

Greenhouse Gas ('GHG') Emissions FY22/23

At Mitie, we see the climate emergency as a business-critical issue that needs to be addressed within our operations. Three years ago, we launched our industry-leading 'Plan Zero' commitment to set a clear pathway on how we will decarbonise our business and reach net zero carbon emissions by 2025 (Scope 1 and 2). This focuses on three key areas.

- Eliminate carbon emissions from power and transport,
- Eradicate non-sustainable waste
- Enhance inefficient buildings to meet the highest environmental standards.

We have now extended this to include Scope 3 with a 2035 net zero target. During FY23 we received validation from the Science Based Targets initiative (SBTi) for near-term, long-term and net zero targets, one of only 219 companies to achieve validation across all three categories. Mitie's targets are more ambitious than SBTi's trajectory, therefore we remain committed to our 2025 and 2035 timeframes.

Absolute Emissions				
Emissions	FY22	FY23	Change from previous year	% change from previous year
Total Scope 1 (tCO2e)*	19,414	20,530	1,116	6%
<i>Emissions from fuel combustion across our fleet</i>	19,371	20,482	1,111	6%
<i>Emissions from gas combustion in our occupied buildings</i>	43	48	5	12%
Total Scope 2 (tCO2e)*	1,182	1,909	727	62%
<i>Emissions from the purchase of electricity across occupied buildings (location based)</i>	307	452	145	47%
<i>Emissions from electricity consumption across our EV fleet</i>	875	1,457	582	67%
Total Scope 1 & 2 (location based)	20,596	22,439	1,843	9%
Total Scope 1 & 2 (Market Based)	20,289	22,006	1,717	8%
Intensity – Emissions ratio				
tCO2e/£m revenue (Scope 1 & 2)	5.28	5.54	0.26	5%

*Reported data covers company emissions and energy consumption that occurs within the UK and overseas for Mitie Group PLC

*Refrigerant data has been excluded due to challenges obtaining accurate data on landlord managed sites, this is considered immaterial.

*Total greenhouse gas (GHG) emissions are reported using the financial control approach

*Our methodology aligns with Defra's Environmental reporting guidelines and uses the government's greenhouse gas reporting conversion factors to quantify emissions.

*Our carbon emissions are independently verified in accordance with ISO14064-1

Mitie's absolute emissions have increased by 8% on a location basis. Our electric vehicle (EV) transition has reduced our emissions linked to fuel combustion across our fleet by 1%, however acquiring organisations and expanding our reporting to include overseas during FY23 has seen a 12% increase in gas consumption for heating and 47% increase in electricity consumption for our built estate. We also attribute this increase on the previous year to the full return to the workplace and normal operational activity following the significant reductions in FY20/21 because of the Covid-19 lockdowns and travel restrictions and the partial return in FY21/22. It is further noted that Mitie have increased its carbon inventory with some significant acquisitions over this period.

We continue to see a significant increase in electricity emissions for our EV fleet as we transition further to an all-electric fleet. Mitie has increased the EVs in service since last year by 977 and currently have 3,194 in operation (45% of the fleet) and this initiative will continue to eliminate our Scope 1 emissions from diesel. Our total fleet has increased by 384 vehicles following recent acquisitions.

In this reporting year FY22/23 Mitie have recorded the Scope 3 emissions from our supply chain and commuting/homeworking figures for the whole organisation in line with our science-based target submission. This has added 246,018 and 46,498 tonnes of carbon respectively to our total and has triggered a new baseline year of FY21/22 with which to measure against in line with our Energy Review Methodology procedure.

Environmental Data

Further details on our environmental performance can be found in the table below:

	FY22	FY23	Change from previous year	% Change from previous year
Electricity consumed across occupied buildings (kWh)	4,502,916	4,931,269	428,353	10%
Gas consumed across occupied buildings (kWh)	1,554,794	1,668,849	114,055	7%
Fuel used by vehicles for business travel (kWh)	82,848,214	80,238,049	-2,610,165	-3%
Electricity used by EV vehicles for business travel (kWh)	4,122,667	7,331,647	3,208,980	78%
Total Organisational Energy Consumption (kWh)	93,028,591	94,169,814	1,141,223	1%
Water consumed across occupied buildings (m³)	4,396	16,392	11,996	273%
Total waste to landfill (tonnes)	19	2	-17	-88%
Energy from waste	135	82	-53	-39%
Total waste recycled (tonnes)	214	222	8	4%
Total waste generated across occupied buildings (tonnes)	368	306	-62	-17%
Recycling rate	58%	72%	14ppt	