar panel arrays that partially power their main manufacturing sites, and their company vehicles are either electric or hybrid. In addition, one supplier offsets emissions associated with deliveries from its manufacturing site to our facilities through a partnership with the Woodland Trust.

All waste generated during the manufacture of our boxes is recycled and fed directly back into the production process, supporting a more circular approach to packaging materials.

11.01 tonnes of CO_2e saved by using recycled material

118.97 tonnes of CO_2e emitted by cardboard box manufacturing

Tissue paper

In 2025, we used 8.99 tonnes of tissue paper. Our tissue paper is FSC-certified and produced from recycled materials, including off-cuts from paper and paper-cup manufacturing.

It is manufactured in Germany and transported to the UK by road and sea rather than by air, helping to reduce its environmental impact. The tissue paper is then printed, cut and packed in Lancashire, England. Located on the site of a historic paper mill, our printing partner operates next to a river and is partly powered by an on-site hydroelectric turbine.

All inks used in the process are water-based, and the facility is equipped with a de-inking plant to ensure that only clean water is discharged into the drainage system.

2.65 tonnes of CO_2e saved by using recycled material

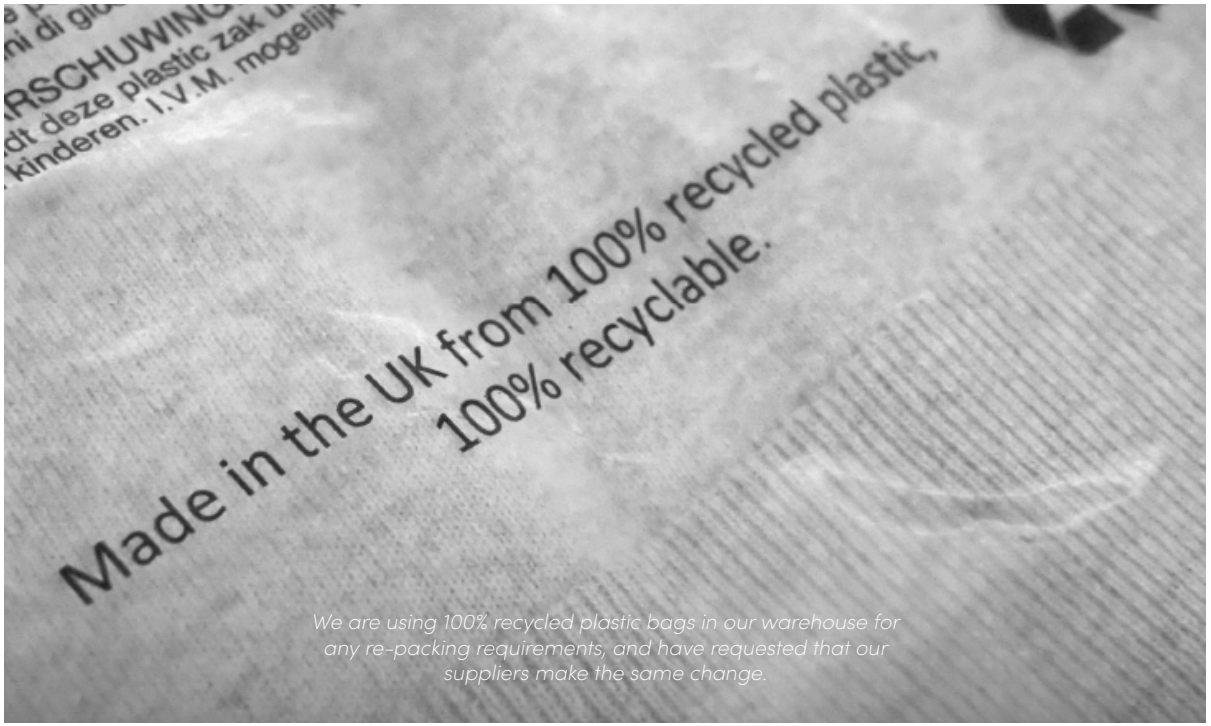
9.44 tonnes of CO_2e emitted by tissue paper manufacturing

FSC-certified tissue paper made from 100% recycled materials, such as off-cuts from paper or paper-cup manufacturing.

Plastic bags

Our plastic packaging, including garment bags and sleeves, helps to ensure that our products travel safely and arrive in good condition, both from our suppliers to our warehouse and onwards to customers. While we aim to reduce our overall use of plastics, this packaging plays an important role in protecting garments from moisture and dirt, factors that could otherwise lead to textile waste. For hanging items, it also helps to minimise creasing during transit.

In 2025, we purchased 9.5 tonnes of plastic sleeves and garment bags for use in our warehouse operations. All poly bags used to package and protect our garments are made from recycled materials and can be recycled through appropriate soft-plastic collection schemes.



We are using 100% recycled plastic bags in our warehouse for any re-packing requirements, and have requested that our suppliers make the same change.

17.25 tonnes of CO_2e saved by using recycled material

10.50 tonnes of CO_2e emitted by plastic bag and sleeve manufacturing

Hangers

For many years, we have explored alternatives to our current plastic hangers. Options tested have included cardboard designs, recycled plastic mono-material hangers, 3D-printed models and hangers made from composite materials. While these trials were a valuable exercise in understanding the full range of functional requirements for this seemingly simple item, they also confirmed why hard plastic hangers with metal hooks have become the industry standard.

These hangers are lightweight yet durable enough to withstand the transportation of garments over long distances, including overseas shipping. Within the warehouse, they are highly practical, sliding easily along garment rails while remaining sturdy enough for efficient handling. They also retain their shape during the steaming process, unlike cardboard alternatives, which can weaken or deform. In 2025, our garments were handled and stored using approximately 7 tonnes of plastic hangers with metal hooks.

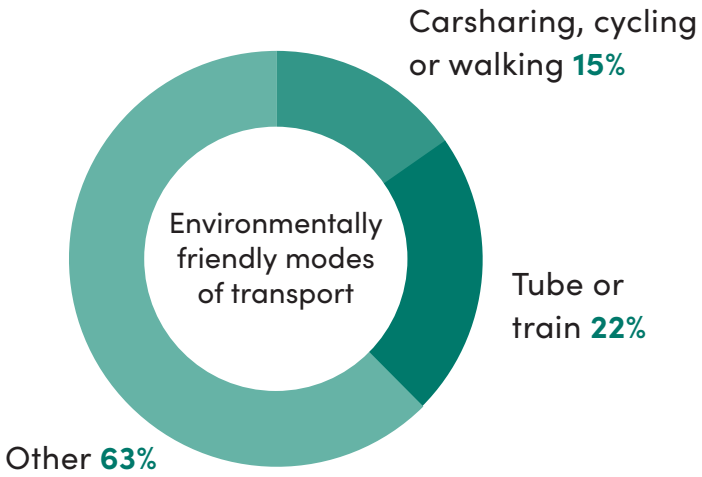
As none of the alternatives tested were able to meet the required performance standards, we have decided to continue using plastic hangers with metal hooks for the time being. However, we have asked our suppliers to source hangers containing more than 70% recycled material. As existing stock will be used first, we expect the transition to hangers with higher recycled content to take place later in the year.

23.7 tonnes of CO_2e emitted by plastic hanger manufacturing

Staff commute

A portion of our Scope 3 transport emissions arises from the daily commute of approximately 150 employees travelling to and from work. In 2025, our employees collectively travelled 478,136 miles, slightly less than in the previous year, while the associated CO_2e emissions remained broadly unchanged.

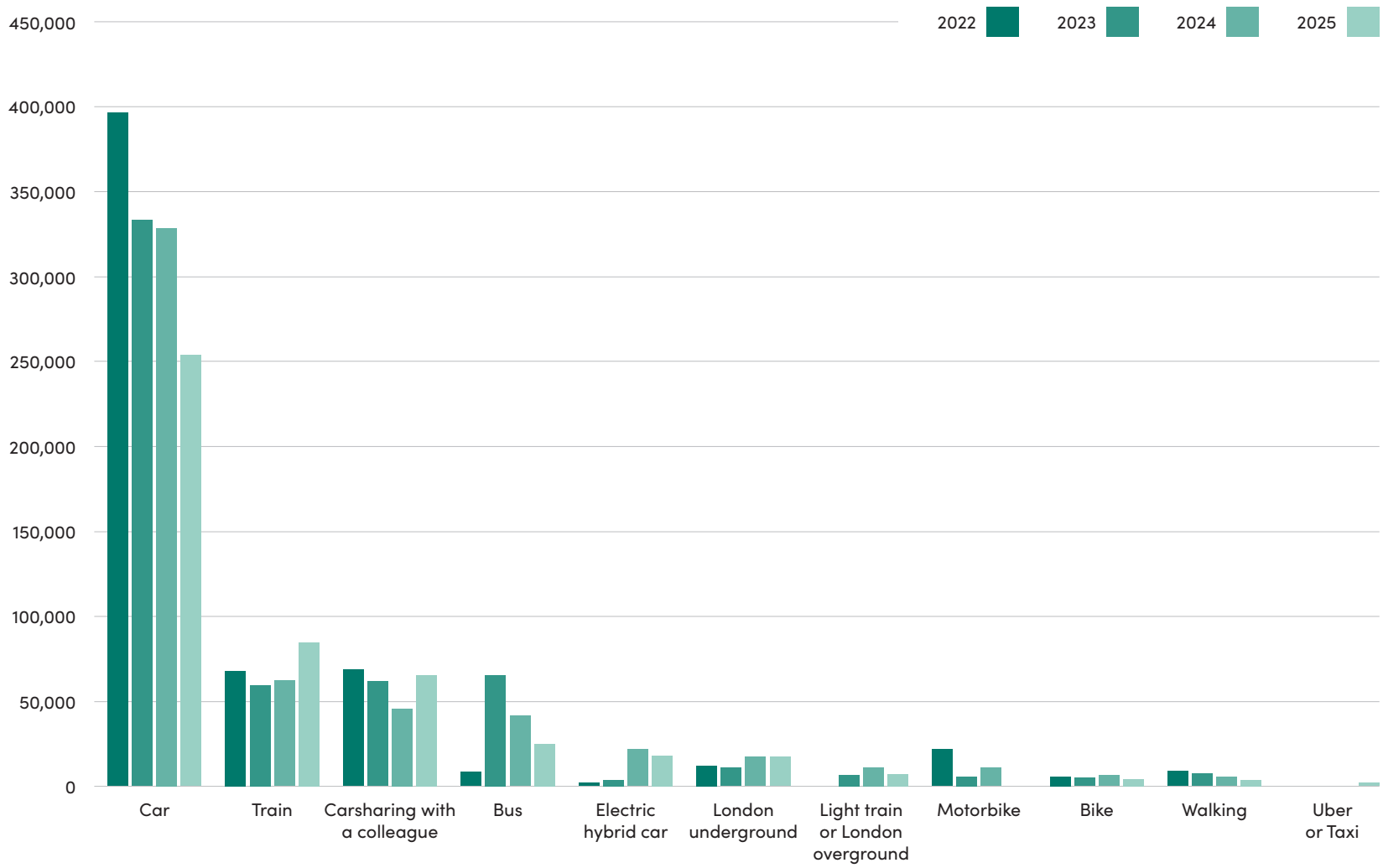
The most common mode of transport continues to be private car use, reflecting the limited accessibility of our warehouse by public transport. However, the proportion of journeys made using more environmentally responsible options such as rail travel, cycling and car sharing has increased and now accounts for 35% of the total commuting distance.



81.77 tonnes of CO_2e emitted from staff commuting

19.87 tonnes of CO_2e saved by cycling, walking or sharing a car with a colleague

Staff commute by distance 2022-2025 (miles)



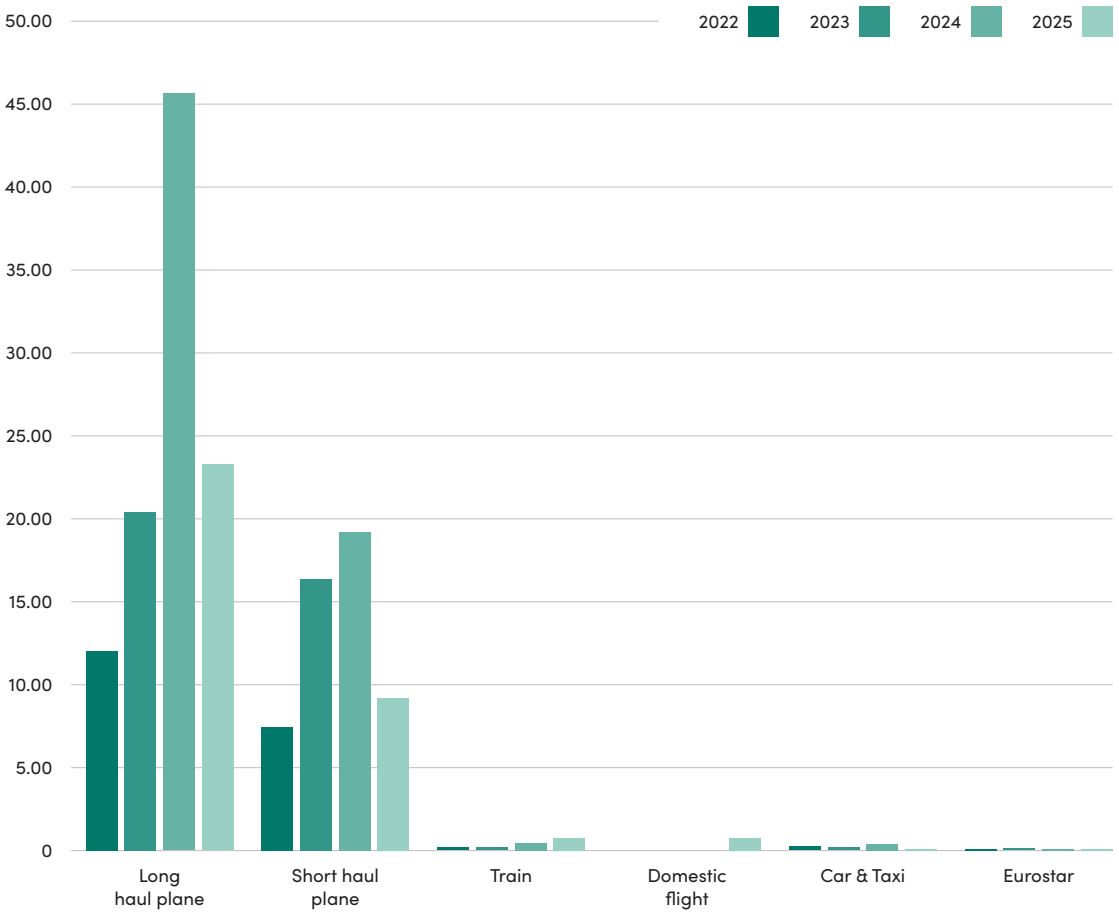
Travel for work

Travel activities such as visiting suppliers, attending trade shows, and undertaking research trips are essential for strengthening our relationships with partners and keeping up to date with wider industry trends.

In 2025, most work-related travel involved visiting suppliers, research trips for designers, or journeys to support our POETRY New York store and the new Boston location.

Overall, our travel-related emissions decreased in 2025, with more journeys within the UK made by train to our warehouse. The majority of CO_2e emissions still come from long-haul flights, while the most environmentally friendly mode of transport per mile remains the Eurostar.

Travel for work by CO_2e emissions (tonnes)



2.65 tonnes of CO_2e saved by travelling by train to European destinations and using national rail instead of using plane or car

33.64 tonnes of CO_2e emitted by business travel

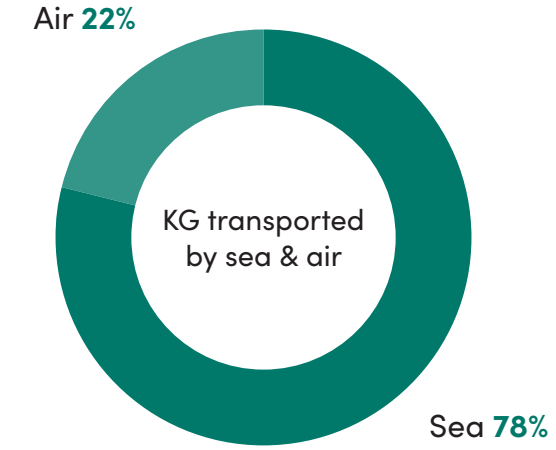
Freight

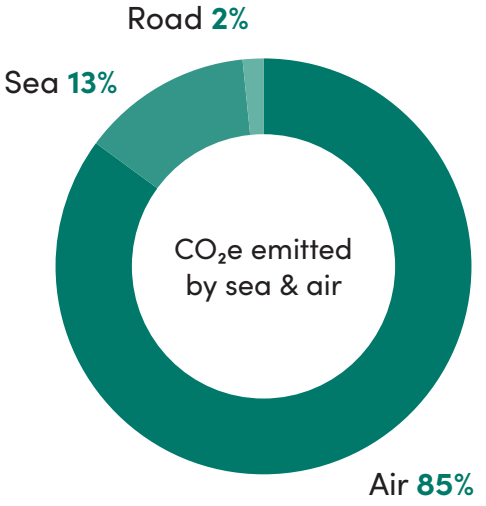
A significant proportion of our transport emissions is generated when our products travel from manufacturers to our warehouse in the UK.

In 2025, our products primarily travelled from China, Hong Kong and India to our UK warehouse using two main transportation methods: sea and air. Sea freight takes considerably longer (around two months) than air freight (three to four days) but has a significantly lower carbon footprint. We use sea freight for most bulk orders, reserving air freight for repeat orders or to accommodate delays that would otherwise result in cancellations. Around 15% of our products are made in Europe and transported by road. Currently, we do not have carbon emissions data for European freight.

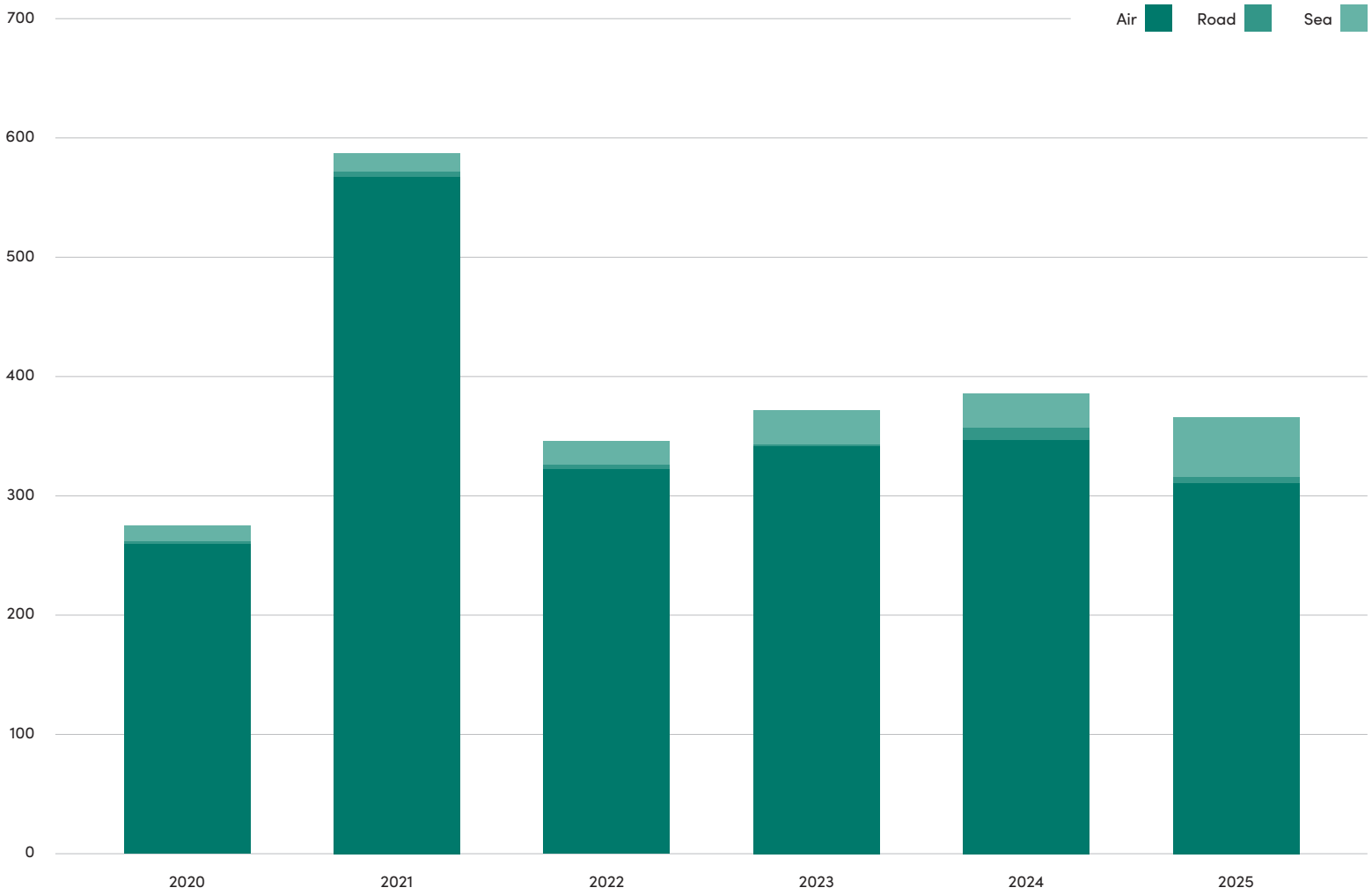
The total weight of goods transported from our suppliers to our warehouse has decreased by 15% compared with last year. Although only 22% of goods by weight were transported by air, this accounted for 85% of carbon emissions. Overall, our CO_2e emissions dropped by 3% compared with 2024.

The relatively small change in emissions compared with the previous year may be attributed to more comprehensive emissions accounting, including all road-to-port transport emissions. This increase may also have been influenced by the Red Sea crisis, which forced freight ships to reroute, adding detours of up to 4,000 miles.





Yearly comparison of freight CO_2e emissions (tonnes)



424.18 tonnes of CO_2e emitted by transporting goods from our suppliers to our warehouse

Product postage

Most of our products are delivered to customers, a journey that creates greenhouse gas emissions. In each of the countries we operate we use their local postal service which fits our needs for a reliable, fast delivery service. All our delivery service providers are committed to making sustainable improvements in their operations.

We are proud to offer our UK customers a premium service with a next-day delivery option. To achieve this, we use Royal Mail, which is estimated to account for 41.7 tonnes of CO_2e emissions (this data is for May 2025 to May 2026 and compared respectively). Notably, emissions per parcel have decreased by 7% compared to the year before. Royal Mail is also committed to achieving net-zero emissions by 2040. They have already transitioned to 100% renewable energy in their buildings, made significant reductions in overall emissions, and introduced electric vehicles into their fleet.

In the United States, we use FedEx postal services, which contribute the most to our postage emissions. In 2025, FedEx accounted for 1,387 tonnes of CO_2e, with most emissions coming from air travel, which has a significantly higher carbon footprint than other transport methods. In fact, 98% of these emissions were generated by air transport. FedEx is actively implementing fuel-saving systems for both road and air transport, introducing alternative fuels, and working towards its goal of becoming carbon neutral by 2040.

In Germany, we use postal services which are estimated to account for 62.75 tonnes of CO_2e emissions in 2024. Our business partners are committed to achieving net-zero emissions by 2050 and is investing in electric vehicles, green fuels and carbon-neutral buildings.

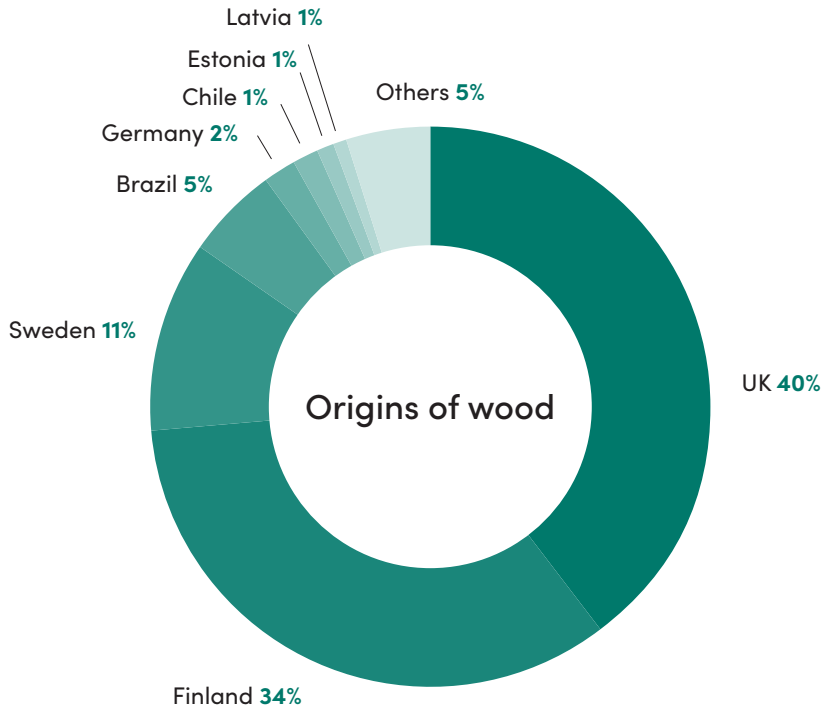
1492.01 tonnes of CO_2e emitted by transporting goods from our warehouse to customers

Paper

Planning, designing, and producing our brochures is a core part of our business, and we are fortunate to work with excellent manufacturing partners who help us create them as sustainably as possible.

In 2025, more than half of the paper used for our brochures was manufactured in Scotland (54%), around one-third in Finland (33%), and smaller amounts in Germany (8%), Sweden (3%), and the USA (2%). All our paper is made from the wood pulp of sustainably grown trees, including spruce, pine, eucalyptus, and birch.

Our primary paper partner from year to year is UPM, with smaller quantities sourced from other suppliers in Finland, Sweden, and the USA. UPM has a strong sustainability agenda, being one of the world's largest users of recovered paper and sourcing virgin materials only from controlled and traceable wood sources. For our 2025 brochures, the wood came primarily from responsibly managed forests in the UK and Finland, with additional sources from Sweden, Brazil, Germany, and the Baltic region.



For our brochures and other promotional materials, we used 2,948 tonnes of paper in 2025, continuing the downward trend from the previous year – an 8% reduction compared with 2024. The carbon footprint of paper production in 2025 was 993.37 tonnes of CO_2e, slightly lower than the previous year, reflecting the reduced paper use.

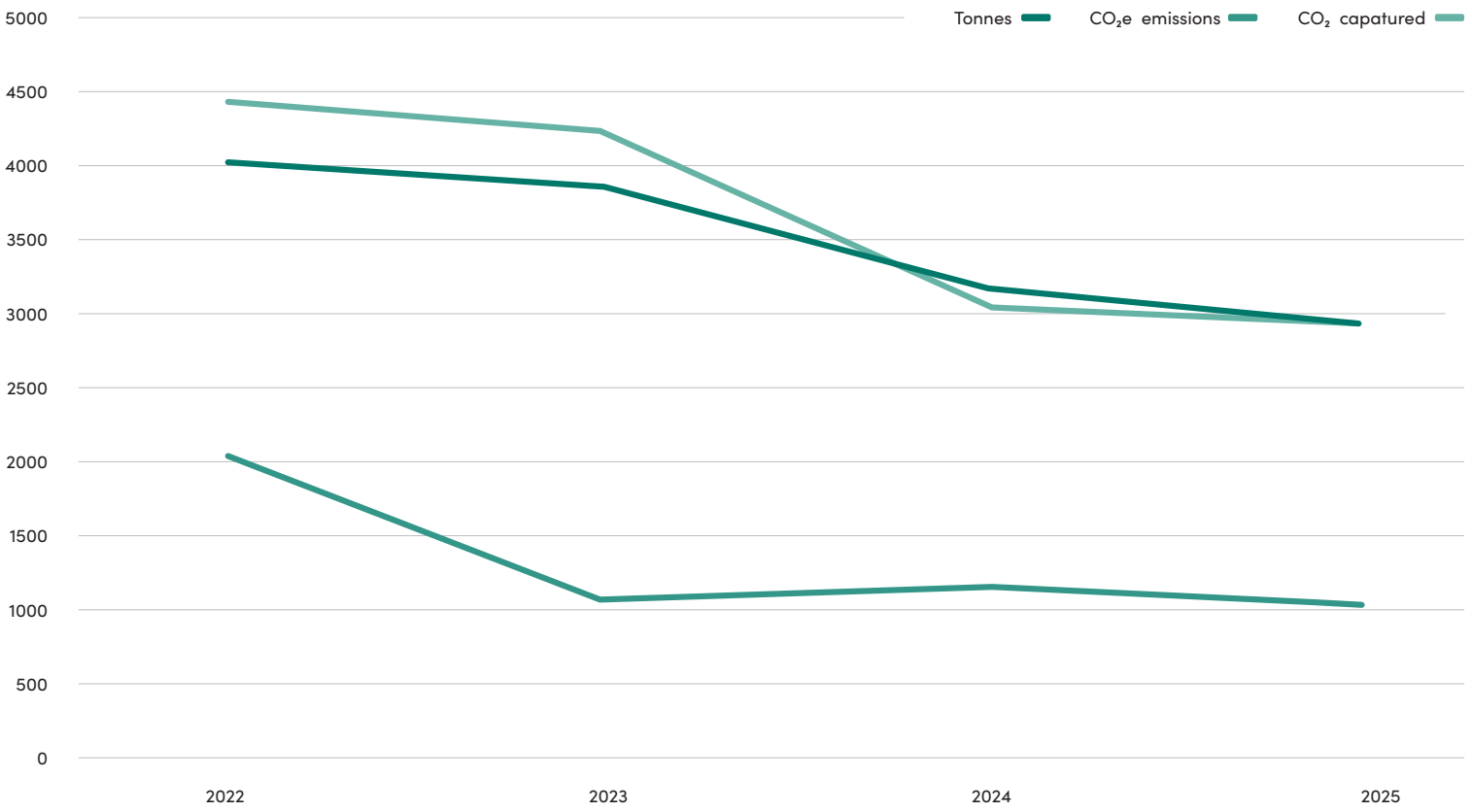
To print the brochures, the paper is transported closer to its main destinations: the UK, the USA, and Germany. Transportation accounted for 174.50 tonnes of CO_2e.

As with all natural materials, the story does not end there. CO_2 is not only emitted during paper production but is also captured as trees grow in well-managed forests. During their lifetime, trees absorb CO_2, and the release of carbon back into the atmosphere is delayed when the wood is converted into paper.

In 2025, 2,965 tonnes of CO_2 were captured in the biomass of our paper alone – more than the amount emitted during its production. The responsible use of renewable materials has tremendous potential to benefit the planet. Forests, often called the "lungs of our planet," are the second largest carbon sink after oceans.

Furthermore, our main paper supplier is fully committed to climate-positive forestry and promoting biodiversity. The company grows forests to harvest them, which means that longevity and sustainable forestry is intrinsically at the core of the business. It has zero tolerance for deforestation, rainforests are off-limits, and strict processes are in place to ensure that forests always grow more than they are used. Twenty years ago, it became the first company in the forest industry to launch a global biodiversity program. Our paper supplier plants 50 million trees a year, which is roughly 100 trees planted per minute, and we are glad to be part of that process.

Yearly paper (tonnes)



2965 tonnes of CO_2 captured in the biomass of paper

1168 tonnes of CO_2e emitted by paper manufacturing and transportation

**The calculations are only an estimate and are based on 2024 data, and where emission factor was unavailable the highest of known factor was used and lowest of carbon storing factor.*

Printers

After the paper is transported to the local printers, they print, trim, bind and send the brochures to our customers. All our printing companies are committed to following the best environmental-management practices.

Our UK printer has excellent environmental management practices in place and actively seeks further improvements across all operation areas. They are accredited with ISO14001 Environmental Management System and by investing in their infrastructure have reduced their energy usage by 1 million kWh, approximately 15% of total energy usage. In addition, three on-site solar arrays are used to generate electricity. They have also invested in processor-less printing plate technology to save water. Approximately 8 litres of water are saved per text-section plate if produced processor-less, and the plan is to continue the transition with new purchases in the future. The company has a landfill avoidance rate of 99.98% thanks to the recycling and reusing of waste materials, conduct volunteer community litter picks and offer free community tours.

Our German printer has set a goal to be climate neutral by 2030. Thanks to the innovative use of combined heat and power technology, up to 52% less CO2 is emitted during the printing process when compared with conventional energy use. Our printer is accredited with ISO 50001 Energy Management Standard, ISO 14001 Environmental Management Standard and ISO 9001 Quality Management Standard.

Our US printer operates energy-efficient facilities and continues to invest in initiatives and equipment that lower energy use and reduce associated greenhouse gas (GHG) emissions. Waste is minimized through comprehensive recycling programs, closed-loop ink systems, and processes designed to reduce make-ready materials and production scrap. The company also supports more sustainable supply chains by offering certified and recycled paper stocks and transitioning packaging materials from plastic to paper-based wrapping.

Conclusion

As we look ahead, we remain focused on building on this progress while continuing to refine the way we measure, manage and reduce our environmental impact.

By strengthening partnerships, improving data accuracy, and investing in more efficient practices, we are committed to ensuring that Wrap London and POETRY move forward with purpose - balancing thoughtful design with a responsible approach to the world around us.