

FDM Group Limited Carbon Reduction Plan

Company name: FDM Group Limited

Publication date: July 2023

Commitment to achieving Net Zero

FDM Group Limited is committed to achieving Net Zero emissions by 2050.

FDM Group is fully committed to playing its part in addressing the climate crisis and has committed to delivering Net Zero emissions across all scopes by 2050. At a consolidated Group level, we have developed ambitious near-term science-based targets in line with a 1.5°C limit to global warming, which have been validated by the Science-Based Targets initiative.

Our commitment to delivering Net Zero emissions applies to all entities within the Group, with the following minimum boundaries:

- Scope 1: Direct emissions from owned or controlled sources
- Scope 2: Indirect emissions from the generation of purchased electricity, heating and cooling that FDM consumes
- Scope 3: All other indirect emissions that occur within our value chain over which we have operational control, including:
 - Category 1: Purchased goods and services
 - Category 2: Capital goods
 - Category 3: Fuel- and energy-related activities (not included in scope 1 or scope 2)
 - Category 5: Waste generated in operations
 - Category 6: Business travel
 - Category 7: Employee commuting

The calculation of Scope 3 emissions is complex. For the purposes of this UK Plan, we are reporting only on the following Scope 3 sub-categories: Category 5 (waste generated in operations); Category 6 (business travel); and category 7 (employee commuting).

This report does not include reporting of Scope 3 sub-categories 1, 2 and 3. We monitor these emissions at a Group level.

FDM Group has nil emissions for the following Scope 3 sub-categories, which are not applicable to FDM at a UK or Group level: Category 4 (Upstream transportation and distribution); Category 8 (Upstream leased assets); Category 9 (Downstream transportation and distribution); Category 10 (Processing of sold products); Category 11 (Use of sold products); Category 12 (End-of-life treatment of sold products); Category 13 (Downstream leased assets); Category 14 (Franchises); and Category 15 (Investments).



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. FDM's base year is the 12 months to 31 December 2020.

Emissions reporting

Total emissions (tCO ₂ e)	Base year: 2020	2021	Reporting Year: 2022
Scope 1	57	44	59
Scope 2 (market based)	100	39	0
Scope 3 (included sources)			
Sub-cat 5: Waste generated in operations	7	4	12
Sub-cat 6: Business travel	43	41	59
Sub-cat 7: Employee commuting	428	238	394
Total emissions	635	366	524
Intensity ratio	2020	2021	2022
Emissions per employee (tCO ₂ e per employee)	0.26	0.15	0.18
Average No. of UK employees	2,418	2,438	2,964



Emissions reduction targets

FDM Group is committed to achieving Net Zero emissions by 2050. In order to continue our progress to achieve Net Zero, we have adopted the following near-term carbon reduction targets:

FDM Group is committed:

- to reduce its absolute Scope 1 and 2 greenhouse gas emissions by 50% by 2030 from a 2020 base year; and
- to reduce its Scope 3 greenhouse gas emissions by 62% per full-time employee by 2030 from a 2020 base year.

Carbon reduction projects

Completed carbon reduction initiatives

The following environmental management measures and projects have been completed or implemented since the 2020 baseline. The annual carbon emission reduction achieved by these schemes equates to approximately 100 tCO₂e:

- Through dialogue with our landlords the electricity supplied to all our UK centres is now sourced from 100% renewable energy sources;
- Paper reduction: the implementation of a new time-recording and billing system in 2020 significantly reduced our paper usage;
- The Company no longer has two company cars, which were used as pool cars for business usage only;
- We have contracted with our principal supplier of IT hardware regarding a recycling scheme for our IT laptops; and
- We are virtualising our IT estate: Our electricity requirement is lower because our cloud-based systems and data are hosted at efficient datacentres, run by Microsoft Azure, that flex capacity in line with our usage.

In the future we hope to implement further measures:

- Continue dialogue with our landlords in all our locations to reduce our consumption of electricity and natural gas;
- Continue dialogue and engagement with our top suppliers to reduce our Scope 3 emissions from purchased goods and services.



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 approved by the Board of Directors.

Signed on behalf of FDM Group Limited:

Rod Flavell, Chief Executive Officer

July 2023

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>