GENERATE UPCYCLE

2025 Impact & Insights Report

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MESSAGE FROM OUR PRESIDENT

Changing How the World Views Waste

At Generate Upcycle (Upcycle), our vision is to work with our customers to create a more sustainable world. Today, we recycle organic waste and create renewable energy and fertilizers in three countries – the United States, Canada, and the United Kingdom. We have significant opportunities to grow our business and leverage our sustainable practices in each of those countries.

Upcycling organic waste to capture energy and nutrients that would otherwise have been wasted is both in our name and at the heart of our business. The materials we convert into energy and fertilizers in many cases would have otherwise wound up in a landfill where natural biological processes decompose these materials releasing methane – a greenhouse gas ~80 times more damaging to the atmosphere than carbon dioxide over a 20-year period. In the Greater Toronto Area and Southern Ontario, Canada, we provide a non-landfill waste disposal alternative for four municipalities for source-separated organic waste collected from their residents. In 2024, we processed 88,000 tons of material from these municipalities that would have been destined for landfills. At our Vero Beach, Florida Composting operation, we processed over 100,000 tons of food waste and green waste (e.g. plant, leaf, and yard waste), and sold 77,000 cubic yards of soil, mulch, and other soil amendments back to landscapers and residential customers.

To ensure the economic sustainability of the Upcycle business, we have invested heavily in upgrading our fleet of anaerobic digesters (ADs). Starting in 2023, continuing into 2024, and expecting completion of all projects by mid-2026, we invested $110 million in five AD sites. In addition to one brownfield site makeover, we also added capabilities at three sites for the production of renewable natural gas (RNG) and have added both capacity and expanded RNG production capabilities at two other sites.

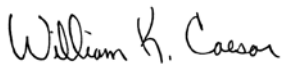
Upcycle is the single largest producer of RNG from food waste in North America, and our production will double, to over one million gigajoules (1 gigajoule = 0.28 megawatt-hours) of RNG by the end of 2025 – far and away the most by any company using food waste as a feedstock. Each ton of food waste we process through an AD avoids 0.7 tons of carbon dioxide equivalent (CO_2e) greenhouse gas emissions that would have been released into the atmosphere if sent to a landfill.

Our impact comes from the business of upcycling organic waste and is complemented by two core principles we operate under: 1) improve the lives of the people who work for us and the communities where we operate, and 2) enable our customers – the waste generators as well as the users of renewable energy, and soil amendments – to achieve their sustainability goals.

Upcycle is a relatively new company that only came into existence as a standalone entity in January 2023, but we have put in place the building blocks of a strong company culture and to ensure we provide for our people. In 2024 we made material improvements in our key safety metric, the U.S. Occupational Safety and Health Administration's (OSHA) Total Recordable Injury Rate (TRIR). We conducted our first employee engagement survey and saw remarkably strong results across all three of our geographies and lines of business. We also continue to look for ways to engage with our communities so they can shape and share in our sustainability journey.

The work we do to create value from organic waste combined with our efforts to provide for our people, our communities, and our customers, supports economic, social and environmental sustainability. As we reduce greenhouse gas emissions, we enable our customers to do the same. More to come in next year's report!

William K. Caesar



President, Generate Upcycle

[1]Greenhouse gas emissions were estimated using the U.S. Environmental Protection Agency's Waste Reduction Model (WARM), Version 16, published December 2023.

ABOUT THIS REPORT

Overview

The 2025 Impact & Insights Report presents highlights from Upcycle's year, showcasing key achievements in pursuit of our 2024 and 2030 corporate goals. The report provides an overview of notable milestones, measurable impacts, and strategic initiatives from the past year, illustrating how our products and services are creating economic, environmental, and social value for our stakeholders.

Upcycle's fundamental purpose is to economically convert organic waste materials into valuable resources. We have focused our efforts in pursuit of this in two sectors:

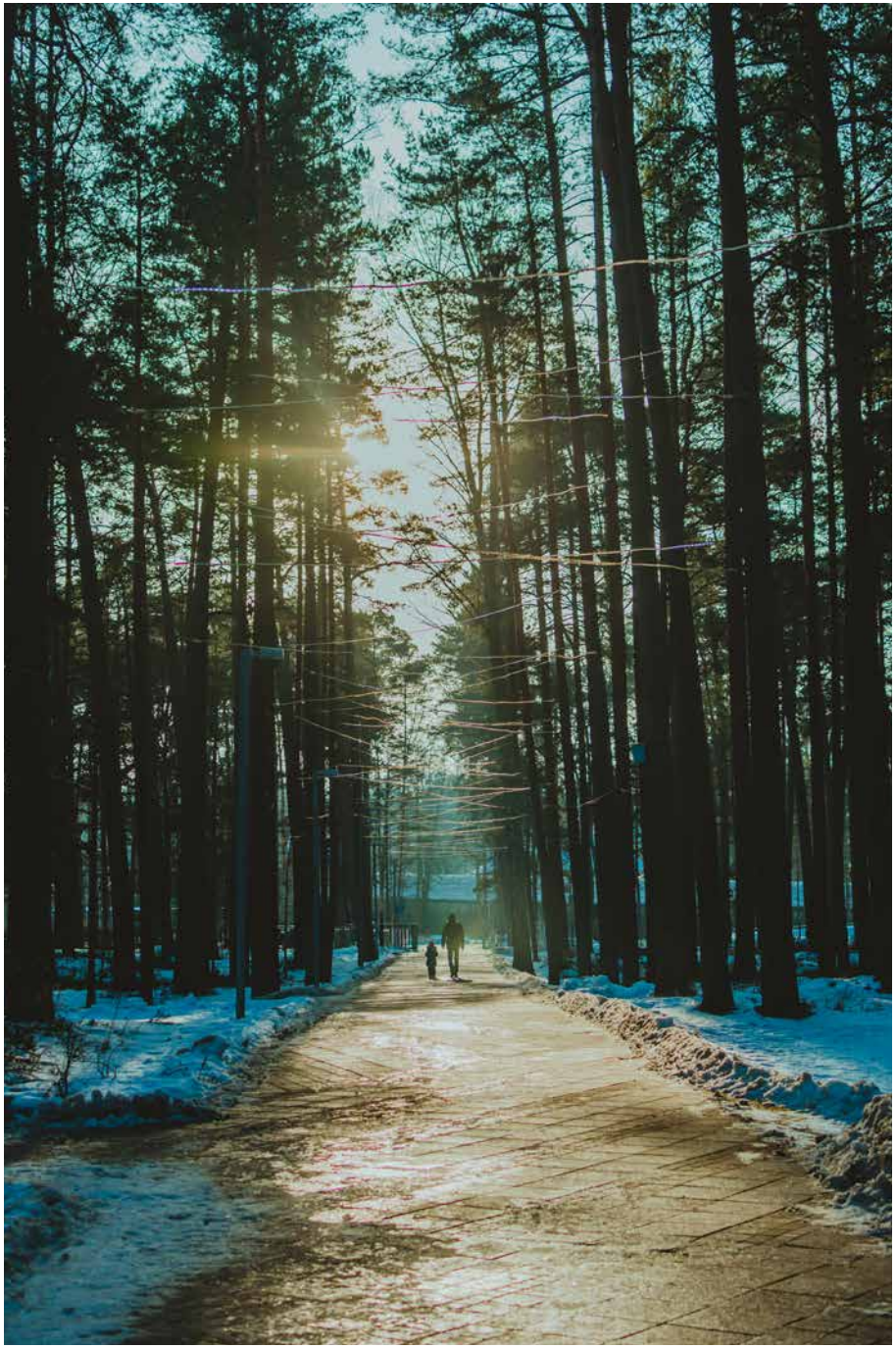
1) The anaerobic digestion of food waste and agricultural residues, and
2) The composting of green waste and food waste

Through our operations, we help people, companies, and farms better manage the by-products of their lives and businesses. We also generate critically important products: low-carbon renewable energy that utilities and commercial customers consume, and various soil amendments including natural fertilizers that farms, landscapers, and homeowners put to use.

Note that our waste water sites were not operational at the time of publishing so there is no data from this line of business to include in the report.

Identifying What Matters Most

Our strategy is grounded in understanding the issues that matter most to our business and our stakeholders. In 2024, we identified and prioritized the topics with the greatest potential to have an impact. These topics have been organized into three buckets, which we have labeled "pillars" and are described herein.



ABOUT THIS REPORT

Three Pillars of our Impact

This report is organized into three interdependent pillars that reflect how we create value, and for whom we create value.

Pillar 1: Our Communities and Workforce focuses on creating safe and rewarding work environments that enable our people to thrive and our communities to prosper. Our employees and the communities in which we operate are foundational to everything we do.

Pillar 2: Our Customers highlights how we deliver value to both sets of customers we have, those who tip organic waste to our sites, and those who purchase the products – renewable energy and fertilizers – that we create from organic waste. Efficient recycling of organic waste to produce renewable energy and soil amendments is at the heart of our impact. Our customers are not just clients—they are collaborators driving progress toward our shared goals.

Pillar 3: Our Operations dives into our commitment to operational excellence, emphasizing our focus on safety, and highlighting our progress towards achieving the sustainability goals related to our operations.

Our Ambitions

Charting Progress Against Our Commitments

We set bold targets both for 2024 and for 2030 designed to drive environmental performance, increase customer value, and enhance safety. These goals were selected to align with our long-term vision while also creating meaningful, measurable outcomes within the year. The table below shows the goals we set and how we performed against each one.

Metric	2024 Goal	2024 Result	2030 Aspiration[2]	Objective	Unit of Measure
Renewable Energy Produced	200,000 MWh	242,968 MWh	750,000 MWh	Generate renewable energy, in the form of electricity and renewable natural gas	Megawatt hours of energy produced at anaerobic digesters
Customer Satisfaction	60% LTR	88% LTR	75% LTR	Maintain a high level of customer engagement	Average Likelihood to Recommend (LTR) score received via customer survey
Organic Waste Recycled	1 million tons	1.1 million tons	1.5 million tons	Increase recovery and circularity by diverting organic waste from landfills	Tons of feedstock processed
Emissions Avoided	400,000 $MTCO_2e$	446,000 $MTCO_2e$	700,000 $MTCO_2e$	Provide environmentally beneficial products and services to customers	Metric tons of carbon dioxide equivalent emissions avoided vs alternative
Incident Rate	4.8 TRIR	3.7 TRIR	3.0 TRIR	Ensure our safety programs are effective	Total Recordable Incidents per 200,000 work hours

[2]Our 2030 aspiration includes an assumption that Upcycle will grow its AD portfolio to include three new sites.

ABOUT US

Business at a Glance

Upcycle provides organic waste recycling services and supplies renewable energy and soil amendments to our customers in Canada, the United States, and the United Kingdom. As a company, we are intent on reducing the costs and environmental impact of organic waste management, which we achieve through developing, owning, and operating waste-to-value infrastructure across two core segments, anaerobic digestion and compost.

North America Anaerobic Digesters

The North America Anaerobic Digester (NA AD) portfolio currently has capacity to process 420,000 tons of food waste, source-separated organics, and other forms of organic waste per year, and by the end of 2025, it will generate close to 600,000 GJ per year of RNG. When all RNG conversions are complete in North America in 2026, these sites will produce over 1,000,000 GJ of RNG.

North America Compost Facilities

With the acquisition of Atlas Organics in December 2021, Upcycle entered the compost world. This portfolio is now comprised of eight locations, with an aggregate capacity to process approximately 800,000 tons per year of green waste, food waste, and biosolids, producing nutrient-rich fertilizer and other soil amendments.

We are intent on reducing the costs and environmental impact of organic waste.

ABOUT US

Business at a Glance

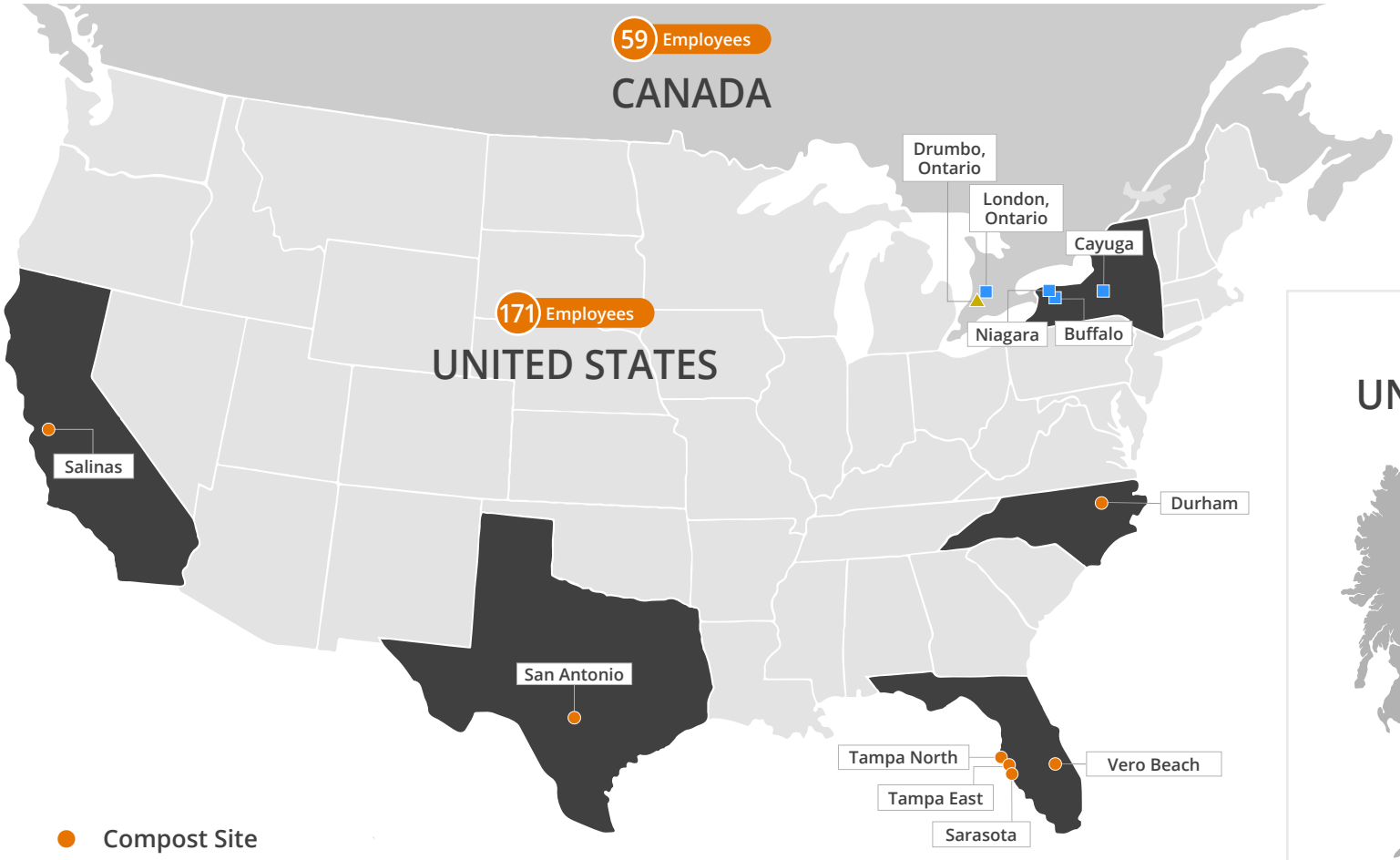
United Kingdom Anaerobic Digesters

The United Kingdom Anaerobic Digester (UK AD) sites utilize a combination of food waste, agricultural residues, and energy crops as feedstock and produce both electricity and renewable natural gas. We are in the process of increasing RNG production in the UK through infrastructure development at our Fernbrook and Buchan sites.

The operational success of the UK portfolio is a function of leveraging Upcycle's proven systems and tools to a new set of assets, including utilizing manufacturing production infrastructure, sculpted enterprise business solutions, and leaning into our technical expertise. Our efforts are designed to elevate the performance of new assets to be efficient perennial performers and to unlock incremental utilization and production capacities.

Today, Generate Upcycle has 300 employees across the United States, Canada, and the United Kingdom.

Our Locations



The Upcycle Journey

Our path can be broken down into three distinct phases: stabilizing and investing in the existing business, driving operational performance, and scaling. The timeline below highlights milestones within each of these phases, starting with the inception of Upcycle in 2021, expansion of our asset base, organizational evolution, and operational advancements across our anaerobic digestion and composting segments. As we approach the end of Phase 2, this roadmap serves as both a reflection of our progress and a guide for the journey ahead of us.

WE ARE HERE

PHASE 1
Stabilize and Invest in Existing Business

Portfolio Activities:

- Operational and organizational alignment across existing portfolio
- Improve and grow NA AD
- Incorporate UK AD assets into Upcycle
- Improve and grow composting business

Organization:

- Create Upcycle platform
- Redesign leadership and operating models
- Organize around 2 segments: AD and compost with shared support services
- Leverage Generate Capital support where appropriate

PHASE 2
Drive operational performance and grow

Portfolio Activities:

- Achieve operational stability and improve performance in AD and compost
- Acquire additional AD assets and related businesses

Organization:

- Rely more extensively on internal Upcycle support services and continue to leverage Generate Capital where appropriate
- Begin transition to a standalone business model

PHASE 3
Scale the platform

Portfolio Activities:

- Focus on scaling the platform
- Continue acquisition of assets
- Acquire related operating businesses

Organization:

- Establish internal systems and applications where appropriate
- Cease reliance on Generate Capital support services

Key Milestones

2016

- Generate Capital acquires its first food waste anaerobic digester, located in Auburn, NY.

2018

- Product destruction and depackaging capabilities added to Cayuga.
- Acquisition of Buffalo, NY and Niagara, NY digesters.
- Acquisition of London, Ontario digester.

2019

- A team within asset management is created that has expertise in digester operations. Operations of three NY digesters is brought in house.

2021

- Completion of Drumbo, Ontario organic waste preprocessing facility.
- The Upcycle platform was created within Generate Capital, originally as a portfolio of assets, around which an operations team and standalone business would ultimately be established.
- Atlas Organics, a composting business with multiple sites across the Southeast U.S., Texas, and California is acquired.

ATLAS ORGANICS
A GENERATE UPCYCLE COMPANY

2022

- Upcycle acquires seven anaerobic digesters that process agricultural materials and food waste in the UK, as well as a UK AD service provider.

GENERATE UPCYCLE

2023

- The process of creating a standalone business with its own systems and policies begins.
- Stormfisher Environmental Services, a Canada-based service provider with a long track record of developing and operating food waste anaerobic digesters is acquired.

StormFisher

2024

- Upcycle has grown to 300 employees across its U.S., Canada, and UK businesses.

ABOUT US

Upcycle's Mission and Values

Upcycle is made up of innovators that strive to improve the world. We are passionate problem solvers addressing pressing environmental issues. Guided by a shared goal and set of principles, we endeavor to be the global leader in circular waste solutions.

OUR VALUES

Integrity

We act with honesty in our words and in our actions.

Collaboration

We create trust through transparency, share in our collective successes and failures, and assist each other in achieving personal and professional goals.

Accountability

We take responsibility for our own actions and decisions, and we learn from our mistakes.

Innovation

We are independent thinkers and creative problem solvers.

Excellence

We hold ourselves to high standards and continuously work to improve.

PILLAR ONE

Our Communities and Workforce

OUR COMMUNITIES AND WORKFORCE

Empowering the People Who Power Our Mission

Pillar 1 of our strategy addresses the social systems that support our environmental and operational goals. This includes employee health and safety, workforce development, local community involvement, and policy advocacy. These efforts are essential to building long-term business resilience.

In 2024:

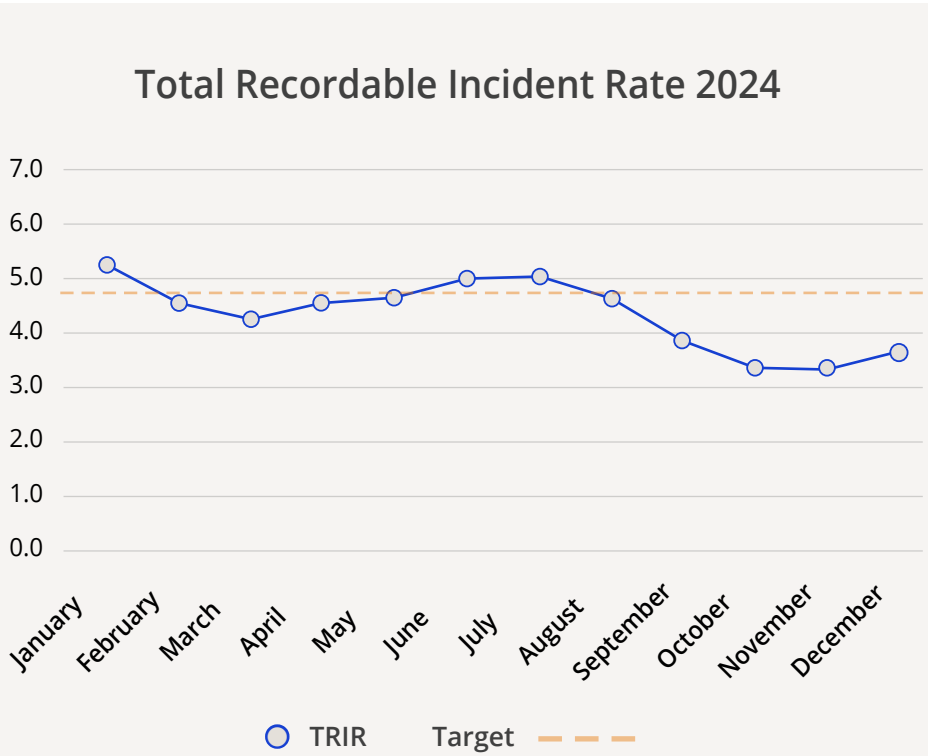
- Reduced our Total Recordable Incident Rate (TRIR) by 30%.
- Prepared for the launch of Upcycle Cares - a nonprofit offering emergency financial assistance to employees.
- Conducted our first global employee engagement survey which achieved an 81% participation rate, highlighting specific areas where we are meeting employee needs, and surfacing actionable insights related to improving communication, training opportunities, and advancement.

We also strengthened our external social impact. Our employees delivered lectures at academic institutions, mentored emerging leaders in sustainability, and raised funds for charities. At the policy level, we supported the implementation of carbon intensity protocols under Canada's Clean Fuel Regulations and participated in consultations on methane mitigation rules in the United States under the Inflation Reduction Act.

These activities are core to our business model and enable us to deliver durable social, environmental, and financial benefits at scale.

Health and Safety

"No job is worth doing, unless it can be done safely" is our leadership team's mantra, underscoring our commitment to the safety and well-being of our employees, our communities, and our customers. To that end, this section highlights our 2024 health and safety-related achievements as well as some of the initiatives we are implementing 2025.
In 2024, we reduced the absolute number of recordable injuries and illnesses by 25% compared to 2023, continuing a downward trend for the third consecutive year. At the same time, we saw an increase in reporting of near-misses. These outstanding results are due in part to the culture of continuous improvement we have established, as well as the guiding principle that safety is part of everyone's job.



2024 Highlights

- **Reduced TRIR**: Reduced Total Recordable Incident Rate by 30% from 5.3 recordable incidents per 200,000 work hours in January to 3.7 in December.
- **Reduced Quantity of Incidents:** Achieved a 25% year-over-year reduction in the number of recordable incidents.
- **Conducted Training**: We led company-wide and position-specific training on topics including:
  - Hazard Awareness and Identification: Company-wide training aimed at educating employees on recognizing potential hazards in their work environment.
  - Personal Risk Assessments: Training to teach employees how to evaluate their own safety and the safety of their colleagues.
  - Safety Training Observation Program (STOP): Position-specific training sessions focused on the STOP program, which emphasizes proactive safety measures and interventions.
  - High Risk Hazards: Specialized training addressing high-risk hazards specific to different job roles and locations.
  - Heavy Equipment: Instructional sessions on the safe operation and maintenance of heavy equipment.
- **Performed Audits**: Completed environmental compliance audits across North America, identifying 1,464 corrective actions 66% of which were completed by end of Q1 2025.
- **Implemented a New Safety Management System**: Rolled out a safety management system with ISNetworld (ISN) for large construction projects.
- **Established New Health and Safety Clinics**: Set up clinics at all sites for injury management.

Health and Safety

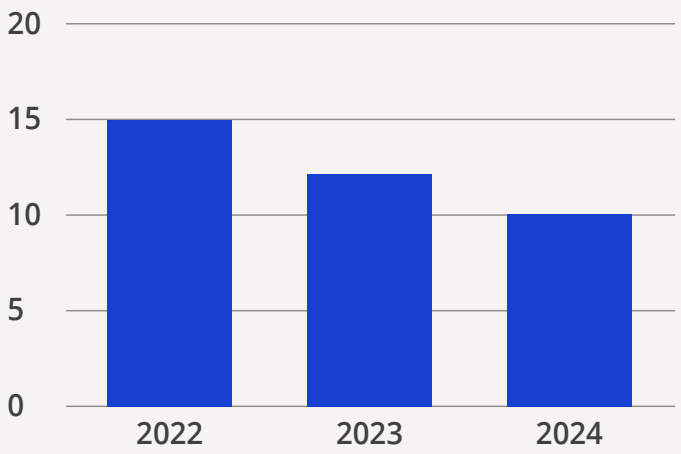
In 2025, our focus is on continuing the standardization and documentation of health and safety recordkeeping and reporting procedures across all Upcycle locations. This initiative has already begun generating valuable insights about the root causes and prevention of occupational health and safety incidents.

We are excited to finish implementing this comprehensive program for collecting, compiling, and analyzing occupational safety and health statistics.

- **Tracking** – We are expanding our 'near-miss' tracking program to identify and address potential safety issues before they result in injuries. Additionally, we plan to develop and deploy a Salesforce-based Incident Reporting System to streamline the reporting and tracking of safety incidents, near misses, and corrective actions.
- **Training** – Upcycle is developing and rolling out comprehensive training programs designed to ensure a safe and sustainable work environment. This training will equip employees with the knowledge and skills necessary to identify hazards, assess risks, and implement effective safety measures.
- **Certifying** - We are working towards meeting International Organization for Standardization (ISO) standards for Environmental Management and Occupational Health and Safety. These frameworks will ensure that the efficacy of our safety program is consistent across all Upcycle locations.

Together, these initiatives will continue to bolster our commitment to safety and sustainability, fostering a healthier workspace for all our employees.

Annual Recordable Incidents



Upcycle Awards

The Upcycle awards were established in 2023 to recognize employees who exemplify Upcycle's values and make an outsized contribution to the company. The awards recognize Upcycle sites with exceptional performance in areas such as safety and operational excellence. Award recipients are honored with prizes including plaques, company-sponsored barbecues, and monetary awards.

Safety Standout

Santino Love, Operations Manager
Buffalo and Niagara Digesters, New York

Santino Love began his career as an entry- level operator at the Niagara Digester in 2016. Over the years, his responsibilities expanded until he was running the Niagara Digester as well as its sister facility in Buffalo. Santino has received recognition "internally and externally.

He has been acknowledged as a leader in organics recycling by the New York State Association for Reduction, Reuse and Recycling in 2024.

Santino has fostered a culture of safety at his sites that exemplify Upcycles' Environmental, Health, and Safety priorities. He is focused on keeping his team safe every day. Santino takes a bottoms-up approach to safety, involving a wide group of stakeholders to develop and implement safety protocols. He cares about his team and is unapologetic when it comes to maintaining safety and compliance at his sites.

Santino diligently reports near-misses and documents ideas for improvement. His efforts have led to the Buffalo and Niagara sites achieving a combined 1,600 days without a recordable incident!

Site of the Year

Hartlepool Digester, United Kingdom

Hartlepool, located in the Tees Valley area of England, was named site of the year for its outstanding operational and financial performance. Under the leadership of Site Manager Michael Shea, Hartlepool exceeded its annual operational and financial goals by more than any other Upcycle location, anaerobically digesting 150,000 tons of organic materials, resulting in the generation of 41 gigawatt hours of renewable electricity, and producing 121,000 cubic meters of digestate that was utilized as an organic soil amendment by local farms.

Putting these achievements into perspective, in 2024 Hartlepool processed organic materials weighing as much as 600 Boeing 747s, generated enough electricity to power 15,000 homes in the UK for one year, and provided a volume of soil amendment to local farms that would fill 50 Olympic-sized swimming pools! These operational achievements resulted in impressive financial performance, with the site outperforming its EBITDA goal by more than one million dollars.

OUR COMMUNITIES AND WORKFORCE

Employee Engagement

Creating a Culture That Attracts and Retains Talent

Engaged employees are at the heart of our business model. We strive to create a work environment where people feel valued, supported, and empowered to thrive. At Upcycle, employees receive competitive compensation that includes performance-based incentives. Our healthcare and other benefits support our employees and their families in the three countries in which we operate.

GENERATE UPCYCLE Cares!

Upcycle Cares was formalized in 2024 as a 501(c)(3) nonprofit with the purpose of providing emergency assistance and disaster relief to employees of Upcycle and their immediate family members in the U.S., Canada, and the UK. The initiative aims to support colleagues experiencing temporary difficulties and who are in need of short-term financial aid.

NOTEWORTHY DISTINCTION

Dan Meccariello, VP Operations

Waste360 honored Dan Meccariello, who oversees operations of our aerobic digester business, with the 40 Under 40 award. This distinction is given to “inspiring and innovative professionals whose work in waste, recycling and organics who have made a significant contribution to the industry.”

Policy Advocacy

Upcycle is committed to working with federal, state/provincial, county, and city governments, as well as regulatory agencies to ensure that we not only comply with relevant laws and regulations, but we also work to ensure that those laws and regulations are shaped in ways that allow Upcycle to effectively deliver and expand circular waste solutions. The Upcycle policy team works diligently to ensure that our assets in the U.S., Canada, and the UK are positioned for success, and works to enable the growth of our business by helping us advocate for permits, public funding and procurement programs, proper accounting of the avoided greenhouse gas emissions associated with biogas use, and other government-related support for project development and operations.

Canadian Clean Fuels Regulation Implementation

In Canada, we focus on building relationships and developing credibility in both the national capital of Ottawa and the Ontario provincial capital of Toronto. Our efforts in Canada have had an outsized impact on the policy landscape that impacts our business – particularly in the way that the Clean Fuels Regulation (CFR) has been implemented. We worked with both the Conservative Party leadership – including meetings with Members of Parliament (MPs) and senior staff in leadership as well as hosting the Conservative leader himself for a tour of our flagship facility in London, Ontario – as well as with members of the Liberal Party leadership to ensure the key tenets of the CFR and the Clean Fuels Fund (CFF) support our mission. Our team successfully advocated for important improvements to the CFR carbon intensity accounting approach, and we ensured Upcycle was able to benefit from a previously awarded CAD $19 million CFF loan that supported the expansion of our London anaerobic digester.

Focus on the United States Inflation Reduction Act

In the United States, Upcycle is highly strategic in where and how we engage at the federal level. We leverage our parent company, Generate Capital, its other portfolio companies, and its memberships in industry associations to maximize federal policy impact. We also engage directly with members of Congress in districts where we are constituents and own assets. Among the topics we focused on in 2024 at the federal level were methane abatement regulations and the tax incentives for investing in sustainable infrastructure contained in the Inflation Reduction Act (IRA).

In key states where we operate, like California and New York, we are deeply engaged in relationship building, advocacy, and thought leadership. We penned a widely read white paper entitled "*Making Organics Diversion and Recycling Policy in California Work: Experience from a Leading Investor/Operator*" that helped shape policymaker views on food waste management and the role of anaerobic digesters (see Further Reading). In New York, we developed a deep understanding of the policy landscape and were involved in the passage of the state's climate law and development of the subsequent climate scoping plan. We also encouraged the Governor to sign a bill that further improves the food waste diversion bill we helped originally pass in 2019.

Strengthening Industry Connections in the United Kingdom

In the UK, we recently began a significant effort to build out our government relations and strategic communications capabilities in addition to strengthening our connections with the Anaerobic Digestion and Bioresources Association (ADBA), our primary industry association in the country. We are looking forward to the site visits by at least five of our members of Parliament in summer and fall of 2025.

Collaborations

To maximize our effectiveness, we actively engage with key industry associations and related nonprofits.

ADBA Anaerobic Digestion and Bioresources Association

AMERICAN BIOGAS COUNCIL

Canadian Biogas Association

ENERGY VISION EV

EREF Environmental Research & Education Foundation™
Lighting a path to sustainable waste management practices

Collect Recycle Innovate
National Waste & Recycling Association℠

THE COALITION FOR RENEWABLE NATURAL GAS

US Composting Council®

OUR COMMUNITIES AND WORKFORCE

Community Engagement

We interact with our local communities in a multitude of ways. Maintaining strong relationships with the communities in which we operate is critical. We collaborate with local government, economic development agencies, and community leaders, and regularly open our doors to host site tours. Our recent commitments have aimed to support local healthcare, promote education, and foster mentoring relationships. Here are a few highlights:

- Our annual employee golf tournament raised funds for London Health Sciences Centre, a children's hospital in Ontario, Canada. Additionally, we made a corporate donation to the Canadian Cancer Society to support immunotherapy research.
- Our engineering team taught a class on the renewable energy landscape and hosted a tour of our London, Ontario digester for members of WiRE (Women in Renewable Energy). We also lectured at local universities and engaged with audiences on National Public Radio, discussing topics related to building sustainable food systems and innovations in food and organic waste management.
- Several Upcycle employees were distinguished as mentors for Waste to Resource Ontario, a program dedicated to equipping future industry leaders with the essential knowledge and networks required to excel in their careers.
- The Chemical Institute of Canada (CIC) Toronto Section published an interview with Rhiad Gajraj, P.Eng, Director of Development, highlighting his work to advance the biogas industry, and his advice for young professionals looking to build their career in the sector (see Further Reading).

PILLAR TWO

Our Customers

OUR CUSTOMERS

Relationships Driving our Success

Pillar 2 focuses on the two core customer groups that Upcycle serves: those who we provide organic waste recycling services to, and those who purchase the renewable energy and soil products we produce.

For waste generators, our infrastructure provides a traceable solution for diverting organics from landfill, enabling compliance with diversion mandates and facilitating GHG emissions reporting. In 2024, we processed over 1.1 million tons of organic material across our anaerobic digestion and composting facilities, enabling our customers to avoid 447,000 $MTCO_2e$.

On the product side, all of our North American RNG production in 2024 was sold under contract, with the average contract duration being greater than 10 years. These customers rely on us to meet decarbonization targets under programs such as Canada's Clean Fuel Regulations (CFR), and we provide carbon intensity (CI) documentation as part of our service offering. Compost buyers—including municipal park departments, regional distributors, and commercial landscapers—benefit from consistent access to nutrient-rich soil products that reduce reliance on fossil-based alternatives.

In 2024, our fourth annual customer survey yielded a mean Likelihood to Recommend (LTR) score of 8.8, with impressive performance across both the feedstock and product customer groups. Customer feedback has shaped logistics improvements, enhanced data reporting, and expanded contract flexibility—ensuring our offerings remain aligned with the operational and compliance needs of those we serve.

OUR CUSTOMERS

Customer Overview

Our anaerobic digestion customer base spans two distinct but sometimes interconnected groups:

1) Organic waste generators, and
2) Energy consumers.

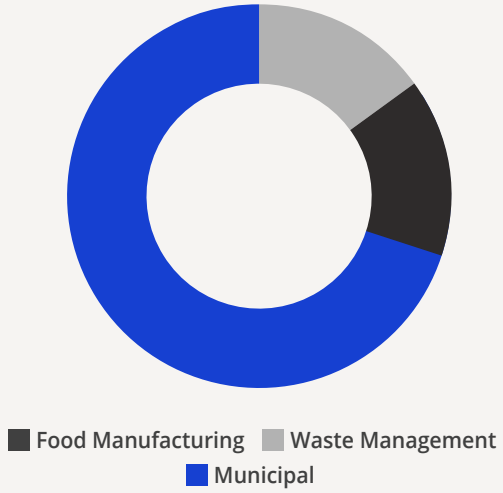
For waste generators—ranging from industrial food manufacturers to municipalities collecting their residents' kitchen scraps—we provide a compelling, and sometimes even compulsory, alternative to landfilling organic waste that helps them meet increasingly stringent sustainability goals.

We offer a secure, traceable, and environmentally beneficial solution for organic waste, and provide customers with the related greenhouse gas data they need to quantify their emissions.

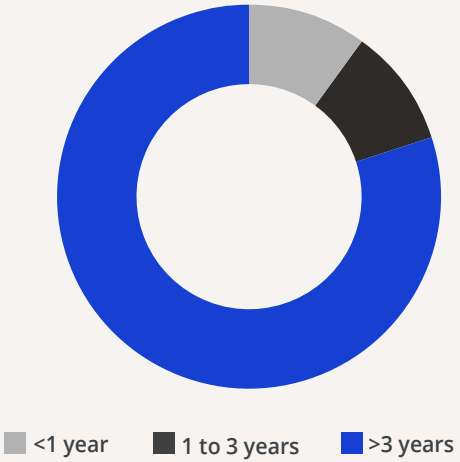
On the other side of the system, our energy consuming customer group primarily consists of utilities, brokers, and heavy industry. They benefit from a consistent source of renewable energy with one of the lowest carbon intensity scores available for energy production at scale, enabling this customer group to meet both mandatory and voluntary targets and strengthen energy resilience.

North America AD Customer Profile

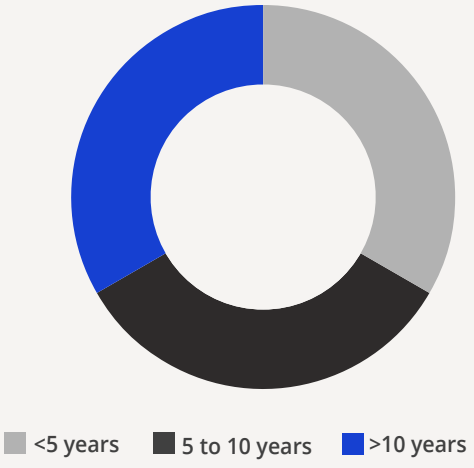
DIVERSE MIX OF FEEDSTOCK SUPPLIERS



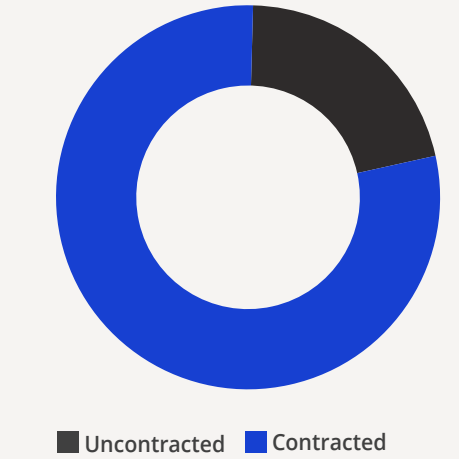
3+ YEARS SERVING MOST CUSTOMERS



10-YEAR AVERAGE CONTRACT TERM[4]



79% UNDER CONTRACT[3]



[3]Contracted includes customers with agreements that have a duration of three or more years including renewals and material damages associated with termination for convenience
[4]Average contract term is weighted based on revenue received in Q4 2023 through Q3 2024; term includes contract renewals

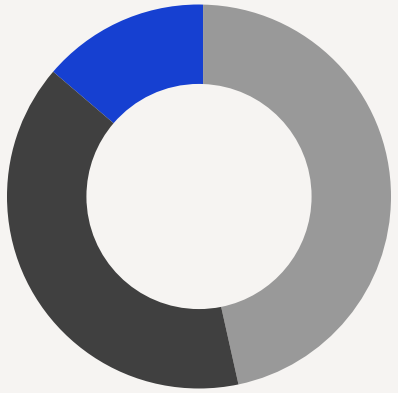
OUR CUSTOMERS

Customer Overview

These value propositions underpin a growing base of long-term contracts and strategic partnerships. As of this year, our North America AD business has more than three quarters of its feedstock supply and energy offtake under contract, 84% of which is with counterparties with investment grade credit ratings.

Further reflecting strong market confidence in our approach, 91% of the noncontracted revenue is made up of customers with whom we have had relationships for many years. By delivering both environmental impact and economic value, we have positioned ourselves as a solution for all customers, whether they have mature sustainability programs or no programs at all.

COMPOST CUSTOMER PROFILE



CASE STUDY

The Regional Municipality of Halton, Ontario

Halton Region launched its green cart program in 2008, with curbside food scraps collection offered to a subset of residents. The program aimed to reduce waste going to landfill, 45% of which was found to be organic in nature and suitable for compost and anaerobic digestion. In the subsequent 13 years, the program grew to servicing a substantial majority of the region's residents - including 96% of multi-family homes - and in 2021 Halton issued a new request for proposal (RFP) for the processing of the organic waste collected.

The RFP aimed to identify solutions that would further increase the diversion of organic waste from landfill, aligning with the Region's goal to divert between 5% and 11% more waste by 2030. Bids were evaluated with emphasis on the responder's experience and technical capabilities, including company track record, references provided by their customers, and contingency plans. Upcycle emerged as the partner of choice, securing a seven-year contract to manage and process 39,000 tons of Halton's source-separated organics annually. Upcycle provided more than just a state-of-the-art facility — it became a strategic collaborator integral to the success of Halton's sustainability mission.

Project Impact

By anaerobically digesting Halton's waste to produce renewable natural gas and organic fertilizer, we avoid 21,000 $MTCO_2e$ emissions annually, which has the same impact as removing 4,500 gasoline-powered passenger vehicles from the road.[5]

Halton REGION

[5] Equivalencies Analysis (source: EPA.gov GHG equivalencies calculator as of 5.15.24)

CASE STUDY: NESTLE

Zero Waste - From Farm to Table

Nestle and Upcycle have almost a decade's worth of history collaborating on sustainability initiatives at Nestle's production facilities. It began with Upcycle performing assessments of Nestle's manufacturing processes to develop facility-specific organic waste management programs that would put them on track to meet their corporate sustainability goals around recycling organic waste at every step in production, eliminating packaging waste from landfill, restoring nutrients to the soil, and reducing emissions in both the supply chain and at production sites.

The scope of the engagement grew in breadth and depth over the subsequent years to include numerous production facilities in the U.S. and Canada, as well as assisting with opportunities up and down the value chain.

SOLUTIONS

- Comprehensive and streamlined organic waste management, eliminating the need for multiple vendors
- Certified destruction and recycling of off-spec products
- Management of corporate cafeteria food scraps

Nestlé

CASE STUDY

Maple Leaf Foods

Maple Leaf Foods, the second largest meat producer in Canada by 2024 revenue, has made a bold sustainability commitment – to become "the most sustainable protein company on earth." Upcycle is an engine powering their progress towards this audacious goal in Ontario, Canada.

Maple Leaf Foods Targets

- **Climate**: Reduce absolute Scope 1 and Scope 2 greenhouse gas emissions by 30% by 2030 relative to their respective 2018 baselines.
- **Energy and Materials**: Reduce energy and water consumption by 50% by 2025. relative to their respective 2014-2016 baselines.
- **Waste**: Reduce waste going to landfill by 50% over 2015 baseline by 2025.[6]

Partnership with Upcycle

To achieve their climate and waste diversion targets in Ontario, Maple Leaf Foods turned to North America's largest food waste anaerobic digestion facility, Upcycle's AD in London, Ontario which is proximate to Maple Leaf Foods' nine production facilities and 5,000 employees in Ontario. Through a long-term partnership starting almost a decade ago, Maple Leaf Foods sends thousands of tons of organic by-products (e.g. processing residuals, animal off-cuts, onsite wastewater treatment residuals sludge) to Upcycle's London facility instead of to landfill.

Maple Leaf was among the inaugural commercial contracts that enabled Upcycle to scale its Drumbo, Ontario organics pre-processing hub, which handles over 90,000 tons of food waste (including packaging) per year, and helps supply the London digester with feedstock. This integrated waste management ecosystem ensures that Maple Leaf Foods' organic waste streams are diverted from landfill and put to productive use.

Impact Highlights

- **Waste Diversion**: By channeling organic waste to Upcycle, Maple Leaf Foods has substantially boosted its landfill diversion rate. This contributed to their industry leading 93.5% waste diversion achievement in 2023, and is helping to move the company closer to zero-waste.
- **Avoided Emissions**: By producing renewable natural gas from the company's organic waste, Maple Leaf Foods avoids significant GHG emissions that would have occurred if that waste had instead decomposed in landfills. These reductions support Maple Leaf's status as a carbon neutral company and drive progress toward their target of reducing their greenhouse gas emissions by 30% reduction by 2030, relative to 2018.

As Maple Leaf continues its journey to become the world's most sustainable protein company, strategic partnerships like this one will remain crucial. Together, Maple Leaf Foods and Upcycle are setting a powerful example for others in the food industry to follow.

[6] **"Environment." Maple Leaf Foods, https://www.mapleleaffoods.com/our-commitments/environment/. Accessed 5 March 2025.**
[7] **"Carbon Neutral." Maple Leaf Foods, https://www.mapleleaffoods.com/our-commitments/environment/carbon-neutral/. Accessed 5 March 2025.**

OUR CUSTOMERS

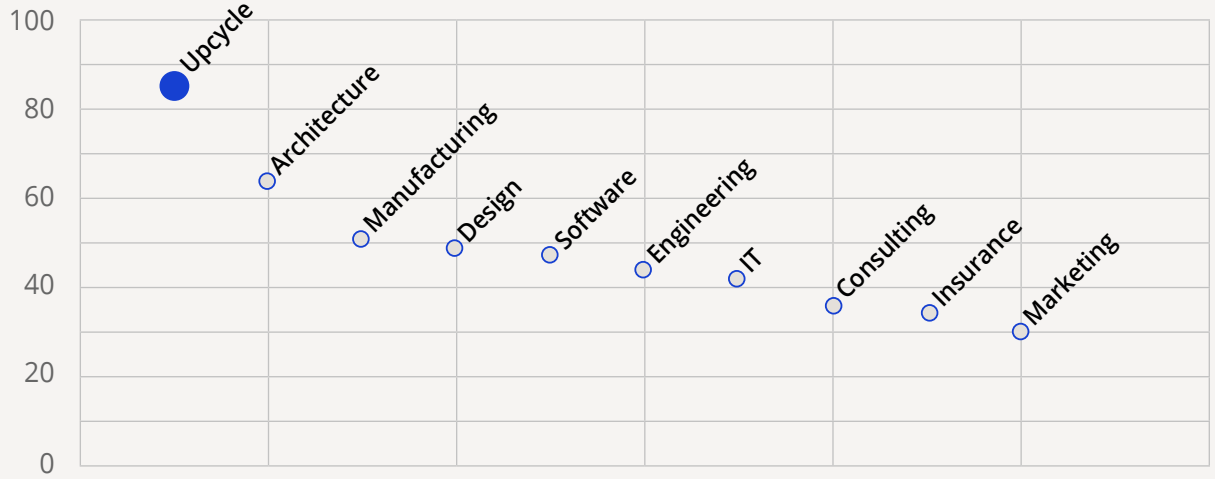
Customer Survey

In October 2024, Upcycle conducted its fourth annual customer survey, targeting feedstock suppliers at our digesters and compost sites in the U.S., Canada, and the UK. The survey also garnered feedback from customers who purchase finished products, including fertilizer and other soil amendments, at our compost sites. The survey aimed to gauge customer satisfaction and to identify areas for improvement through various questions that touched on customer service, product or service quality, and pricing. The survey question with which we benchmark our annual performance against is, "Using a rating scale from 0- (not at all likely) to 10 (extremely likely), how likely are you to recommend Upcycle to a friend or colleague."

Our Likelihood to Recommend (LTR) score is calculated as the mean customer response to this question, and is a key metric for gauging customer satisfaction and loyalty. With surveys completed by customers who account for 35% of sales, the company achieved an impressive LTR score of 88, exceeding the median score of companies in the vast majority of business-to-business industries (see figure below). Our 2024 results are in line with results from the previous three years, validating the strong customer relationships that are the result of a company-wide commitment to customer satisfaction.

Median LTR score of B2B Companies by Industry

Upcycle achieved a LTR score of 88, exceeding the median score of companies in a vast majority of B2B industries[8].



[8]2021 B2B Industry NPS Benchmarks https://www.clearlyrated.com/solutions/2021-nps-benchmarks-for-b2b-service-industries

OUR CUSTOMERS

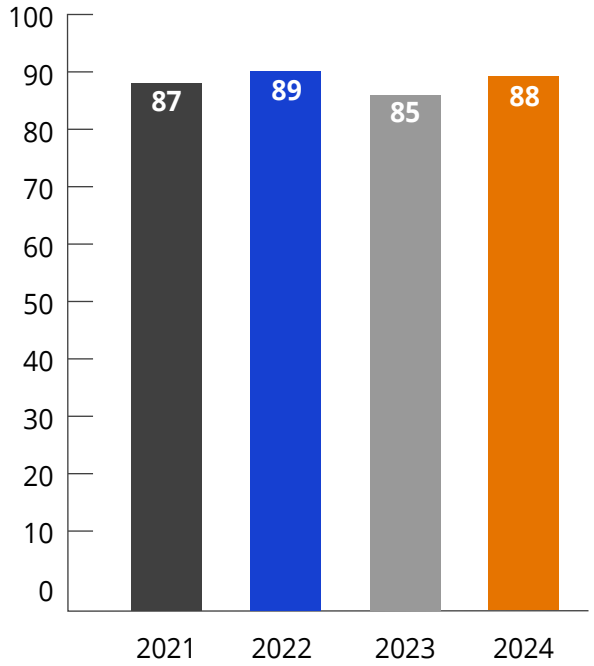
Customer Survey

Every survey response contains valuable feedback from our customers that provides us with insights into their experience and expectations. This year, we have gathered some particularly noteworthy highlights that reflect customer sentiment.

Upcycle achieved a likelihood to recommend (LTR) score of 88, based on feedback from customers who account for 35% of sales.[9] Breaking down the results by line of business, the North America ADs received positive comments highlighting professionalism and engagement from both the corporate and onsite teams. The UK ADs received accolades for team excellence and individual contributions from staff.

Similarly, customers using our compost sites praised sales representatives and office staff for their communication and professionalism. Our composting customers' level of satisfaction increased in 2024, with 95% of respondents indicating they were very satisfied with product quality, an improvement from 90% the previous year. These scores and comments not only reflect the high level of service provided by Upcycle but also validate the importance of continuous improvement and customer-centric strategies in our operations.

Upcycle's Historical LTR Scores



Compost

"The sales team is amazing.... they communicate and take ownership until the end!"

MALDONADO, San Antonio

"The office staff are the nicest and most professional group. Their blended products are even better!"

TIMMS TRUCKING, San Antonio

North America AD

"The corporate and onsite teams are very engaged and safety conscious a high level of professionalism on site."

SUN ENVIRONMENTAL, Niagara

"Working with Drumbo has been seamless. The only issue from us is that they are not able to take more material."

MUNICIPALITY OF PEEL, Drumbo

United Kingdom AD

"Your team is the best in the AD industry".

AWSM, Imperial Park

"Mike is absolutely brilliant. It's a pleasure being able to work with him."

FOR FARMERS, Imperial Park

"Tracy is absolutely superb - always polite, helpful, efficient and professional. I wish there were more 'Tracy Giddings' in the industry."

DEDDINGTON, Fernbrook

[9]Comprised of inbound feedstock volume for NA ADs and UK ADs, and finished product volume for Compost sites.

PILLAR THREE

Our Operations

OUR OPERATIONS

The Engine of our Impact

Our operations are the foundation of our impact. Pillar 3 addresses how we convert organic waste into renewable natural gas (RNG), renewable electricity, and soil products, while maintaining a performance-focused approach to emissions reduction and resource recovery. In 2024, we processed more than one million tons of organic material across twenty anaerobic digestion and composting facilities in the U.S., Canada, and the United Kingdom. These efforts enabled our customers to avoid almost 450,000 metric tons of CO_2e emissions.

Organic Waste Recycled to Produce Renewable Energy and Soil Amendments

Upcycle has eight compost sites, eleven ADs and one AD pre-processing facility across the U.S., Canada, and the UK. In 2024, we processed more than 1 million tons of organic waste, generating 107,000 MWh of renewable electricity and 490,000 GJ of RNG.

Upcycle's 447,000 metric tons of CO_2e emissions avoided are equivalent to:

106,000
passenger vehicles driven for one year

50 million
gallons of gasoline consumed

1.1 billion
miles driven by a passenger vehicle

88,000
homes' electricity use for one year

1.1 million tons of organic waste recycled

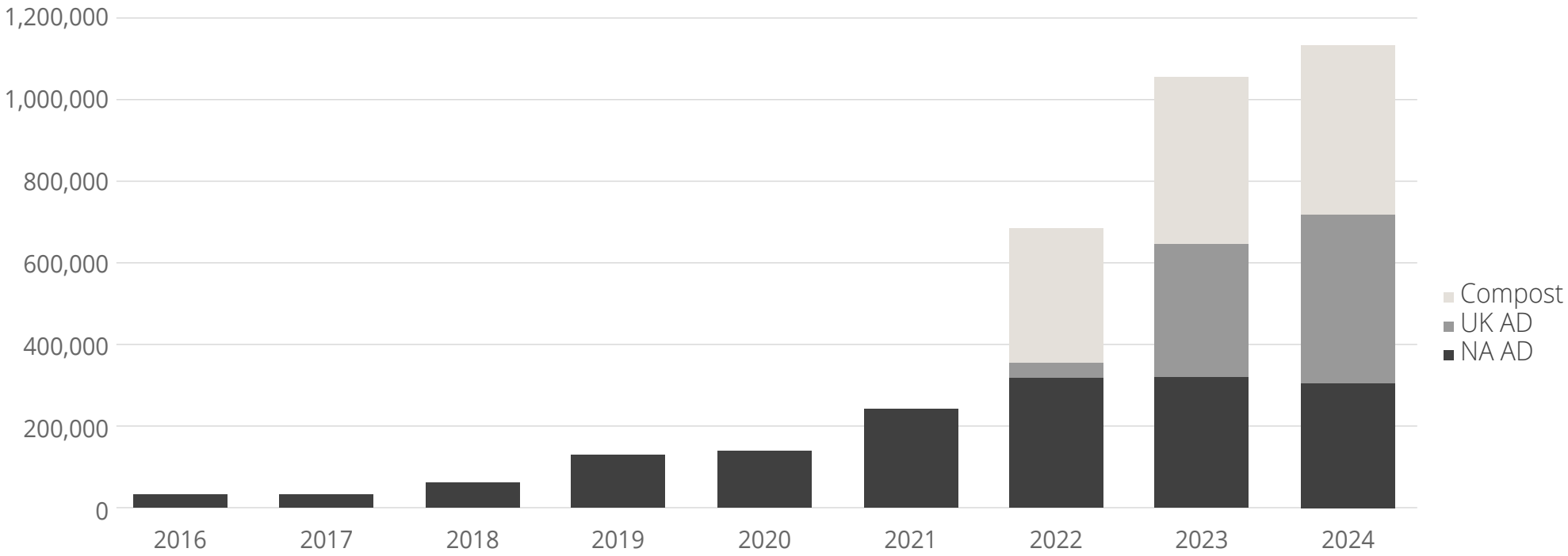
107 gigawatt-hours of renewable electricity generated

490,000 gigajoules of renewable natural gas produced

857,000 cubic yards or compost, soil, and mulch created

OUR OPERATIONS

Tons of Feedstock Processed by Line of Business



Avoided Emissions and Greenhouse Gas Profile

Upcycle's avoided emissions are equivalent to emissions from 1.1 billion miles driven by a passenger vehicle.[11]

Our business model is inherently beneficial for the environment, as our sites turn food waste and green waste into energy and soil amendment instead of letting it decompose in landfills where it emits methane. In 2024, that prevented nearly 447,000 metric tons of greenhouse gases from entering the air—about the same as taking 100,000 cars off the road for a year. During the same period, our operations emitted about 50,000 metric tons of greenhouse gases directly from sources we own or control including vehicles and furnaces (scope 1 emissions), and indirectly from the consumption of purchased electricity (scope 2 emissions).

NA and UK Anaerobic Digesters: Avoided emissions totaling 380,793 metric tons CO_2e stem from the drastically improved environmental footprint associated with anaerobically digesting organic waste versus landfilling it, as well as replacing fossil energy sources with the renewable natural gas and electricity we generate. Scope 1 emissions, totaling 5,031 metric tons CO_2e, result from fuel consumed onsite and in vehicles we operate. Scope 2 emissions, calculated using market-based methodology and totaling 433 metric tons CO_2e, are primarily attributed to electricity purchased for facility energy demands that cannot be met with electricity generated onsite.

Compost Sites: Avoided emissions, totaling 65,930 metric tons CO_2e, result from diverting organic waste from landfill. Scope 1 emissions, totaling 44,562 metric tons CO_2e, result from fuel consumed in equipment onsite and in vehicles we operate, as well as from the composting process which naturally produces methane. Scope 2 emissions, calculated using market-based methodology and totaling 327 metric tons CO_2e, are attributed to electricity used in material screening and other onsite operations.

Upcycle reports greenhouse gas emissions in accordance with the Greenhouse Gas Protocol and uses Intergovernmental Panel on Climate Change (IPCC) guidance for scientific parameters (e.g., global warming potentials). Under these standards, avoided emissions are presented separately and not counted within Scope 1 or Scope 2 emissions.

Emissions and Avoided Emissions Summary

	Scope 1 MT CO_2e	Scope 2 MT CO_2e	Avoided Emissions[12] MT CO_2e
NA AD	2,976	189	126,143
UK AD	2,054	244	254,650
Compost	44,562	327	65,930
Total	**49,593**	**760**	**446,724**

[11]Equivalencies Analysis (source: EPA.gov GHG equivalencies calculator as of 5.15.24)
[12]Avoided emissions reflect modeled landfill-versus-AD/composting outcomes per the Greenhouse Gas Protocol.

Our Growth Initiatives

Projects Under Construction

In 2024, Upcycle advanced significant infrastructure projects aimed at increasing site capacities and improving operational performance. Each of these projects drives measurable improvements to environmental and financial performance. Notably, upon completion of all RNG-related expansions, Upcycle will produce nearly 1,500,000 GJ of RNG – a major contribution to decarbonizing energy supplies. Key projects include:

Fernbrook RNG Addition (UK): Complementing the two existing digester tanks and 1.5 MW electric generator, we added two new digester tanks that will utilize a new biogas upgrading system capable of injecting 210,000 GJ per year of RNG into the gas grid. This project improves the average carbon intensity of the energy generated onsite, and provides an additional source of clean energy for customers. *Gas-to-grid was achieved in early 2025.*

London Facility Expansion (Canada): A multi-phase expansion of the site includes adding a fourth digester tank and a second and third biogas upgrading system. Once complete, the facility's organics processing capacity will increase 33% to 250,000 tons per year, and RNG production will increase 3X from 225,000 to 675,000 GJ annually. These upgrades strengthen our ability to provide the region with organic waste diversion services and renewable energy. *Expected completion in 2026*.

Cayuga RNG Production (U.S.): We are adding a biogas upgrading system capable of producing 150,000 GJ per year of RNG to replace the existing 1.2 MW combined heat and power system. The pipeline- quality RNG produced will displace fossil-derived natural gas with a lower-carbon alternative. Utilizing the methane produced from food waste in this manner results in a significantly lower carbon intensity of the energy produced, and increases its value. *Complete mid-2025*.

Buffalo RNG Conversion (U.S.): We are replacing the 1 MW combined heat and electricity generator at the digester in Western New York with the infrastructure to produce RNG. The project will enable the production of 95,000 GJ per year of RNG, improving the environmental performance of the site and enabling it to tap into strong demand for RNG. *Expected completion in late 2025*.

Niagara RNG Conversion (U.S.): Similar to Buffalo, this project replaces the 1 MW electric generator with a biogas upgrading system for RNG production. Once complete, the facility will produce 95,000 GJ of RNG annually, supplying it to customers as a replacement for fossil natural gas. *Expected completion in late 2025*.

Vero Beach De-packaging Addition (U.S.): Installation of a state-of-the-art de-packaging system to allow for the processing of packaged food waste as a compost feedstock. The new de-packaging line will provide a much-needed service to the region and is projected to increase the volume of inbound food waste processed at Vero Beach, as well as the volume of compost produced. *Expected completion in late 2025*.

Salinas Pre-processing Improvement (U.S.): This project is the second phase of expansion at Salinas. Phase 1 added an aerated static pile (ASP) composting pad and Phase II includes installing a pre-processing sort line to remove contaminants from incoming organic waste. This will enhance the quality and volume of compost produced from the feedstock by ensuring a higher percentage of organic material is recovered and composted rather than disposed of as residual in landfills. *Expected completion in late 2025*.

OUR GROWTH INITIATIVES

Exploration in 2025

Strategic initiatives underway in 2025 to enhance operational and financial performance include carbon capture, carbon reuse, and carbon concentration. Highlights of a few of our initiatives under development are below.

Carbon Capture and Sequestration in Concrete

We are exploring a process to capture CO_2 byproduct at our digester locations. Partnering with local concrete manufacturers, we aim to sequester the captured CO_2 through accelerated carbonation of concrete aggregate, a process that converts CO_2 into stable minerals permanently embedded within concrete aggregate. In addition to the environmental benefits of sequestering CO_2, the process has been shown to shorten concrete curing time, as well as reduce the carbon intensity score of the concrete, which can bring financial benefits.

Carbon Reuse in Biogas Upgrading Systems

Our anaerobic digesters use a carbon media filter to remove hydrogen sulfide and volatile organic compounds (VOCs) from biogas in order to produce RNG. In 2025, we are conducting trials on regenerating waste carbon from our filters to reuse. Such carbon would undergo thermal reactivation to cleanse and restore its adsorption properties. Preliminary analysis indicates up to 80% of each changeout can be supplied by regenerated media. Ongoing evaluations of environmental impacts and operational efficiency from these trials at select locations will inform the potential scalability of this innovative reuse approach across our network.

Carbon Concentration in Digestate

We have completed a pilot-scale trial using mechanical vapor recompression (MVR) technology to concentrate carbon and other nutrients in digestate, significantly reducing transportation volume and improving efficacy as a nutrient-rich fertilizer. In addition to lowering emissions through reduced transportation volume, when concentrated, digestate is utilized to improve soil quality on agricultural land, and the process can qualify for carbon credits. Data from our pilot project indicates potential for meaningful emission reductions and significantly increased soil retention of carbon.

These are just three of the numerous innovative, scalable solutions we are progressing in 2025, all with an eye towards continuing to build both a financially sustainable business with an environmentally beneficial impact.

Our innovative solutions improve soil quality and reduce carbon intensity.

Appendix

APPENDIX

Further Reading

Article: AI Robotics Vs. Humans In Compost Contaminant Removal
https://www.biocycle.net/ai-robotics-vs-humans-in-compost-contaminant-removal/

White Paper: Making Organics Diversion and Recycling Policy Work in California
https://generateupcycle.com/wp-content/uploads/2024/05/Generate-Upcycle-Food-Waste-AD-White-Paper-V-1.0-2.29.24.pdf

Interview: Navigating the Biogas Industry Beyond Chemical Engineering's Boundary with Rhiad Gajraj - Director of Development"
https://www.cictorontosection.ca/humans-in-chem-to/rhiad-gajraj

Interview: The Future of Anaerobic Digestion – Investment, skills, and feedstock challenges
https://www.astutepeople.co.UK/blog/2025/05/07/people-powered-profile-chris-mallia/

Acknowledgments

The accomplishments in this report reflect contributions from colleagues across Upcycle. Thank you for your hard work every day to deliver these results.

Special thanks to Matt Goodman, our Director of Customer Development, who led the creation of this report. We are also thankful to Jeanne-Mey Sun, PhD, for her generous guidance throughout the process. She strengthened our methodology, sharpened our messaging, and honed our materiality and impact framing. Jeanne-Mey's expertise is among the strongest in the field, and we are so grateful to her.

APPENDIX

Methods and Boundaries

Reporting Scope & Period: Calendar year 2024 across anaerobic digestion and compost operations in the U.S., Canada, and the United Kingdom. Wastewater sites are excluded as they were not operational at the time of publishing this report. Reporting includes 2024 actuals, 2024 goals, and 2030 goals.

Boundaries: Organizational Boundary defined as facilities owned and/or operated by Upcycle. Any mid-year divestitures were excluded. System boundaries and functional units defined by processing facility (i.e., Cayuga Digester).

GHG Accounting Approach: Scope 1 and Scope 2 per the GHG Protocol; Scope 2 reported using the market-based method. Biogenic CO^2 reported separately as part of the natural carbon cycle. Segment totals shown in Pillar 3 (Operations).

Avoided Emissions Methodology: Avoided emissions include diversion from landfill of organic materials. Key elements include: U.S. emission factors for landfill methane and grid electricity/fossil fuels; guardrails to prevent double-counting across scopes and programs.

As-of Dates & Updates: All metrics are as of December 31, 2024 unless otherwise noted. Post-period events (e.g., 2025 commissioning milestones) are disclosed in "Our Growth Initiatives" and elsewhere.

Midpoints of uncertainty ranges used where applicable.

Units, Conventions, and Terminology

Mass: short tons (US) unless otherwise stated.

Currency: U.S. dollars (USD) unless otherwise stated.

Energy: gigajoule (GJ) and megawatt-hour (MWh). 1 GJ = 0.28 MWh = 0.95 MMBtu

Power: megawatt (MW)

Greenhouse Gas: metric tons of carbon dioxide equivalent (MT CO2e)

Scope 1 Emissions: Scope 1 greenhouse gas emissions are direct emissions from sources that are owned or controlled by an organization and primarily include the combustion of fuels from sources like boilers, furnaces, equipment, and vehicle fleets.

Scope 2 Emissions: Scope 2 greenhouse gas emissions are indirect emissions from the consumption of purchased electricity, steam, heating, and cooling.

Renewable Natural Gas[13] (RNG): also known as biomethane, is made from biogas that has been upgraded for use in place of fossil fuel derived natural gas. The biogas used to produce RNG comes from a variety of sources including municipal solid waste landfills, and anaerobic digester plants at water resource recovery facilities, livestock farms, food production facilities, and organic waste management operations. RNG can be used locally at the site where the product is created, piped in a dedicated pipeline to an end user, or injected into a natural gas transmission or distribution pipeline.

Raw biogas has a methane content between 45% and 65% and goes through a series of steps to be converted into RNG. Typically, RNG injected into a natural gas pipeline has a methane content between 96% and 98%.

As a substitute for natural gas, RNG has many potential end uses: in thermal applications; to generate electricity; for vehicle fuel; or as a bio-product feedstock.

[13] Renewable Natural Gas definition adopted from United States Environmental Protection Agency http://epa.gov/lmop/renewable-natural-gas

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