



CARBON REDUCTION PLAN GUIDANCE

Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier entity and must meet the reporting requirements set out in supporting guidance and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

A template for the Carbon Reduction Plan is set out below. Please complete and publish your Carbon Reduction Plan in accordance with the reporting standard published alongside this PPN.

Carbon Reduction Plan

Supplier name: **Morrison Facilities Services (part of Mears Group PLC)**

Publication date: **25/11/2025**

Commitment to achieving Net Zero

Morrison Facilities Services (MFS/part of Mears Group PLC) is committed to achieving:

- Net Zero Carbon across Scope 1 and 2 GHG emissions by **2030**
- Net Zero Carbon across Scope 3 GHG emissions by **2045**

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: 2021

Additional Details relating to the Baseline Emissions calculations.

Morrison Facilities Services (MFS) is a subsidiary of Mears Group PLC and most trusted providers of FM services to education, health and full lifecycle solutions. As part of our broader ESG Strategic Approach, our sustainability efforts are built upon reducing emissions, improving people's lives, and creating value through robust, ethical, and transparent business practices. It demonstrates a clear ambition to be considered as the most socially responsible business in the public and housing services sector. Mears recognises that climate change presents both a business risk and opportunity, and that we have a responsibility as an ethical and transparent service provider to measure, monitor, report and reduce our carbon footprint. Mears has set the following targets as part of our Net Zero commitment:

- Net Zero across Scope 1 and 2 GHG emissions by 2030 (Phase 1)
- Net Zero across Scope 3 GHG emissions by 2045 (Phase 2)

Mears Group's [Our Pathway to Net Zero](#) strategy supports the UK Government's aim to achieve Net Zero by 2050 and sets out our approach to delivering net zero across Mears Group operations. The strategy is currently under review to ensure it continues to support our green aspirations and meet the evolving needs of our clients and communities.

MFS' GHG emissions were calculated as part of the Mears Group overall GHG emissions for the 2021 calendar year and included Scope 1 and 2 emissions and selected Scope 3 categories. Emissions for MFS this period were 704.3 tCO₂e in total across Scope 1, 2, and selected Scope 3 categories, of which 153.97 tCO₂e related to Scope 1 and 2 emissions.

MFS as part of the Mears Group reports on selected Scope 3 emissions sources (as summarised in our baseline emissions calculation). In 2024, Mears Group (including MFS)

Baseline Year: 2021

Additional Details relating to the Baseline Emissions calculations.

has completed the Scope 3 screening assessment to better understand the type and accuracy of data available to support reporting. The assessment covered all 15 categories of Scope 3 (as outlined in the GHG Protocol).

This includes 5 Scope 3 categories, as specified in the 'Carbon Reduction Plan Template' published alongside PPN 06/21, which are summarised below:

- **Category 4¹:** Upstream Transportation and Distribution
- **Category 5:** Waste Generated in Operations (reported, see below)
- **Category 6:** Business Travel (reported, see below)
- **Category 7¹:** Employee Commuting
- **Category 9¹:** Downstream Transportation and Distribution

Following the completion of the screening assessment of all 15 Scope 3 categories, we have mapped our Scope 3 emissions. We will report annually on all applicable Scope 3 emissions, subject to data availability and the use of a reliable calculation methodology.

Mears Group (including MFS) has historically used a financial control method to calculate its carbon footprint.

During the development of Our Pathway to Net Zero strategy, it was determined that an operational control approach would be more appropriate, given the nature of Mears Group (including MFS) business operations and our ability to directly control or influence carbon reduction activities.

This approach enables Mears Group to create more opportunities over time, particularly at a local level to reduce our carbon footprint and support delivery of our Net Zero aspirations. The primary impact of this change was the relocation of some emissions from Scope 1 and Scope 2 into Scope 3, under Category 3 (Fuel and Energy Related Activities Not Included in Scope 1 or Scope 2).

Further to the above, Mears Group (including MFS) has restated our carbon footprint across Scope 1, 2 and 3 to ensure full transparency. This provides a more accurate picture of our emissions profile, helping us better identify priority areas for carbon reduction and focus our efforts where they will have the biggest impact.

This will enhance opportunities in reducing our carbon emissions effectively and support successful delivery of our Net Zero targets - Scope 1 and 2 by 2030, and Scope 3 by 2045 (strategy under review).

MFS (part of Mears Group PLC) calculates its carbon footprint each year, with independent external verification carried out annually. MFS utilises the GHG Protocol Corporate Standard. Scope 1 and 2 GHG emissions have been reported in full, and the following Scope 3 categories are currently included:

- **Category 1:** Purchased Goods and Services
- **Category 3:** Fuel and energy related activities
- **Category 5:** Waste generated in operations
- **Category 6:** Business Travel

¹ Where applicable, subject to data availability and ongoing enhancements to data collection methodology

Baseline Year: 2021
Additional Details relating to the Baseline Emissions calculations.
Mears Group has completed Scope 3 screening assessment, and additional categories will be reported, subject to data availability and ongoing enhancements to data collection methodology. Emissions set out below are measured in tCO ₂ e.

Baseline year emissions: 2021² (MFS only)	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	144.6 <ul style="list-style-type: none"> ▪ Company vehicles (diesel): 127.02 ▪ Company vehicles (petrol): 17.56 ▪ Company vehicles (Lubricant): 0.06 ▪ Natural gas (offices): 0.00
Scope 2 (location based)	9.33 Electricity (offices): 9.33
Scope 3 (Included Sources)	550.4 <ul style="list-style-type: none"> ▪ Category 1: Purchased goods and services: 505.59 ▪ Category 3: Fuel and energy related activities not included in Scope 1 or 2: (Well to Tank/WTT) 38.39; (Transmission and Distribution) 0.83 ▪ Category 5: Waste generated in operations: 4.50 ▪ Category 6: Business Travel: grey fleet, carers travel, flights, rail travel, and hotel stay: 1.06
Total Emissions	704.3 (Location based GHG emissions)

² GHG emissions have been restated to provide a more accurate and comprehensive accounting of the Mears Group carbon footprint (including MFS). This revision includes the reallocation of emissions from Scope 1 and 2 to Scope 3, along with the inclusion of additional emissions sources. These new sources encompass waste recycling/disposal, Well to Tank (WTT) emissions, Transport and Distribution (T&D) emissions, as well as emissions from purchased goods. This forms part of our best practice carbon management ongoing continuous improvement of reporting

Current Emissions Reporting

Reporting Year: 2024 ³ (MFS only)	
EMISSIONS ⁴	TOTAL (tCO ₂ e)
Scope 1	213.94 <ul style="list-style-type: none"> Company vehicles (diesel): 194.48 Company vehicles (petrol): 16.80 Company vehicles (Lubricant): 0.11 Natural gas (offices): 2.55 <p>Note: Carbon intensity increased from 1.51 (2021) to 2.78 tCO₂e (2024) for vehicles due to fewer cars, longer distances, and higher fuel consumption per vehicle.</p>
Scope 2 (location based)	5.78 <ul style="list-style-type: none"> Electricity (offices): 5.78 <p>Note: Reduction of 38.01% from 2021 baseline</p>
Scope 3 (Included Sources)	991.68 <ul style="list-style-type: none"> Category 1: Purchased goods and service: 924.64 Category 3: Fuel and energy related activities not included in Scope 1 or 2: (Well to Tank/WTT) 54.26 (Transmission and Distribution) 0.52 Category 5: (Waste generated in operations): 3.41 Category 6: (Business Travel: grey fleet, carers travel, flights, rail travel, and hotel stay): 8.84
Total Emissions	1211.4 (Location based GHG emissions)

³ Scope 1 and Scope 2 have been revised to include respectively lubricant use. Scope 3 emissions increased due to addition of new Scope 3 categories/reporting for 2024 as part of our best practice carbon management ongoing continuous improvement of reporting

⁴ Independently externally verified pursuant to ISO 14064, part 3

Emissions reduction targets

MFS as part of the Mears Group recognises that we have a responsibility as an ethical and transparent service provider to measure, monitor, report, and reduce our carbon footprint. Mears has set the following targets as part of our Net Zero commitment:

- Net Zero across Scope 1 and 2 GHG emissions by 2030 (Phase 1)
- Net Zero across Scope 3 GHG emissions by 2045 (Phase 2)

Mears Group has aligned Our Pathway to Net Zero Strategy with the United Nations Sustainable Development Goals (SDGs), supporting our journey toward sustainable, low carbon future. This includes using 100% renewable electricity across our corporate offices by 2030, achieving a Zero Waste Index score in line with the 1.5 degrees Celsius climate goal, and continue to improve our recycling rate year on year (from a baseline of 90%), with the goal of achieving near – total diversion from landfill.

Our Pathway to Net Zero strategy is currently under review to ensure it continues to support our green aspirations and meet the evolving needs of our clients and communities.

Alongside delivering our net zero targets, we are also committed to addressing climate related risks and opportunities and embedding climate considerations into our decision-making to increase climate resilience. This will include a comprehensive approach to climate change adaptation through altering our behaviour, systems, and operating processes to reduce climate risk and support protection of the environment in which we live.

Carbon Reduction Projects

Completed Carbon Reduction Initiatives at Group Level

The following environmental management measures and projects have been completed or implemented in 2024:

- ✓ Building on fleet infrastructure and transition planning project completed in 2023, we continued to explore options for decarbonising our fleet. With 96%⁵ of our Scope 1 emissions (and 91% when combined with Scope 1 and 2) coming from our vehicle fleet, this remains as a key priority as we assess the viability of electric vehicle adoption in support to our net zero aspirations.
- ✓ Recruited a new Principal Net Zero Manager and our first Net Zero apprentice to support delivery of our commitments to Net Zero.
- ✓ Relocated our head office in Gloucester to a more modern, energy efficient building equipped with Solar PV panels. This supports our commitment to source 100% renewable electricity for our corporate offices by 2030 and helps reduce Scope 1 and 2 emissions through improved energy performance across our estate.
- ✓ Updated our [Fleet Environmental Policy](#).
- ✓ Completed a full Scope 3 screening assessment and mapping process, covering all 15 categories outlined in the GHG Protocol. This helped define our organisational boundary

⁵ 2021 baseline

for Scope 3 emissions and identify which categories may be prioritised for targeted interventions to reduce emissions.

- ✓ Enhanced our approach to best practice carbon management emissions mapping and reporting.
- ✓ Completed an external independent verification of our 2023 and 2024 GHG carbon footprint. Recommendations as part of the verification will be actioned in 2025 as part of our best practice carbon management continuous improvement approach.
- ✓ Completed all 11 disclosures required under the Task Force on Climate Related Financial Disclosures (TCFD) framework, aligned with the TCFD Annex and sector based specific Guidance the Materials and Buildings group. Disclosures were developed in preparation for IFRS S2 implementation and cover climate related risks and opportunities across Governance, Strategy, Risk Management, and Metrics and Targets.
- ✓ Continued to apply our 'Carbon Disclosure Framework', developed in 2023, to provide carbon emissions data to our clients and support their carbon reporting needs associated with Mears' service delivery.
- ✓ Continued implementation of carbon awareness and related courses for Mears colleagues via Mears Learning and our partners
- ✓ Continued development of minimum level energy performance expectations for Mears corporate estate
- ✓ The ESG Board continued to provide strategic oversight of our three pillars - Healthy Planet (which incorporates Our Pathway to Net Zero), Improving Lives, and Good Governance. This ensures a joined-up approach across the business on delivery and reporting. Our ESG Strategic Approach is undergoing a review to ensure it continues to meet the evolving needs of our clients and communities.
- ✓ Continued work with our supply chain partners as we enhance our approach to sustainable procurement.
- ✓ Achieved broader positive environmental outcomes under our ESG Healthy Planet pillar including:
 - 97.90% waste diversion from landfill
 - Improved Zero Waste Index Score – 34
 - Retained all environmental related accreditations including ISO14001 Environmental Management
 - No environmental or pollution breaches
 - 34 community green space project via the Mears Foundation, to enhance our approach to biodiversity.
- ✓ Supporting 16 clients to secure public funding for domestic retrofit decarbonisation projects, helping to retrofit social homes, improve energy efficiency and reduce energy bills for residents to alleviate fuel stress.

Planned Carbon Reduction Initiatives

The section below sets out information from Our Pathway to Net Zero strategy, including theme, primary emission sources reduction impact, outcome, and goals.

Our Pathway to Net Zero strategy is currently under review to ensure it continues to support our green aspirations and meet the evolving needs of our clients and communities. The carbon reduction initiatives will therefore be revisited and refined as part of this review to ensure they remain relevant and effective in delivering measurable outcomes.

Our Pathway to Net Zero Strategy (current/under review)

Phase 1:

Theme: Creating a Net Zero Culture

Aim: Embed a net zero culture across Mears group with our colleagues, partners, residents and suppliers

Primary emissions reduction impact: Scope 1, 2 and 3⁶

Outcome (expected by 2030): An embedded net zero culture that is a 'green thread' in all policies and practice and demonstrated by our colleagues and partners through our service delivery

Theme: Green Travel and Transport

Aim: Embed a net zero culture across Mears group with our colleagues, partners, residents and suppliers

Primary emissions reduction impact: Scope 1 and 3

Outcome (expected by 2030): Transitioned 95% of our corporate fleet of vehicles to electric and implemented charging infrastructure at our offices and colleagues' homes. Sustainable travel and transport policies and behaviours are embedded across the organisation and within our supply chain

Theme: Climate Conscious Service Delivery

Aim: Embed a net zero culture across Mears group with our colleagues, partners, residents and suppliers

Primary emissions reduction impact: Scope 1, 2 and 3

Outcome (expected by 2030): All service areas have adapted and contributed to reducing our organisation carbon footprint and can demonstrate positive sustainability outcomes for clients, customers, communities and the climate

Theme: Efficient Buildings & Estate Planning

Aim: Embed a net zero culture across Mears group with our colleagues, partners, residents and suppliers

Primary emissions reduction impact: Scope 1 and 2

Outcome (expected by 2030): A highly efficient corporate office estate characterised by low energy consumption and renewable energy generation as standard

Theme: Sustainable Procurement & Supply Chain

Aim: Embed a net zero culture across Mears group with our colleagues, partners, residents and suppliers

Primary emissions reduction impact: Scope 3

Outcome (expected by 2030): Mears continues to work in partnership with our supply chain partners to reduce their carbon emissions across all services delivered for our clients, customers and communities

⁶ Initial Scope 3 carbon emissions activity in lieu of screen assessment exercise

Section: Best Practice Carbon Management

Best practice carbon management refers to how we support delivery and future development of our pathway to net zero through action planning, target setting, and behaviour change. This section, along with the content and themes presented above, will be updated as part of the wider strategy refresh currently underway.

Phase 2:

Understanding our Scope 3 emissions

Understanding our Scope 3 emissions is central to Phase 2 of our Net Zero Commitment, which aims to achieve Net Zero across Scope 3 by 2045.

In 2024, Mears Group (including MFS) completed a comprehensive Scope 3 screening and mapping process, assessing all 15 categories outlined in the GHG Protocol. This work helped define our organisational boundary for Scope 3 emissions and identify which categories may be prioritised for targeted interventions to reduce emissions. It also helped determine which categories can be reported based on available data and reliable calculation methodology.

The following Scope 3 categories for MFS are currently included:

- Category 1: Purchased Goods and Services
- Category 3: Fuel and energy related activities
- Category 5: Waste generated in operations
- Category 6: Business Travel

Further Scope 3 categories are expected to be reported over time, where applicable, subject to data availability and the use of a reliable calculation methodology. This transparent and phased approach to Scope 3 reporting will support the ongoing development of our strategy over time, helping us to identify targeted emissions reduction opportunities across the wider Mears Group and supply chain.

Building on these transparent and phased approach to Scope 3 reporting, we will continue to implement activities such as improved waste management performance, responsible and sustainable procurement engagement, and emissions monitoring. Progress in these areas will be captured through our updated Our Pathway to Net Zero strategy and reported in future Carbon Reduction Plans.

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 Protocol Corporate Standard⁷ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁸.

⁷ <https://ghgprotocol.org/corporate-standard>

⁸ <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

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 GHG Protocol Reporting 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, appearing to be 'John Taylor', written in a cursive style.

John Taylor, Chief Strategy Director, Mears Group PLC

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Date: 25 November 2025