



## Responsibility – Environmental continued



# Streamlined Energy and Carbon Reporting (SECR) disclosure

In line with SECR regulations, the adjacent table sets out the carbon emissions (tCO<sub>2</sub>e) across Scopes 1, 2 and 3 together with relevant intensity ratios (kgCO<sub>2</sub>e/sqm) from our managed portfolio. We also show the global energy consumption (kWh) used to calculate our emissions.

### Energy efficiency actions

The Group undertook a number of energy efficiency actions in 2025. These included:

- decarbonisation initiatives at Charlotte Building W1 (air source heat pump) and 9-10 Rathbone Place W1 (variable refrigerant flow technology);
- implementation of occupier engagement strategy ('You Hold the Power to Save'), focused on the top 10 consuming buildings;

- ongoing LED lighting and other MEP upgrades across the managed portfolio;
- streamlined plant run times implemented alongside relaxed temperature set points, following successful trials in 2024; and
- enhanced out of hours usage monitoring, facilitated by our metering upgrade programme, and out of hours lighting assessment.

As a result of these actions and interventions, year-on-year energy consumption reduced by 6% and energy intensity by 9% in 2025. Compared to our 2019 baseline, energy intensity has reduced by over 25%.

 See page 05

Data notes	
<b>Boundary (consolidation approach)</b>	We use the 'operational control' approach. This incorporates properties where the Group has management control and influence over the operations, referred to as the 'managed' portfolio. This is located in central London (UK) and comprised 37 properties in total during 2025. Landlord emissions from our retail park in Glasgow are also included.
<b>Alignment with financial reporting</b>	The only variation from our financial reporting approach is the exclusion of energy data and GHG emissions for buildings where the Group does not have control or influence. These are our single-let properties (also referred to as FRI or the unmanaged portfolio). Estimated emissions for these properties are disclosed as a footnote to the SECR table. The rental income and valuation of these properties is included in the consolidated financial statements.
<b>Reporting method</b>	GHG emissions reporting is in line with the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard. Further details on our data calculation methodology is set out in the Environmental Basis of Reporting within our <b>2025 Responsibility Report</b> .
<b>Prior year restatements</b>	No restatements have been made to 2024 data.
<b>Emissions factor source (location-based)</b>	UK government emissions factors are used to convert energy usage into location-based carbon equivalents. These can be found at <a href="https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2025">www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2025</a>
<b>Market-based emissions</b>	The Scope 2 market-based factor is based on the provenance of energy supplies. In 2025, 100% of electricity was purchased on REGO-backed tariffs.
<b>Embodied carbon (Scope 3, Category 2)</b>	Embodied carbon emissions from major projects (including refurbishments) are reported annually on a phased basis. Total estimated emissions from the RIBA Stage 4 report are spread equally over the construction period. Following practical completion, the as-built embodied carbon assessment is reported, and any true-ups are captured in the final reporting year. For smaller projects, embodied carbon is recognised in full in the year of completion where feasible. The reported carbon tonnage is offset in the year of reporting.
<b>Independent assurance</b>	Selected 2025 metrics, denoted with an (a), have been subject to independent limited assurance by PricewaterhouseCoopers LLP (PwC) in accordance with ISAE 3000 (Revised) and ISAE 3410 Standards. Our Environmental Basis of Reporting and PwC's assurance report can be found in the <b>2025 Responsibility Report</b> .

# Responsibility – Environmental continued

## GHG emissions

	Location/ Market- based	tCO <sub>2</sub> e		% change
		2025	2024	2025 vs 2024
<b>Scope 1</b>				
Combustion of fuel <sup>1</sup>	Location	1,852	2,378	(22)
Fugitive emissions <sup>2</sup>	Location	274	358	(23)
<b>Total Scope 1 emissions</b>	Location	<b>2,126<sup>(a)</sup></b>	2,736	<b>(22)</b>
<b>Scope 2</b>				
Total Scope 2 emissions – location-based <sup>3</sup>	Location	2,340 <sup>(a)</sup>	2,705	(13)
Total Scope 2 emissions – market-based <sup>3</sup>	Market	4 <sup>(a)</sup>	19	(76)
<b>Total Scope 1 &amp; 2 emissions</b>	Location	<b>4,466</b>	5,441	<b>(18)</b>
<b>Total Scope 1 &amp; 2 emissions intensity (kgCO<sub>2</sub>e/sqm)</b>	Location	<b>11.4</b>	13.6	<b>(16)</b>
Proportion UK-based		100%	100%	–
<b>Scope 3 emissions<sup>4</sup></b>				
Category				
1. Purchased goods and services (includes water)		36	30	20
2. Capital goods (embodied carbon)		27,315 <sup>(a)</sup>	19,136	43
3. Fuel and energy-related activities		1,235	1,283	(4)
5. Waste generated in operations		44	52	(16)
6. Business travel		60	117	(49)
7. Employee commuting		110	110	0
13. Downstream leased assets <sup>5</sup>		4,482	5,324	(16)
<b>Total Scope 3</b>		<b>33,283<sup>(a)</sup></b>	26,052	<b>28</b>
<b>Total Scope 1, 2 &amp; 3 emissions</b>	Location	<b>37,749</b>	31,493	<b>20</b>
<b>Total Scope 1, 2 &amp; 3 (excluding embodied carbon) emissions</b>		<b>10,434</b>	12,357	<b>(16)</b>

1 Managed portfolio gas use and fuel use in Derwent London owned vehicles.

2 Managed portfolio refrigerant loss from air-conditioning and heating/chilling systems.

3 Managed portfolio electricity use for common parts and shared services (landlord-controlled areas).

4 Categories 4, 8, 9, 10, 11, 12, 14 & 15 are currently identified as non-material to scope of business or not relevant.

5 Emissions from tenant electricity consumption for the managed portfolio only. Where the Group does not exercise 'operational control' (the unmanaged portfolio, as well as retail, residential and unmanaged office units within the managed portfolio), consumption is excluded from our global energy use and emissions are not reported within our managed portfolio carbon disclosure (within Scope 3, Category 13). For completeness, using anonymised aggregated third party data, we estimate energy consumption for the unmanaged portfolio at c.34.6m kWh, which equates to carbon emissions of c.6,176 tCO<sub>2</sub>e.

## Global energy use

	kWh		% change
	2025	2024	2025 vs 2024
Total gas use	10,099,638 <sup>(a)</sup>	12,981,252	(22)
Electricity (consumption from landlord-controlled areas)	13,320,416	13,150,182	1
Electricity (consumption from tenant-controlled areas)	25,324,570	25,713,301	(2)
Total electricity use	38,644,986 <sup>(a)</sup>	38,863,483	(1)
Total energy landlord	23,420,054 <sup>(a)</sup>	26,131,434	(10)
Total energy use	48,744,624 <sup>(a)</sup>	51,844,735	(6)
Derwent London vehicles (fuel combustion)	16,416	16,278	1
Electricity intensity (kWh/sqm)	104 <sup>(a)</sup>	105	(1)
Gas intensity (kWh/sqm)	31 <sup>(a)</sup>	38	(19)
Energy intensity (kWh/sqm)	125 <sup>(a)</sup>	137	(9)

For more analysis of our GHG emissions, energy consumption and renewable energy generation, use and procurement, visit our **2025 Data Report**.



## Responsibility – Social

# Our social contributions

### 2025 highlights

- Raised £232,000 for Teenage Cancer Trust at our 'Big Lunch' event
  - Received Special Recognition Award as its longest-standing corporate supporter
- Delivered £1.4m in funding through our community funds since their inception in 2013
  - Introduced a multi-year funding model, giving charities greater certainty and visibility for forward planning
- Committed £119,000 through our Sponsorship & Donations Committee to tackle homelessness

We strive to ensure our buildings deliver lasting social value for the communities in which they sit and for all stakeholders.

### Our approach to social value

Delivering social value is integral to our business. We maximise positive impact through targeted financial support provided by our Sponsorship & Donations Committee and our Community Fund. This is complemented by active engagement with local communities. Volunteering, work experience and opening our buildings up to community groups help us stay connected to the community so we can understand local needs and deliver meaningful outcomes.

Our Social Value Strategic Framework is based on three themes which guide how we create meaningful impact in our communities. We continued to deliver against these themes in 2025. In 2026, we intend to undertake a full review of the framework, initially published in 2023, to ensure it remains relevant and effective. This will help us ensure our approach continues to maximise our social impact as community needs, societal expectations and best practice continue to evolve.

Progress against each theme in 2025:

- **'Part of the neighbourhood'**  
Fitz Music supports Fitzrovia's cultural heritage by delivering a free, inclusive programme of cultural events. We have committed three years of funding to this initiative through our Community Fund.
- **'Great places to work'**  
We design buildings and spaces that support connection, health and wellbeing. In April, occupiers from across the portfolio took part in the White Collar Factory rooftop half marathon to raise funds for charity.
- **'A thriving local economy'**  
As part of the Network W1 construction programme, our building contractor, Kier, embedded a focused approach to local employment, skills and progression – delivering benefits to the local community and economy.

## £504k

Community funds & sponsorship donations committed in 2025

## 20

Community Fund projects supported in 2025

## £4.6m

Sponsorship donations provided to date

## Opening doors to opportunity

This year we partnered with Islington Council's Youth Employability and Skills (YES) programme and our front-of-house service partner PROception to create a tailored work experience placement at 80 Charlotte Street W1. The YES programme supports young adults aged 18-25 who face barriers to employment, offering pre-employment coaching and real-world experience.

Through this collaboration, a young person gained hands-on front-of-house experience in a professional environment, supported by PROception's expert team. The placement built the candidate's confidence and customer service skills, and led to further work experience at Brunel Building W1, thereby strengthening the individual's career prospects.

This initiative is a good example of how we work with local authorities and service partners to deliver social value beyond funding by creating practical pathways into employment and helping young people build sustainable futures.





# Environmental Basis of Reporting

## Scope and boundary

Our reporting period for environmental data is 1 January to 31 December which is aligned with our financial reporting. The ‘operational control’ approach is used which incorporates properties where Derwent London has management control and influence over the operations. This is referred to as the ‘managed portfolio’. Consumption from non-office units is excluded from energy intensity calculations. However, for a small number of properties, linked to technical limitations of metering systems, non-office energy and floor area may be included. The impact is not material.

We provide prior year comparative data. Prior year data will be restated where there is a change in calculation methodology, discovery of errors, revision of estimated data or structural changes to the business which result in changes in excess of 5%. No prior year data has been restated in this reporting period.

Our annual Report & Accounts, Responsibility Report and Data Report includes reporting in line with the Greenhouse Gas (GHG) Protocol. We also report in line with EPRA (European Public Real Estate Association) Sustainability Best Practice Recommendations (sBPR) and ISSB (International Sustainability Standards Board). Our UN SDG (Sustainable Development Goals) and TCFD (Task Force on Climate-related Financial Disclosures) disclosures can be found on pages 86 to 99 of our 2025 annual Report & Accounts.

## Independent assurance

Selected environmental metrics presented in the Responsibility Report, Data Report and annual Report & Accounts, have been subject to independent limited assurance by PricewaterhouseCoopers LLP (PwC) in accordance with the ISAE 3000 (Revised) Standard as well as the ISAE 3410 Standard. Metrics subject to assurance are denoted with an (a) symbol. The full PwC assurance statement can be viewed on pages 39 to 43.

## Portfolio

### Investment portfolio – 61 properties; 476,000 sqm (GIA)

The investment portfolio comprises the Group’s entire portfolio, as at 31 December 2025, including managed and single-let (FRI) properties, retail and residential.

### Managed portfolio – 34 properties (in total; 469,000 sqm NIA)

The managed portfolio comprises the multi-let commercial office portfolio (including occupier lounges DL/78 and DL/28) where the Group had control over one or more utilities during 2025; this forms the basis of our data reporting. Utilities provision is not uniform across all buildings:

- Occupiers may procure their own utilities.
- Not all buildings have a gas supply.
- Not all buildings are serviced under the Group’s waste management contract, and sometimes waste is provided as the only utility.

### Like-for-like portfolio

Properties for each utility – 30 for electricity (429,000 sq ft GIA), 19 for gas (359,000 sq ft GIA), 26 for water (390,000 sq ft GIA), 22 for waste (445,000 sq ft GIA).

The like-for-like portfolio comprises properties included within the managed portfolio for the entirety of the current and prior reporting years. Aligned to changes in the like-for-like portfolio, prior year comparative data is restated annually.



Moorlands EC1

Managed portfolio	Electricity	Gas	Water	Waste
<b>Includes</b>	Consumption in landlord and common areas Occupier consumption of landlord-procured electricity	Consumption in whole building	Consumption in whole building	Properties serviced under the Derwent London waste management contract
	36 properties 484,000 sqm (GIA); 339,000 sqm (NIA)	21 properties 378,000 sqm (GIA); 262,000 sqm (NIA)	29 properties 411,000 sqm (GIA); 323,000 sqm (NIA)	27 properties 497,000 sqm (GIA); 345,000 sqm (NIA)
<b>Excludes</b>	<ul style="list-style-type: none"> <li>▪ Retail utility consumption and associated floor area (NIA)</li> <li>▪ Occupier-procured utility and associated floor area (NIA)</li> <li>▪ Residential utility consumption and associated floor area (NIA)</li> <li>▪ Utility consumption from development projects (which forms part of our embodied carbon footprint)</li> <li>▪ Single-let (FRI) or properties where the Group has no management control or influence</li> </ul>			

Number of properties and floor area of all properties where the Group had control over the relevant utility during 2025.



## Environmental Basis of Reporting *continued*

### Exceptions

**74 Goswell Road EC1:** Utilities consumption at 74 Goswell Road, which was acquired during 2025, will be included within the managed portfolio energy and energy intensity calculation as it forms part of our existing Morelands EC1 estate.

### Estimates

**Embodied carbon (Scope 3, Category 2):** For smaller rolling refurbishment schemes where we have carried out a third party embodied carbon assessment for previous units within the same building and the scope is similar, we apply the same intensity to the relevant floor area.

## Energy

### Electricity and Gas

Our data source hierarchy is:

- Automatic meter readings (AMR);
- Manual meter readings (MMR); then
- Utility invoices (actual invoices are prioritised over estimated invoices).

Monthly consumption per meter is recorded and consolidated for each managed property by our third party utilities provider.

### Landlord/occupier electricity consumption allocation

To facilitate the split between Scope 2 and 3 for carbon emissions from electricity consumption, the Group reports consumption from landlord-controlled areas (common areas) and shared services where whole building heating and/or cooling is provided.

- **Landlord area** is calculated by deducting net lettable floor area (NLA, also referred to as NIA) from gross internal area (GIA) for each property.
- **Landlord area electricity usage** (in kWh) is calculated by dividing total building consumption by building GIA and then multiplying by landlord area.
- **Occupier electricity consumption** (in kWh) is calculated by deducting landlord area usage from total building usage.

### On-site renewable electricity generation

On-site generation of renewable electricity (self-generated) refers to electricity generated by photovoltaic (PV) panels on our managed properties. PV panels are installed at six of our London buildings.

### Water (municipal water withdrawn)

Data is collected monthly via automatic and manual meter readings taken by Building Management teams. Water follows the same data source hierarchy as electricity and gas.

### Normalisation and intensity calculation methodology

All intensity calculations use floor area which has been normalised to reflect the proportion of the year for which Derwent London had responsibility for the relevant commodity/floor area. This aligns with our financial reporting approach and ensures comparability where the Group did not have responsibility for an asset/commodity for the full year. To ensure accuracy of reporting, normalisation occurs either from the date where utility data is first received rather than date of acquisition or to the date of disposal as appropriate.

Building energy intensity is calculated by dividing electricity and gas usage by floor area (GIA). To account for buildings where we provide landlord services for heating, cooling or ventilation, but occupiers directly procure some or all of the electricity, we use anonymised third party data to achieve visibility over electricity consumption. This ensures alignment of floor area for both gas and electricity consumption.

Water intensity is calculated using total water consumption divided by gross internal floor area (GIA).



## Environmental Basis of Reporting continued

### Changes to the portfolio

#### Acquisitions

To allow appropriate time for the Group to take control of and implement its utilities' strategy at newly acquired properties, acquisitions are excluded from the managed portfolio energy intensity calculation for three years in line with our Net Zero Carbon Pathway.

In line with this approach, following acquisition of the outstanding 50% ownership at 50 Baker Street W1 in Q4 2024, we gained operational control in early Q1 2025 from our joint venture partner. Utilities consumption at the property has therefore been excluded from the managed portfolio energy intensity in 2025 in line with the Group's policy.

#### Project completions

In recognition of the performance gap between 'as designed' and 'early operation' consumption, and the impact of occupier fit-out works, newly completed projects will be excluded from the managed portfolio energy intensity calculation for the following periods post practical completion:

- Developments and comprehensive refurbishments: 18 months (to allow for the completion of the majority of occupier fit-out works);
- Rolling refurbishment projects: no exclusion (impact of occupier fit-out works not considered material); and
- 'Furnished + Flexible': no exclusion (as no additional occupier fit-out works are required).

#### Waste

For properties where the Group has waste management control, data is requested from our third-party contractor. Itemised monthly reports allow for calculation of waste to landfill and recycling rate data as follows:

- On-board vehicle weighing is used for general waste, paper, cans and plastic containers (PCPC), glass and food waste. This represents the majority of our waste reporting.
- Average weights are used where waste units are collected, or bins exchanged.

Waste and recycling data reflects the weight of materials at the point of collection. In line with standard industry practice, this figure may differ from the actual amount recycled due to contamination. However, all waste is either recycled or sent to a waste-to-energy plant; none is sent to landfill. Full information on end-destination and treatment of each waste stream is provided by our contractor.

Contractor waste from construction is captured within our embodied carbon reporting (Scope 3, Category 2).

### Carbon calculation methodology

#### Scope 1 – direct emissions

Scope 1 emissions comprise:

- Gas consumption;
- Company-owned vehicle travel; and
- Fugitive emissions (refrigerants).

In line with the GHG protocol, where a landlord exercises operational control over a leased and/or owned asset, emissions associated with fuel combustion, such as natural gas in boilers and fuel in Company-owned vehicles, are reported within Scope 1.

While market-based reporting is not recognised under the GHG protocol for Scope 1, our purchased gas is contracted on green gas contracts backed by RGGOs (Renewable Gas Guarantees of Origin).

The Group has one diesel company-owned vehicle. Emissions for this are calculated using its total annual mileage.

Fugitive emissions from refrigerant losses are calculated using mechanical equipment service records which state refrigerant recharge and/or top up amounts.

#### Scope 2 – indirect emissions (location and market-based)

Scope 2 emissions comprise purchased electricity consumption for landlord spaces/common areas and Derwent London occupied spaces. Derwent London occupied spaces consist of head office usage at 25 Savile Row W1 and our two occupier lounges (DL/78 and DL/28) which are shared occupier amenity spaces. The Group's Company-owned electric vehicles are not reported separately as charging predominantly occurs at our buildings and are included within building emissions.

To enable market-based emissions reporting, the Group's utility broker provides evidence that purchased electricity is contracted on renewable tariffs backed by REGOs (Renewable Energy Guarantees of Origin) which meet the requirements of the GHG protocol.



## Environmental Basis of Reporting continued

### Scope 3 – other indirect emissions

Scope 3 emissions comprise other indirect emissions, i.e. those not included within Scope 2. The Group regularly reviews the materiality of each Scope 3 category to account for improvements in data collection and development of agreed sector measurement approaches. Not all categories are relevant to the scope of our business activities. We set out below the categories we currently report against and, where appropriate, the method used.

#### Category 1 – Purchased goods and services

Water consumption.

We will look to perform further mapping of Category 1 to improve data coverage and subsequent carbon reporting.

#### Category 2 – Capital goods (embodied carbon)

- In line with our Responsible Development Brief (updated in 2024) and Whole Life Carbon Brief, all relevant development projects are required to carry out embodied carbon assessments in line with BS EN 15978:2011. Relevant projects are defined at project commencement dependent on scope agreed by the Project Manager and Sustainability Team.
- The scope of embodied carbon assessment that we report is upfront carbon, modules A1-A5, in line with RICS v1, with results presented in total gross tonnes (tCO<sub>2</sub>e) and intensity (kgCO<sub>2</sub>e/sqm). This scope was chosen as it represents the area over which the Group has most control, and where the most significant proportion of embodied carbon is generated. Projects currently in design (50 Baker Street W1 and Greencoat & Gordon SW1) or which commenced during 2025 (Holden House W1) will be presented under both RICS v1 and RICS v2. Rolling refurbishments, which are not linked to our formal corporate targets, are assessed under RICS v2.
- Our consultants utilise material environmental product declarations (EPDs) and generic product embodied carbon estimates from industry databases and tools e.g. One Click LCA. The project Sustainability Consultant, in conjunction with the Design Team and Main Contractor, updates the assessment at each stage of design and at practical completion, in line with our Whole Life Carbon Brief.

- We report embodied carbon on major projects annually on a phased basis through the construction period. Total estimated emissions from the RIBA Stage 4 report are spread equally over the construction period. For 25 Baker Street W1, Network W1 and Strathkelvin Retail Park, which were on site prior to the introduction of this phased reporting approach in 2024, the embodied carbon was spread and reported over the remaining construction period. Post practical completion, the as-built embodied carbon assessment will be reported, and any accruals will be captured in the final reporting year.
- Carbon recognition commences at the start of the construction phase. Where projects in the current year relate to enabling works alone (equivalent to the demolition phase of major development projects), this is not considered to have commenced and as such no embodied carbon is recognised in the current reporting period.
- Small refurbishment projects which have a low carbon output and shorter timescales (sub two years) will continue to be reported in full in the year of practical completion.
- The carbon tonnage for A1-A5 is offset in the year of reporting, excluding for very small projects where it has been determined that no embodied carbon assessment is required. Offsets procured to date through our offset provider, Climate Impact Partners, are from projects accredited by the Verified Carbon Standard (VCS), Climate, Community & Biodiversity (CCB) Alliance or the American Carbon Registry (ACR).

#### Category 3 – Fuel & energy-related activities

- Well-to-tank (WTT) and transmission & distribution emissions for electricity, are calculated based on landlord electricity consumption (Scope 2) with the relevant UK Government GHG conversion factors applied.
- WTT for gas is calculated based on actual gas consumption (Scope 1) with the relevant UK Government GHG conversion factors applied.

#### Category 5 – Waste generated in operations (including waste water)

- Operational waste.
- Water treatment.
- Contractor waste from construction is captured in our embodied carbon reporting (Category 2).

### Embodied carbon recognition

	Recognised in:			
	Stage 4 estimate/as-built (tCO <sub>2</sub> e)	Prior years (tCO <sub>2</sub> e)	2025 (tCO <sub>2</sub> e)	Remaining (tCO <sub>2</sub> e)
<b>Major projects (on-site in 2025)</b>				
25 Baker Street W1	25,495	13,319	<b>12,176</b>	–
Network W1	9,371	4,686	<b>4,685</b>	–
Strathkelvin Retail Park	1,548	774	<b>774</b>	–
Lochfauld solar park	14,525	–	<b>7,262</b>	7,263
<b>Sub-total (major projects)</b>	<b>50,939</b>	<b>18,779</b>	<b>24,897</b>	<b>7,263</b>
Small projects (in 2025)	n/a	n/a	<b>2,418</b>	n/a
<b>Total</b>	n/a	n/a	<b>27,315</b>	n/a



## Environmental Basis of Reporting *continued*

### Category 6 – Business travel

- Following a detailed review of the carbon emissions associated with the Group's business travel, air travel is considered to be the only material mode of transport. Travel by rail and taxi comprise less than 5% of business travel emissions.
- Air travel emissions are calculated based on distance between start and end destinations using Air Miles Calculator, an online distance calculator. Appropriate air travel carbon conversion factors are applied which include the uplift for radiative forcing.

### Category 7 – Employee commuting

- We conducted an employee commuting survey (91% response rate) in 2023. Employees selected their mode of travel to work and mileage, from which the emissions associated with commuting have been calculated using the appropriate conversion factors for the modes of transport provided. It was agreed that an employee commuting survey would be undertaken every three years.

### Category 13 – Downstream leased assets (occupier emissions)

Calculated based on landlord/occupier allocation approach described within 'Energy – Electricity and Gas' above.

### Categories 4, 8, 9, 10, 11, 12, 14 & 15

Currently not identified as material to scope of business or not relevant.

### Financial intensity

Financial intensity metrics are calculated based on total turnover and portfolio fair value. In 2025, Group turnover (gross rental income) was £218.3m and at 31 December 2025, the fair value of the Group's portfolio was £5.1bn.

### Carbon conversion factors

Carbon conversion factors are used to convert utilities, refrigerants and travel into carbon equivalents which the Group then uses to report its location-based carbon emissions. Updated conversion factors are published annually by the UK Government. See Sheet 12, table 18 in our data download. Our location-based carbon emissions are reported in terms of carbon equivalents (tCO<sub>2</sub>e) using the applicable UK Government GHG conversion factor, which include the relevant Kyoto Protocol-regulated gases.

### Science-based targets

The Group reports in accordance with the Science Based Targets initiative (SBTi), a global partnership enabling businesses to set ambitious GHG emissions reduction targets in line with the latest climate science. Our targets, which were set in 2023 (adopting a 2022 baseline, being the prior 12-month data set) under the SME route, align with a 1.5°C climate scenario.

- **Near-term target:** 42% reduction in absolute Scope 1 & 2 (location-based) GHG emissions by 2030 (to 3,161 tCO<sub>2</sub>e) from a 2022 base year and to measure Scope 3 emissions. This is reported as a percentage change from 2022 to the reporting year.
- **Long-term net zero target:** 90% reduction in absolute Scope 1, 2 & 3 (location-based) GHG emissions by 2040 from a 2022 base year; committed to reach net zero by 2040.

We have set a base year emissions recalculation policy in line with SBTi and GHG protocol. If there is a change in methodology, discovery of errors or structural changes to the business that results in a greater than 5% change to the base year, our target will be rebased.

