

Carbon Reduction Plan

Supplier name: **City Facilities Management Holdings (UK and Europe) Ltd**

Publication date: 24 June 2026

Commitment to achieving Net Zero

City Facilities Management Holdings (UK and Europe) Ltd is committed to achieving Net Zero emissions by 2040.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2019	
Additional Details relating to the Baseline Emissions calculations.	
<i>City established our initial baseline measurement for 2019 with the support of independent specialist consultants. This baseline measurement incorporated 100% of scope 1 and scope 2 emissions including a subset of scope 3 categories. We have since completed workstreams with independent support that calculated and analysed our full scope 3 emissions and re-stated our 2019 baseline to cover our entire emission profile.</i>	
Baseline year emissions:	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	10,126
Scope 2	792
Scope 3	66,856
Total Emissions	77,774

Current Emissions Reporting

Reporting Year: 2025	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	12,341
Scope 2	82
Scope 3	154,686
Total Emissions	167,109

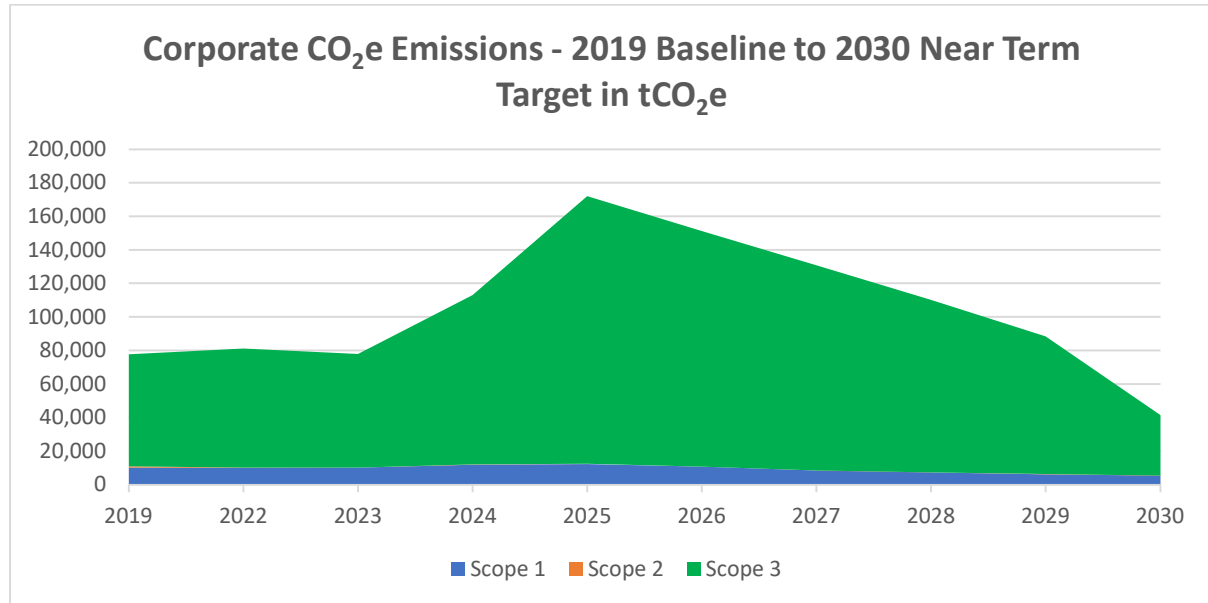
Emissions reduction targets

City remains committed to achieving Net Zero emissions by 2040 and both our Near-Term and Net Zero committed targets were formally approved by the Science Based Targets initiative in 2024.

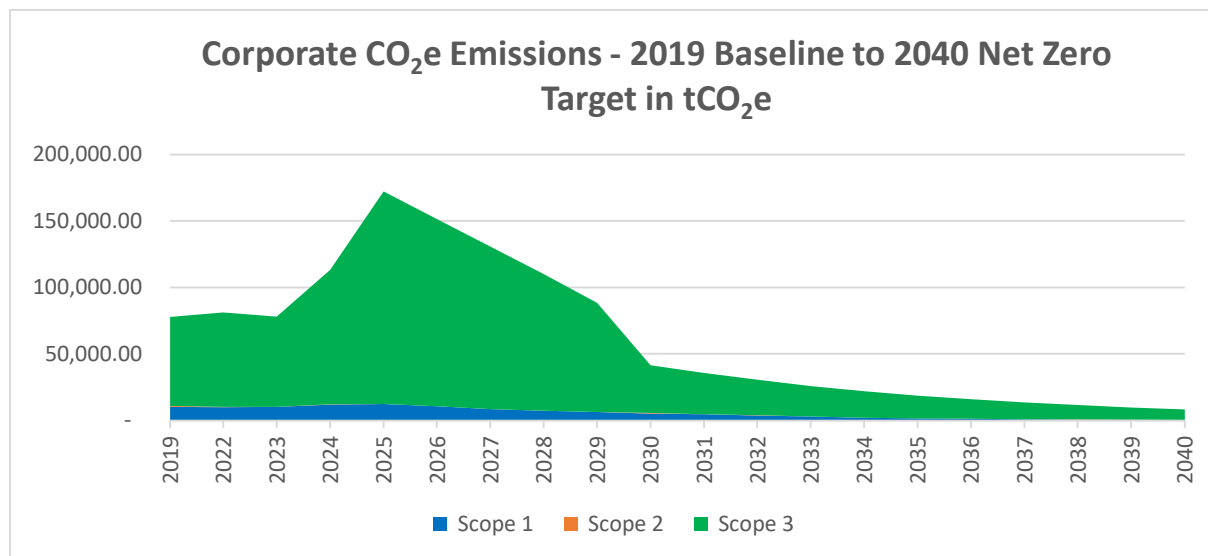
These targets pledge that our total carbon emissions will reduce from our 2019 baseline to 2030, across Scopes 1 and 2 by 49.7% and Scope 3 by 46.2%. Further, we have committed that by 2040, emissions will reduce to Net Zero.

Therefore, our near-term target emissions for 2030 is 41,459 tCO₂e or below.

Overall projected reduction target, by year, is demonstrated in the graph below to our near-term target year:



Overall projected reduction target, by year, is demonstrated in the graph below to our 2040 Net Zero target:



Our carbon emissions have increased in 2025, by 54,011 tCO₂e year on year.

This increase is largely attributed to Scope 3 Category 1- carbon associated with the upstream supply of goods and services. A significant increase in the “GHG SIC Code conversion factor 46 - Wholesale trade services” has directly impacted our increase in carbon emissions year on year by 73,748 tCO₂e. The impact of this increase is offset in part against a decrease of supply chain spending across all categories, year on year, resulting in an overall increase in supply chain related carbon emissions of 53,434 tCO₂e.

To ensure the highest possible accuracy in accounting for our supply chain (Scope 3, Category 1: Purchased Goods and Services) emissions, from 2025 City has employed a hybrid data-collection approach. We prioritise actual, supplier-specific data where available, utilising industry-average benchmarks where primary data is absent. Emissions have been calculated in accordance with the GHG Protocol Corporate Value Chain (Scope 3) Standard, using the following methods based on data availability:

1. **Supplier-specific:** For targeted suppliers who responded to our 2026 Supplier Survey, emissions were calculated using actual data provided directly by the businesses. This represented 13% of our total supplier spend related emissions in 2025. Where suppliers provided complete 2025 footprints (including Scopes 1, 2, and voluntary Scope 3), or 2025 Scope 1 and 2 footprints, City's share of emissions was determined using a revenue-allocation proxy (applying the ratio of City's annual spend to the supplier's total published turnover). We will encourage suppliers to measure their Scope 3 to improve coverage.
2. **Extrapolated:** Where supplier-specific emissions data was provided by them using 2024 data, a carbon intensity factor was calculated by dividing reported Scope 1 and Scope 2, and where possible, voluntary Scope 3 emissions, by the supplier's publicly reported turnover. This intensity factor was then applied to the City's 2025 expenditure with the supplier to estimate the emissions attributable to the City's procurement activity. This approach assumes that the supplier's carbon intensity remained broadly consistent between 2024 and 2025.
3. **Spend-based:** For suppliers who do not report their emissions, or did not respond to the survey, a spend-based approach was applied. City's 2025 financial expenditure with these entities was mapped to corresponding Standard Industrial Classification (SIC) codes.

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2019 baseline.

- The installation of electrical sub-metering in our head office
- ISO 14001 ongoing certification
- Gaining PAS 2038 certification to enhance customer opportunities in implementation carbon reduction measures.
- Restricting business travel
- The purchasing of electricity from renewal sources for our head office and other premises
- Wider data collection, improving our processes for measurement, analysis and reporting within all areas of the business, including scope 3 emissions
- Developed data collation mechanism for commuting data across UK offices
- SBTi independent validation of carbon data and reduction targets for near-term by 2030 and Net Zero by 2040, completed.
- Removed the issue of all single use plastic water bottles and installation of further water filter machines across our Glasgow Head Office to encourage our colleagues to be mindful of the use of single use plastic.

- Utilisation of PV and HVO power generation on our construction sites
- Implementation of our formal Green Fleet Strategy phased transition plan across our estate, designed to manage the effective transition of company vehicle and van fleet. This strategy has been carefully planned in order to maximise our reduction of carbon emissions across our leased transport categories, whilst also avoiding disruption to our service provision. Activity so far:
 - Introduction of salary sacrifice for leasing of EV grey fleet
 - Rollout of EV Commercial Vehicles across the business. Initial vehicles operating across the fleet.
 - Full transition to PHEV company cars within our vehicle fleet
 - Start of transition to EV company cars is underway
- Signed up & pledged commitment to the CLC Construct Zero initiative & Carbon Reduction Code
- Upskilling of our project management teams via the CITB Accredited Site Environmental Awareness Training Scheme (SEATS) course
- Implementation of paperless offices within our construction site set-ups
- Use of telematics to identify how best to maximise resource and reduce travel inefficiencies
- Proactive supply chain engagement to inform on the importance and impact of their carbon reduction activities with greater focus on encouraging transparent carbon data analysis and reporting, utilising actual emissions data
- Implementation of a Carbon Literacy programme for our senior leaders with influence over the built environment.

Future Carbon Reduction Initiatives

We are also continuing to work with independent advisors to develop and implement further carbon reduction measures, some of which are included below:

- Fully utilise our SBTi commitment to influence for better carbon management policies and processes, across all our business operations.
- Continual review of innovative practices, to find the most effective way to reduce our carbon emissions whilst providing an efficient and responsive service to our customers.
- The electrification of office based heating and hot water systems through formal gas asset replacement program
- Switching to 100% renewable electricity by 2027 for all our properties
- Further develop and implement other Green Fleet Strategy related activities in line with our phased transition plan across our estate. This will include:
 - Further rollout of EV Commercial Vehicles across the business.
 - Transition to EV Company Cars to be completed
 - Roll out of driver training programme to inform on the carbon impact of driving behaviours and use of in-cab technologies to support behavioural change.
- Targeted investment in improvements to our Building Energy Management System such as passive-infra red lighting sensors, LED lighting, integration of our AC systems and introduction of CO2 sensors to the fresh-air control.
- Review and investment in other specific Net Zero management initiatives which will further reduce operational-related emission burden, such as paperless technologies, alternative business travel arrangements and optimising the use of new conference/meeting management initiatives.
- Targeted campaign for the use of carbon reduction related benefits, such as Cycle to Work scheme and public transport savings opportunities.
- Gaining PAS 2038 certification
- Expansion of Carbon Literacy and environmental awareness training programmes across the wider workforce to support behavioural change and operational carbon reductions. e.g. through the introduction of our online ESG training module for all colleagues.

- Adoption of circular economy principles to maximise reuse, refurbishment and recycling of materials
- City remains committed to reducing the proportion of spend-based estimations in future reporting cycles by continuing to actively engage with our supply chain to encourage transparent carbon analysis and reporting. This will see City's emissions figures move up the data collection hierarchy.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 006 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard and uses the appropriate Government emission conversion factors for greenhouse gas company reporting.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier:

A handwritten signature in black ink that reads "Wendy Golden". The signature is written in a cursive, flowing style.

Director for Environment, Social Value and Governance

Date: 24/06/2026