

Greenhouse Gas (GHG) Reporting Methodology Statement – FY21/22

Reporting Period

Emissions are reported against accounting year covering the period 1st April to 31st March.

Reporting Boundary

Financial Control Approach – Mitie reports any emissions from its operations for which it has the ability to directly influence financial and operating policies to gain economic benefit. This is restricted to the UK where we have full financial control over our operations.

Greenhouse Gases Reported

All greenhouse gas emissions are reported in tonnes of carbon dioxide equivalent (TCO₂e) to account for all six of the Kyoto Protocol GHG's.

Emissions Factors

Mitie has applied the UK Government's Greenhouse gas reporting conversion factors for 2021.

Baseline Year

Mitie's baseline year covers the period 1st April 2019 to 31st March 2020 to align with our new Plan Zero strategy.

Intensity Ratio

Mitie uses the following intensity factor to normalise and compare its emissions over time, tCO₂e/£m turnover has been chosen as it accurately reflects changes in Mitie's business activities.

Inclusions

In this reporting year FY21/22 Mitie have recorded Commuting and Working from Home emissions for the first time, adding 714 tonnes of carbon to our total.

Exclusions

Mitie do not currently report fugitive emissions (refrigerant leakage) from refrigeration and air conditioning systems in leased properties or fleet. This is due to the difficulty in obtaining centralised data on refrigerant top-ups and the fact a majority of our buildings are now out of scope as landlords manage the HVAC systems. Given the size and types of emission sources listed by Mitie, fugitive emissions are expected to be a very small proportion of total emissions and are therefore considered immaterial.

Scope of Emissions

| Scope 1 – Direct Emissions | Scope 2 – Indirect Emissions |
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| <p>On-site Fuel Combustion: Gas directly purchased for heating or generation across leased property managed by Mitie.</p> <p>Company Vehicles: Fuel purchased for fleet vehicles.</p> <p>Fugitive Emissions¹: Refrigerant leaks from air-conditioning (RAC) equipment in leased assets and fleet vehicles.</p> | <p>Purchased Electricity: Electricity directly purchased across leased property and EVs managed by Mitie.</p> |
| <p>Scope 3 – Other Indirect Emissions</p> | |
| <p>Business Travel: Expensed air, road, and rail travel (inc. hotel stays).</p> <p>Waste: Waste generation across leased property.</p> <p>Water: Water usage across leased property.</p> <p>Fuel and Energy Related Activities Electricity Transmission and distribution(T&D) losses Upstream emissions associated with the extraction of purchased fuels and gas.</p> <p>Upstream Leased Assets Gas and electricity recharges across leased property managed by the Landlord</p> <p>Commuting Commuting (all forms of transport) Working from home</p> | |

¹Fugitive emissions are currently not reported as outlined in the exclusions statement

Process

Mitie follow the reporting approach set out in the UK Government’s Environmental Reporting Guidance (2019 version) to ensure that reporting standards are robust and transparent.

For most of its major emissions sources Mitie uses primary data from AMR meter readings, utility bills, service charge data and expensed claims. Emissions data is collated centrally by Mitie Energy on a quarterly basis and then restated at the end of the year to reflect any changes or to replace any estimated data with actual data (where available). Emissions figures are verified by the Sustainability team who have overall responsibility for ensuring the calculations and methodology are correct.

Mitie obtain independent verification on the accuracy of selected information included in Mitie’s FY 2021/22 GHG emissions and water consumption datasets, in accordance with (1) ISO 14064-1 Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals, and (2) Global Reporting Initiative’s (GRI), G4 Sustainability Reporting Guidelines.

Data Sources:

| Scope 1 and 2 | |
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| Gas & Electricity Consumption | <p>Information is populated from AMR readings, invoiced data, service charge data and estimates. AMR data has priority, followed by the supplier or service charge data. If none of this is available, then an estimate will be generated based on all data for other sites. This is used to calculate an average kWh/m² for the Mitie estate, and the estimate is this average multiplied by the floor area for the site in question. For sites where, in addition to a direct supply, there is also a service charge for energy use within the communal areas, the figures are added together.</p> <p>For sites where invoiced data is only available for a partial period, the data has been apportioned based on the average kWh/day for each site, based on the billing data that is held. Unless advised otherwise by property, sites are assumed to have all supplies in place. This information is taken from the Mitie Property Master Site List, which is updated in real time. Data is obtained from the data collector for HH/AMR data, the SR180 export from Optima for invoiced data, and directly from the landlords for service charge data.</p> |
| Company Vehicles | <p>Data is provided by Mitie's fuel card provider, and users then submit their monthly business and personal mileage via our Fleet Data Platform.</p> <p>As personal mileage must not be included within the report, we have undertaken a check of the data, comparing total business miles and total personal miles, and agreeing that the percentage split is 77% of consumption is for business purposes. Within the raw datasets is the 100% figure, and this split is then calculated within the Consumption and Environmental tabs. This ensures that the raw data within the report matches the files received from the Fleet team.</p> |
| Scope 3 | |
| Business Travel | <p>Private vehicle data with actual mileage is provided within Mitie from collation of claimed mileage expenses. For other travel modes expense spend data is obtained, an emission factor is then applied to calculate emissions from miles travelled.</p> <p>Other business travel (Air, Rail and Hotel Stays) is provided by our Corporate Travel Provider in a report from their dashboard.</p> |
| Water | <p>Utility bills are verified through our internal bureau service. Any billing data is cross referenced against meter read data where available. Service charge bills are used for buildings where the landlord recharges utilities.</p> |
| Fuel and Energy Related Activities | <p>Scope 1 and 2 data is used and DEFRA emissions factors for scope 3 are then applied.</p> |
| Upstream Leased Assets | <p>Landlord recharge data is calculated from service charge bills or estimated from an anticipated energy use per square meter. This is calculated using actual billing data received.</p> |
| Waste | <p>Waste data is collated by our waste management provider</p> <p>This data is obtained from a detailed set of scenarios to ensure that we capture not only the material that MWE collects but also more detailed information on the landlord sites. The data we have is therefore split into four scenarios –</p> <ol style="list-style-type: none"> 1. Sites where Mitie Waste provide all the services (general waste, dry mixed recycling, confidential paper, food) – so we have a complete picture of the waste |

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| | <p>types / volumes and headcount. This data is used as the basis for the other scenarios as it shows all waste streams, and we can then apportion the waste stream by type by headcount. This can then be used for the landlord sites.</p> <p>2. Sites where Mitie waste provide some of the services and some are provided by the landlord. For example, we provide confidential paper, but the landlord provides general waste, dry mixed recycling, and food. For these sites we use the actual data from the services we provide and then we do an apportionment for the services we do not cover based upon the kg / person we have for the sites in scenario 1.</p> <p>3. Sites which have all the services provided by the landlord, but we know which waste streams they collect. The data for these sites is based upon the headcount for those buildings and the data from scenario 1 so we make an apportionment based upon this (similar to scenario 2).</p> <p>4. Sites which have all the services provided by the landlord, but we do not know which waste streams they collect currently. For this set of sites, we use a general waste figure only and report this as landfill. There has been communication with all for these new sites (ex Interserve buildings) to ascertain what services are provided and if the waste is landfill or EfW. After this has been provided, we will then be able to move these sites into scenario 3.</p> |
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Estimations

Where leased building utility data is unavailable, estimations are made using an anticipated energy use per square meter. This is calculated using a combination of half hourly meters and actual billing data received across the estate. For sites where invoice data is only available for a partial period, the available data is apportioned using an average kWh/day figure based on known utility data from other sites. Waste data is estimated using an average waste per desk figure based on actual data we receive.