



Cabinet Office



mitie

PLAN ZERO

Carbon Reduction Plan PPN06/21

Supplier name: Mitie Technical Facilities Management Ltd

Publication date: 01/08/24



CARBON REDUCTION PLAN

Commitment to achieving Net Zero

Mitie Technical Facilities Management Ltd is committed to achieving Net Zero Carbon emissions by 2025 (Scope 1 and 2) and 2035 (Scope 3).

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: April 1st, 2021, to March 31st 2022 | |
| Additional Details relating to the Baseline Emissions calculations. | |
| <p>FY21/22 is the new baseline year for future carbon reporting. The Carbon Emissions detailed within this Carbon Reduction Plan are calculated in accordance with the GHG Corporate Accounting & Reporting Standard and the GHG Protocol Scope 3 Technical Guidance. The operational boundary has been set using the Financial Control Approach. This is restricted to the UK where we have full financial control over our operations. All greenhouse gas emissions are reported in tonnes of carbon dioxide equivalent (tCO₂e) to account for all seven of the Kyoto Protocol GHG's. The new baseline now incorporates all of our Scope 3 emissions which has added significant amounts of supply chain and commuting emissions to our carbon inventory.</p> | |
| Baseline year emissions: April 1st, 2021, to March 31st 2022 | |
| EMISSIONS | TOTAL (tCO₂e) |
| Scope 1 | 3,955 |
| Scope 2 | 178 (market based) |
| Scope 3 (Included Sources) | <p>55,814</p> <p>(Waste, water, business travel data (rail / air / hotel), upstream transportation, employee commuting, working from home, emissions from EV charging and supply chain)</p> <p>The scope 3 category '9. Downstream transportation and distribution' has been excluded from this carbon emission figure as it does not apply to our organisation. Mitie does not deliver any goods or services via a third party and all transport emissions relating to our delivered service by our own transport are captured in our Scope 1 and 2 reported emissions.</p> |
| Total Emissions | 59,947 |

Current Emissions Reporting

| Reporting Year: April 1 st 2023, to March 31 st 2024 | |
|--|---|
| EMISSIONS | TOTAL (tCO ₂ e) |
| Scope 1 | 2,225 |
| Scope 2 | 332 (market based) |
| Scope 3 (Included Sources) | <p>49,645</p> <p>(Waste, water, business travel data (rail / air / hotel), upstream transportation, employee commuting, working from home, emissions from EV charging and supply chain)</p> <p>The scope 3 category '9. Downstream transportation and distribution' has been excluded from this carbon emission figure as it does not apply to our organisation. Mitie does not deliver any goods or services via a third party and all transport emissions relating to our delivered service by our own transport are captured in our Scope 1 and 2 reported emissions.</p> |
| Total Emissions | 52,202 |

Emissions reduction targets

To continue our progress for achieving Net Zero Carbon Emissions prior to the Government's target of 2050, we have adopted the following carbon reduction targets.

- Committed to a Net Zero Carbon Target by 2025 (Scope 1 and 2)
- Committed to a Net Zero Carbon Target by 2035 (Scope 3)
- Obtained validated science-based target for near-term, long-term, and net zero (April 2023)

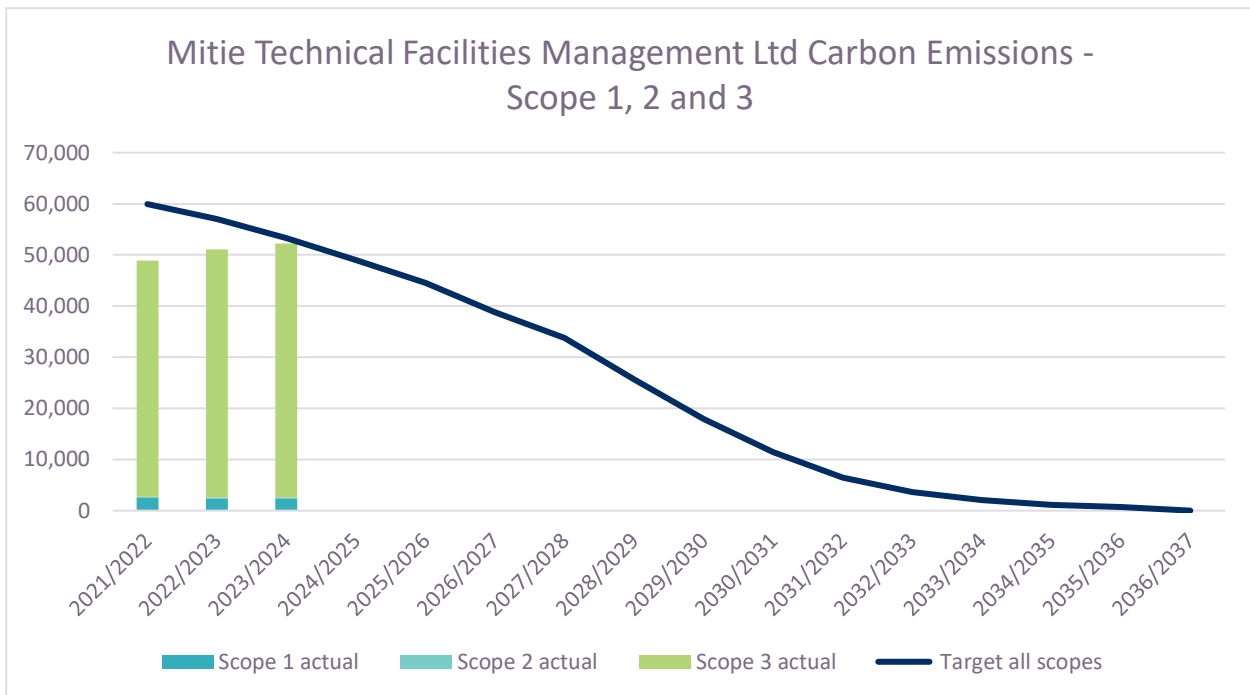
Strategy

1. Eliminating all Scope 1 emissions (Fossil fuels) from our operations by 2025
2. Drive down energy consumption and adopt natural renewable sources for Scope 2 emissions (complete)
3. Measure, report & influence Scope 3 emissions throughout the value chain to align with Points 1 & 2 above.

We project that carbon emissions will decrease over the next five years to 25,644 tCO₂e (all three scopes) by 2028. This is a reduction of 57% based on the 2021/22 baseline year emissions.

We continue to see an increase in electricity emissions for our EV fleet as we transition to an all-electric fleet. Mitie Technical Facilities Management Ltd increased the number of EVs in service by 430 during the year and had 1,150 EVs in operation on 31 March 2024. This initiative will reduce our Scope 1 emissions from fossil fuels. Progress against these targets can be seen in the graph below.

Carbon Reduction: Projected vs Actual



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2021/22 baseline. The carbon emission reduction achieved by these schemes equate to 7,745 tCO₂e, a 13% reduction against the 2021/22 baseline and the measures will be in effect when performing the contract.

Clean sources of energy

Mitie purchases 100% of power backed by Renewable Energy Guarantee of Origin (REGO), for Mitie-controlled offices, achieving RE100, the Climate Group's initiative 25 years early. Mitie has the largest pure electric vehicle (EV) fleet in the UK, with a total of over 5,065 currently on the road. This transition to a zero-emissions fleet aligns to our signatory to EV100, The Climate Group's initiative to commit organisations to transitioning to an EV fleet by 2030 and we will complete this by the end of 2025. Together with our Mina Platform, we have enabled direct payment for EV charging at home. Our next steps are recommending 100% renewable tariffs for Mitie drivers, increasing the uptake to power not only EVs, but homes too.

Energy efficiency

Mitie operate an ISO50001 Energy Management System with a scope covering our seven hub offices and our entire fleet. Our built estate has been benchmarked and audited by our in-house team of certified Energy Managers. All energy optimisation measures have been implemented. Mitie are transitioning to low-carbon alternatives to improve our energy consumption and decarbonise our heating systems. The estate is now undergoing larger CAPEX projects, including installing LED lighting systems and boiler replacement programmes.

- Our largest carbon emissions relate to our vehicle fleet and Mitie are committed to replacing them with zero carbon emission electric vehicles by the end of 2025.
- Over 3,000 electric vehicle charge points have been installed across both the Mitie estate, employee homes and client sites, supporting transitions to an electric vehicle fleet.
- We have committed to doubling our energy productivity, through The Climate Group's EPI100 initiative. We are one of only 16 organisations to hold all three accreditations (RE100, EV100, EPI100)
- We have 16 buildings (13%) that are fully decarbonised in our built estate (no fossil fuelled heating system and renewable energy). A further 3 buildings have been identified for boiler replacements in FY24/25 to replace with low carbon heat pumps.
- All new corporate buildings that Mitie occupy will be BREEAM excellent and we are undergoing a consolidation of our built estate to dispose of older inefficient buildings.
- Mitie has increased recycling rates, and all other waste is diverted from landfill to produce energy. This includes our 'bin the bag' scheme that removes over 600kg of plastic.
- Training and awareness programmes are being deployed to demystify carbon reduction throughout the organisation, supply chain and customer base.
- We actively promote flexible and remote working (via Teams) where possible to reduce travel and accommodation requirements.
- We are working with our suppliers to assist and influence carbon reduction throughout the value chain and work with them to set their own science-based target.

Pace of change in reducing emissions

We are on track to achieve Net Zero emissions by the end of 2025 – and we are helping customers accelerate their sustainability strategies too. We harness the power of data to reduce energy spend and create efficiencies, with market-leading technology to decrease carbon emissions and optimise energy supply.

Our unique position of attaining an in-house Sustainability Consultancy allows Mitie to become a leader in carbon reduction, accelerating not only our journey to net-zero, but our clients too. Mitie Plan Zero - TMDecarbonisation, DeliveredTM (PZDD) is our campaign to support our customers, suppliers, and the wider industry to set stretching net-zero targets and achieve them, through offering our holistic end-to-end decarbonisation services.

To date, across all our trading entities, we have saved our customers over 375,000 tonnes of carbon. Over the course of three years, Mitie has helped our telecommunications customer save over 100GWh and £10m in energy costs, equivalent to 25,000 tonnes of CO₂. We are one of the only energy management companies to offer guaranteed energy savings of 10-13%.

We are market leading in our ability to combine Energy and Sustainability services via an integrated Plan Zero offering for all utilities' management via our self-delivery model. Our strategy is to continue to invest in utilities and carbon efficiencies solutions with a target of significantly growing the business from where it is today.

We delivered net zero consulting services to 372 clients last year, tackling decarbonisation at over 800 sites and secured over £18 million of funding for our public sector clients from the Public Sector Decarbonisation Scheme.

Strategic acquisitions have enabled us to enhance in-house capabilities in high-growth markets, including a leading critical environment project designer and principal contractor, JCA Engineering. It joins a thriving portfolio, including advanced solar photovoltaics (PV) organisation Custom Solar, EV fleet transition and connection management experts Rock Power Connections and G2, and biodiverse living walls specialists Biotecture.

More information can be found at -

<https://www.mitie.com/esg/> and <https://www.planzerocarbon.com>

In the future we will implement further measures such as:

- Continuing our fleet transition to electric vehicles by 2025 and beyond.
- Replace additional gas fired boilers across our estate to reduce our Scope 1 carbon emissions.
- Work with our Landlords to influence them to procure 'green' low carbon energy on our behalf.
- Remove all single use items from our operations and therefore reduce our waste and associated carbon emissions.
- Reduce our water consumption by 5% year on year.
- Improve our measurement, reporting and influence of our supply chain emissions, through our operation of a validated science-based target.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 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 standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors.

¹ <https://ghgprotocol.org/corporate-standard>

² <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

³ <https://ghgprotocol.org/standards/scope-3-standard>

Signed on behalf of the Supplier:

Peter Dickinson - Chief Legal Officer for Mitie Group

Date: 01 August 2024