



Part of **M Group**

Environmental Sustainability Report 2025

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Foreword

FY25 marked a step change in Telent's environmental sustainability journey, delivering real progress for our business, our customers and wider society. We reduced greenhouse gas (GHG) emissions, embedded sustainability more deeply across our operations and supply chain and strengthened governance to ensure we are prepared for the impacts of climate change.

This report summarises our achievements over the last year and our plans for the future. It celebrates the dedicated efforts of our teams to combine emissions reduction, climate adaptation, circular economy initiatives and robust governance to ensure Telent is a resilient, low-carbon business.

Our near-term Science Based Targets remain at the heart of our strategy. Scope 3 carbon intensity is now 50% lower than our FY20 baseline. Our Scope 1 and 2 emissions fell by 40%. Our waste management performance continues to improve, reaching record levels and our circular initiatives have expanded – both protecting the environment and delivering direct social value in the communities in which we work. Our supply chain transformation has accelerated, 37% of our spend is now with climate-aligned suppliers, up from just 5% at baseline. We achieved PAS 2080 verification in our Highways business, a further demonstration of our ability to deliver low-carbon infrastructure for our customers.

Thank you to everyone who has enabled us to deliver on our goals. I'd especially like to thank our Environmental and Sustainability team for their hard work, dedication and approach taken to embed sustainability into our activities.

We're proud of how far we have come and looking ahead, we have an exciting opportunity as we integrate into M Group to amplify our progress. By sharing best practice, strengthening cross-business collaboration, and scaling our impact, we will enhance our ability to deliver decarbonisation, resilience, and social value – creating measurable benefits for customers and communities alike.

Jo Gretton, CEO



Our Business

Telent is a UK-based technology services provider and market leader in delivering operational technology solutions to the UK and Ireland's critical national infrastructure sectors, including transport, public safety, and other key markets. With over 30 years of experience, we design, implement, and support complex systems by combining engineering expertise, diverse capabilities, and proven delivery models.

We work in close partnership with customers and suppliers to deliver reliable, resilient, and sustainable solutions. Our ambition is to be the trusted partner of choice, defined by strong relationships, service excellence and innovative solutions. With 98% of our supply chain spend originating in the UK, and 55% directed to micro, small and medium-sized enterprises (MSMEs), we actively support a diverse supplier base and value the innovation, agility, and specialist expertise they provide.

Our strategy is to achieve sustainable and profitable growth through the provision of operational technology solutions and services, underpinned by robust governance frameworks, industry accreditations, and a culture of continual improvement. One of Telent's core strengths is leading the integration of differing technologies, acting as the "Complete Systems Integrator" for our customers.

We drive innovative solutions to improve operational efficiency and capability, with our people and emerging technologies at the heart of our technical strategy. Our market sector-focused business units are supported by strong central management and business support teams, ensuring we consistently meet high standards for quality, safety, and environmental performance while enabling our customers to achieve their operational and sustainability goals.

In 2025, Telent was acquired by M Group, strengthening our position within a wider group of essential services businesses. This integration enhances our ability to combine expertise, share best practice, and scale innovation, enabling us to deliver even greater value to customers, communities, and stakeholders.

About this Report



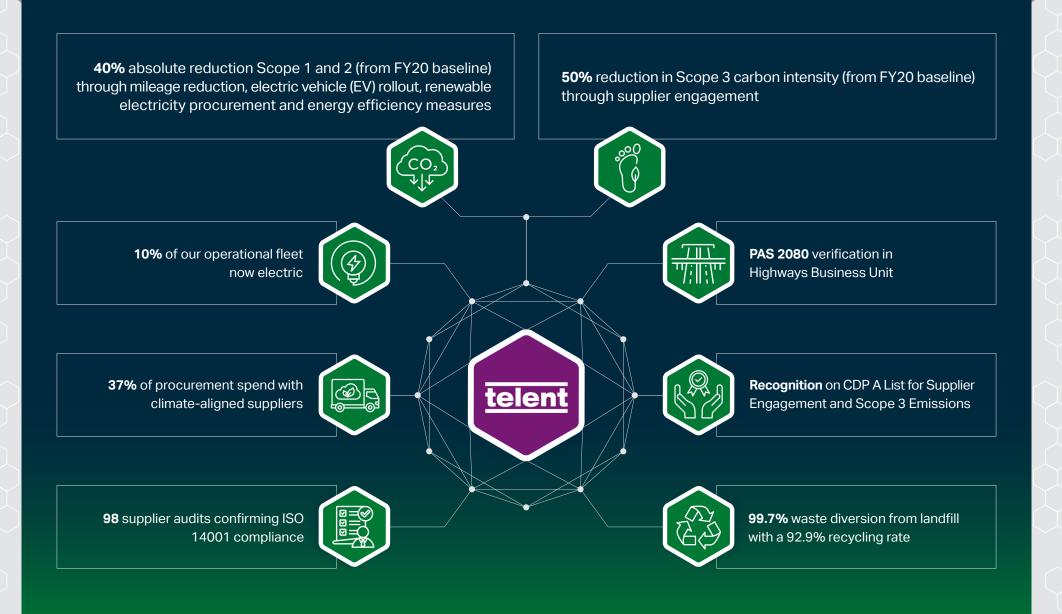
This report summarises our environmental performance, achievements and challenges during the 2025 financial year (FY25) from 1 April 2024 to 31 March 2025. It outlines the actions we have taken to reduce our environmental impact, improve efficiency and progress our long-term Net Zero and sustainability commitments.

It brings together key performance data, progress against targets and examples of innovation across our operations and supply chain. It also highlights the partnerships, governance structures and engagement activities that underpin our approach. Content has been selected using a materiality-led approach and includes both quantitative metrics and qualitative insights to present a balanced view of performance, covering progress as well as areas for improvement.

Unless stated otherwise, the organisational boundary is Telent Technology Services Ltd only (not group-level entities). Details of methodologies and frameworks are set out in Section 5: Accreditations, Compliance and Reporting. Methods and definitions are kept consistent year on year, with any methodological changes or restatements identified and explained.



FY25 Highlights



Our Commitment

Our vision is to be a leading partner on the journey to Net Zero, delivering practical solutions that reduce carbon emissions and wider environmental impacts so all our stakeholders can achieve their climate ambitions. We work closely with our supply chain to minimise our footprint and create lasting benefits for the communities we serve.

To make this real, we will:

- Deliver against our emissions reduction targets, with regular reviews and open reporting
- Embed low-carbon, circular principles in design, delivery and operations
- Engage and support suppliers to reduce Scope 3 emissions and raise environmental standards
- Integrate clear environmental and social criteria into procurement and decisionmaking
- Invest in innovation, skills and data to drive continual improvement and measurable outcomes
- · Comply with applicable legislation and recognised standards



Focus areas:



Net Zero

Halve emissions by 2030 and reach net zero by 2050 across operations and supply chains



Sourcing for Impact

Innovate and procure sustainably to create positive environmental, social, and economic outcomes



Future-Ready

Build climate resilience and deliver innovative low-carbon and circular solutions



Beyond Compliance

Exceed legal, environmental, and customer sustainability standards

Our Strategy

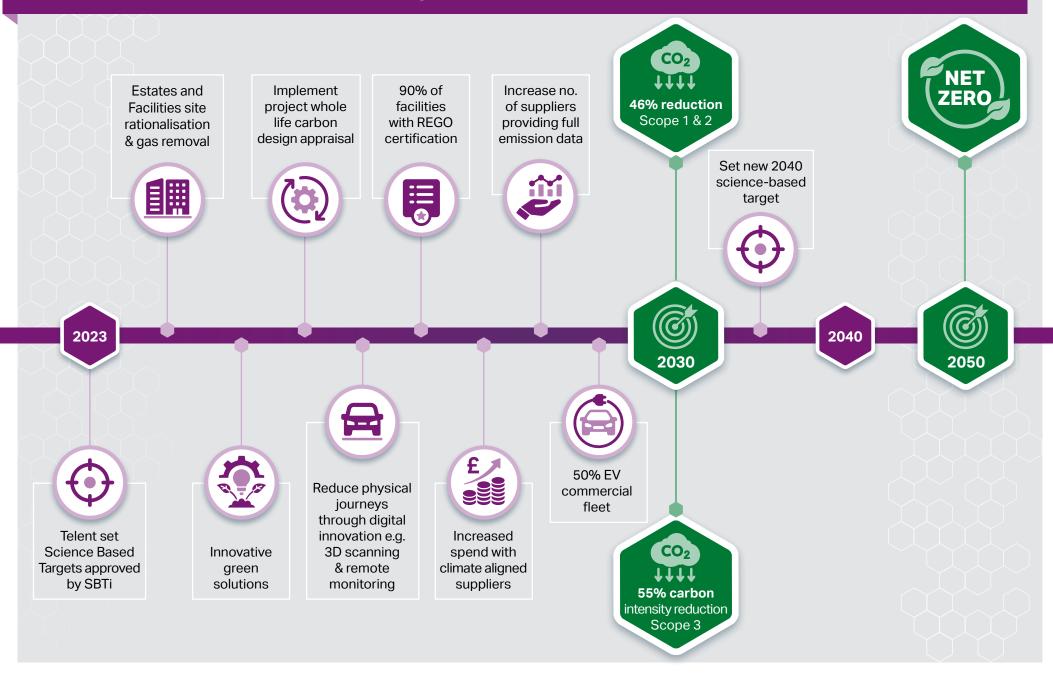
Our strategy is rooted in our Net Zero 2050 commitment, supported by Science Based Targets (SBTi) aligned with limiting global warming to 1.5°C. To drive meaningful progress, we aim to reduce Scope 1 and 2 emissions by 46.2% by 2030 and the intensity of Scope 3 emissions from purchased goods and services and capital goods by 55% within the same period.

Key actions include transitioning 50% of our operational fleet to electric vehicles by 2030, investing in charging infrastructure, and prioritising renewable electricity procurement. Recognising that most of our footprint sits within Scope 3, we will continue to work closely with our design teams and suppliers to embed sustainable design principles into every stage of solution development. This includes optimising product and supplier selection, improving energy efficiency, and extending asset lifecycles. Enhanced data measurement and reporting will enable us to track Scope 3 progress with greater accuracy, identify further reduction opportunities, and continuously refine our approach.

Beyond carbon, our goals include achieving zero waste to landfill by 2025, maintaining a minimum 80% reuse/recycling rate, and integrating circular economy principles into procurement and design. To tackle climate adaptation, we embed climate risk into our corporate risk registers, look to enhance climate resilience in new facilities, and conduct supply chain climate risk assessments. By combining mitigation with adaptation, we are building a resilient and responsible business.

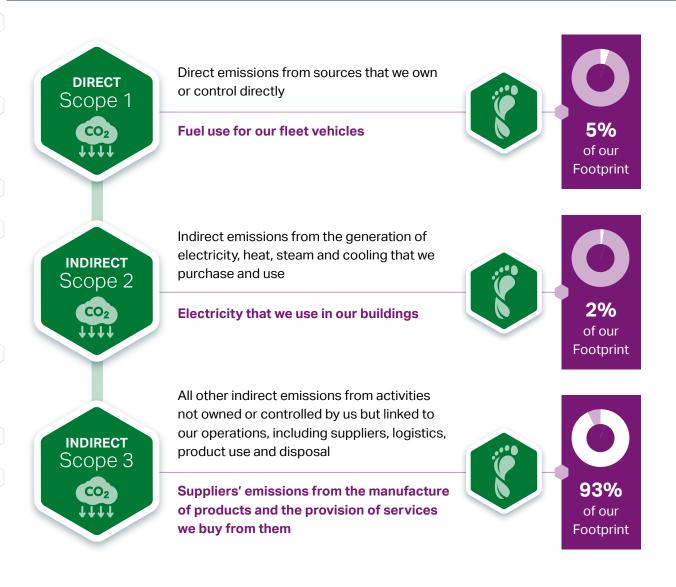


Telent Carbon Reduction Road Map



Our Footprint

In FY25, we continued to reduce our carbon footprint.

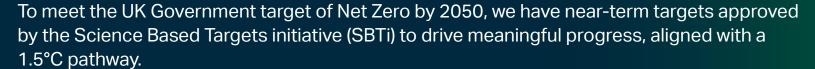


We measure and report greenhouse gas emissions across Scopes 1, 2 and 3 in line with the GHG Protocol. Scopes 1 and 2 contributed 7%, mainly from fleet fuel. Like most companies in our sector, Scope 3 remained the largest share of our footprint at 93%, largely from Purchased Goods & Services and Capital Goods at 85% of the total footprint.

This profile sets our focus, which is design-led reductions, improved data and circularity across the value chain, alongside operational decarbonisation priorities including transitioning to electric vehicles, energy efficiency and REGO-backed renewable electricity supply.

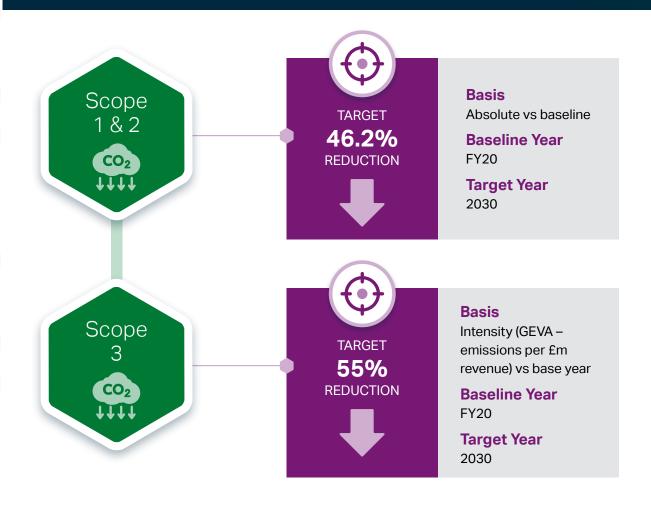


Our Targets





This provides a clear, independently verified framework to reduce emissions across our operations and supply chain. This ensures that our actions today deliver measurable progress, build long-term resilience, and support both our customers and the wider economy in the transition to Net Zero.



We are targeting a 46.2% absolute reduction by 2030 from our base year. Absolute means reducing total emissions (tCO₂e) regardless of organisational growth. For Scope 3, we are targeting a 55% intensity reduction by 2030 using GEVA (emissions per £ million revenue). The Scope 3 target covers over 80% of our Scope 3 footprint within the organisational boundary and applies to Purchased Goods & Services and Capital Goods, which together represented over 80% of Scope 3 emissions in the baseline year.

Other applicable Scope 3 categories measured and reported are: Fuel- and energy-related activities; Upstream transport and distribution; Waste generated in operations; Business travel; Employee commuting; Use of sold products; and End-of-life treatment of sold products. The Scope 3 target meets SBTi criteria and supports a 1.5°C trajectory across the covered categories. We use a hybrid calculation method for Scope 3, with supplier-specific or activity data where available, supplemented by spend-based estimates and recognised emission factors.

Our Management Approach

At Telent, our approach to environmental management is diverse, enabling us to address the varied needs of our customers and the industries we service. Environmental sustainability is led by subject matter experts from across the business, each bringing their own specialist knowledge, and governed by our Executive Board to ensure strategic alignment.

Delivery is driven through the Environment & Social Value (ESV) Steering Committee and supported by working groups focused on environmental management, waste and green solutions. In addition, certain areas of the business have dedicated specialists responsible for meeting specific environmental needs relevant to their industry or operational scope, ensuring that solutions are tailored and compliant with sector-specific requirements.

This diversity of approach is strengthened by integrated stakeholder engagement, from employee training programmes to customer roundtables, ensuring our actions are shaped by a broad range of perspectives. Benchmarking against recognised standards ensures external credibility and alignment with industry-leading practices. Regular data reviews and third-party verification, in line with ISO 14001 and 14060, underpin the accuracy and transparency of our reporting, ensuring our environmental management remains both adaptable and robust.

Climate Change Adaptation and Risk Management

As specialists in delivering mission critical services, we integrate climate-related risks into our corporate and supply chain risk registers, ensuring they are reviewed regularly alongside other strategic risks. This is supported by our robust Business Continuity Policy and processes, which provide the framework to maintain essential operations during disruptive events.

Our Climate Change Risk Assessments (CCRA), informed by national and sector-specific guidance, consider both physical risks (e.g. extreme weather, flooding, temperature changes) and transitional risks (e.g. regulatory change, market expectations, technology shifts). Outputs are embedded into sourcing plans, contract requirements, site planning, and operational procedures.

With 98% of our spend originating in the UK, we remain vendor-agnostic and work closely with suppliers to address climate resilience and assess readiness for disruption. FY25 actions included updating flood and weather risk assessments, enhancing continuity exercises with climate scenarios, and integrating adaptation measures into critical supply chains.

By combining CCRA outputs with business continuity planning and procurement strategies, we are strengthening our ability to anticipate, prepare for, and respond to climate-related challenges while continuing to deliver for our customers in all conditions.



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Reducing emissions, improving resource efficiency, and embedding sustainable practice across our sites and fleet.







We are committed to minimising the environmental impact of our operations by reducing carbon emissions, improving resource efficiency, and embedding sustainable practices across our sites and fleet.

Scope 1 & 2 Emissions



46.2% absolute reduction by 2030



40% reduction from FY20 baseline, with a further **20%** between FY24 and FY25

Our operational carbon reduction initiatives cover Scope 1, 2, and some elements of Scope 3 emissions. In FY25, we accelerated our EV transition, increasing operational fleet EVs to 10% of the fleet, with orders placed to increase this to 20% by the end of FY26. We upgraded heating systems to low-carbon alternatives, reducing gas use by 89% since FY20. Renewable electricity now covers 90% of our consumption, supported by REGO certification.

This has resulted in a further **20%** reduction in Scope 1 & 2 emissions compared to FY24.

	FY25	FY24
Scope 1	4,341	5,155
Scope 2	980	1,469
Total	5,321	6,624

tCO₂e

Fleet



50% EV Operational Fleet by 2030



10% EV Operational Fleet

Operational fleet emissions continue to account for the majority of our operational footprint. To achieve our Scope 1 carbon reduction target, we are implementing a phased EV transition plan, with a target for 50% of our operational vehicles to be electric by 2030. This is a significant challenge given the mix of vehicle types, configurations and capacities required to meet the diverse operational roles, applications and environments in which our teams operate.

To enable this, we have continued to make significant investment in charging infrastructure at both our sites and employees' homes, supporting all business areas to develop transition plans aligned with operational needs, providing driver training and education, and engaging the market to source new and emerging vehicles. Our Fleet team ensures the transition is smooth, efficient, and sustainable.



During the year, the number of EVs in our operational fleet increased to 10% of the fleet. There is an order pipeline to raise this figure to over 20% by the end of FY26, which aligns with our 2030 target.

Although employee commuting and business travel are not our largest sources of emissions and are measured separately from our operational fleet, we seek to positively influence these areas by managing 'grey fleet' miles (personal or company vehicles used for business travel). We encourage employees to adopt low-emission vehicles by offering enhanced incentives to drivers of benefit vehicles and through our Buttercup EV Scheme, delivered in partnership with our fleet provider, which gives employees access to discounted EVs. This has increased the total number of low and zero-emission vehicles in this category to 361.

Sustainable Procurement in Motion

Reducing Fleet emissions by over 300 tonnes per year

Telent's Asset Management team has invested in new fully electric vehicles to support Transport for London's (TfL) vision for a greener, more sustainable transport network and to meet our Science Based Targets for carbon reduction. After working with our Fleet team to assess the market and select the optimum vehicles for operational needs, we began taking delivery of brand-new Volkswagen ID. Buzz vans and Skoda Enyaq cars for their enhanced urban mobility, quiet operation, technology and impressive safety credentials. Click here for the full story.







Expanding our EV fleet is about making cleaner, smarter choices that work for our people and our customers. **Gary Smith, Fleet Services Manager**



We have also continued our EV pilot scheme to:

- Test emerging models against our duty cycles, payload and range needs
- Identify the optimum vehicles for safe, reliable service delivery
- Benchmark the best market offerings on whole-life cost and performance
- Familiarise our workforce with EV operation, charging and safe driving through trials and training

Energy

We have continued to prioritise the procurement of renewable energy, backed by Renewable Energy Guarantees of Origin (REGOs), which accounted for 90% of our total electricity consumption during the year. In addition to securing renewable supply for sites under our direct control, we are actively engaging with landlords and shared service providers to advocate for the adoption of renewable energy sources across leased and multi-occupancy locations. This includes promoting the use of certified green tariffs, encouraging investment in onsite generation where feasible, and exploring opportunities for collaborative procurement to maximise the proportion of our operations powered by renewables.





Strong environmental management is about having the right systems in place, with clear standards, robust data, and continuous review to ensure we meet our commitments. Hannah Breen, Environment & Sustainability Manager

Energy efficiency

We upgraded heating systems across key sites to low-carbon alternatives, significantly reducing our reliance on natural gas. As a result, gas consumption has fallen by 89% since FY20. In addition, heating, ventilation and air conditioning (HVAC) and lighting upgrades have resulted in a reduction of 489 tCO $_2$ e since FY24. These improvements form part of our wider decarbonisation strategy, targeting both energy efficiency and the transition to low-carbon technologies to support our Net Zero ambitions.

Energy Efficiency in Action



Traditional server rooms operate continuously, consuming large amounts of electricity and generating heat, which increases cooling requirements. For Telent, this led to high operational costs, inflated energy bills, and increased carbon emissions.

To operate these environments more sustainably, we developed and introduced intelligent server scheduling to automatically power down idle systems, cutting energy use by 70%. To make this a circular solution, equipment was repurposed from other projects, avoiding unnecessary purchases and waste. Reducing server activity also lowered heat output, enabling air-conditioning systems to run more efficiently and consume less power.

This initiative has delivered substantial cost savings and reduced environmental impact, supporting Telent's progress towards Net Zero by lowering carbon emissions and improving operational efficiency.

Waste & Resource Use



100% non-hazardous waste to landfill,80% recycling rate



99.7% non-hazardous waste to landfill, **92.9%** recycling rate

Waste management performance reached record levels in FY25, with 99.7% of waste diverted from landfill and recycling rates climbing to 92.9%. These results put us on track to achieve our target of 100% landfill diversion by the end of 2025. Key initiatives included expanding recycling streams, standardising waste reporting across all projects, and conducting regular waste audits to identify further opportunities for reduction, reuse, and recycling.

We also worked closely with our circular economy partner to maximise material recovery, identify innovative reuse options, and integrate closed-loop solutions into our operations. This collaborative approach is helping to minimise environmental impact, reduce disposal costs, and drive continuous improvement towards a zero-waste future.

Sustainable IT Asset Management

As part of a large-scale device refresh, Telent partnered with the Good Things Foundation to donate over 1,000 smartphones to the National Device Bank, avoiding over two tonnes of CO_2e emissions and preventing 80 kg of e-waste. Building on this success, Telent has



also independently donated a range of other ICT equipment to local charities, including monitors, docking stations and related peripherals. By prioritising reuse over recycling or disposal, Telent reduces environmental impact, generates measurable social value, and supports digital inclusion initiatives across the UK. These activities demonstrate how sustainable procurement and circular economy partnerships can extend product lifecycles, optimise resource use, and deliver positive community outcomes.

Water & Biodiversity

Water efficiency and biodiversity protection form an integral part of our site and project planning processes. While our operations are generally considered lower risk in relation to water consumption and biodiversity impacts, we continue to take these areas seriously.

We routinely assess potential effects on local habitats, including during the early stages of infrastructure project planning, and integrate appropriate mitigation measures to avoid or minimise disruption. This includes protecting water resources, preventing pollution, and enhancing natural habitats where possible, ensuring our projects contribute positively to environmental stewardship.





We take a stewardship approach to the resources we use, ensuring they're protected, replenished, and respected. **Jon Pears, Interim Environment & Sustainability Manager**

Supporting Biodiversity through 'No Mow May'

At our Chorley site, we took part in the national No Mow May initiative, allowing grassed areas to grow throughout the month to encourage wildflowers, provide food sources for pollinators, and create habitats for small wildlife. This simple but effective change supported local biodiversity while reducing fuel and emissions from mowing equipment. The aligns with our commitment to protecting and enhancing natural habitats as part of our site management practices and demonstrates how even lower-risk operations can contribute positively to environmental stewardship.







Future Priorities and Roadmap

We will continue to take practical, evidence-based action to reduce the environmental impact of our operations, focusing on areas where we can make the greatest difference. Our priorities include expanding our electric vehicle (EV) fleet towards 50% by 2030, trialling new vehicle types to accelerate adoption across our business and supply chain, improving the energy efficiency of operational sites through upgrades, monitoring, and behaviour change and enhancing biodiversity initiatives by creating and maintaining habitats that support local ecosystems.

Our roadmap will remain flexible to incorporate emerging technologies, regulatory changes, and stakeholder priorities, ensuring our operational emissions reduction pathway is both ambitious and achievable in line with our Net Zero commitments.



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Reduce embodied and use-phase emissions through low-carbon design and responsible procurement.









Our Sustainable Procurement strategy aims to deliver maximum value for money on a whole-life basis by securing economic value for stakeholders and communities, upholding ethical standards to promote responsible business practices across our supply chains, and working with suppliers to minimise the environmental impact of the goods and services we procure.





By embedding sustainability into our value chain, we're not only upholding the highest ethical standards but also delivering measurable results. These achievements strengthen supply chain resilience, reduce environmental impact, and deliver greater value for our customers. Rhys Griffiths, Senior ESG Procurement Manager

Scope 3 Emissions



55% intensity reduction by 2030



50% reduction in emissions intensity since baseline year, **37%** of spend with climatealigned suppliers, **21%** of reported Scope 3 emissions from supplier-specific data

In FY25, we achieved a further 12% intensity reduction in Scope 3 carbon intensity, taking our total to 50% since our FY20 baseline.

FY25	FY24
50%	38%

This progress reflects a combination of factors, including our focused efforts to better understand,

measure, and reduce the environmental impact of our value chain, alongside external drivers such as updates to life cycle inventory (LCI) data that capture global decarbonisation trends.

A key part of this success has been enhanced supplier engagement, from building relationships with climate-aligned partners to working collaboratively on low-carbon solutions. In FY25, 37% of our spend was with climate-aligned suppliers (up from 5% in our baseline year), and we developed 61 detailed supplier emissions profiles to better understand their carbon impact. Supplier-specific emissions data now covers 21% of our reported Scope 3 emissions, allowing us to not only improve accuracy in measurement but also reflect our suppliers' carbon reduction progress in our footprint, creating a stronger platform for targeted action.

We have also further embedded sustainability into our procurement framework, strengthening our Supplier Ethical Code of Conduct and incorporating additional environmental clauses into contracts. Together, these steps, supported by improved data quality, stronger supplier collaboration, and the integration of evolving global benchmarks have created a clearer picture of our supply chain emissions, improved decision-making, and built more resilient relationships with suppliers. This will help us drive further reductions and deliver greater value for our customers.

Supplier Assurance and Due Diligence

In FY25, we continued to evaluate supplier compliance and performance through a structured programme of environmental assessments and audits. 98 supplier performance audits were carried out by Telent's dedicated Supplier Assurance team, verifying compliance with our ISO 14001 environmental management standards. Where opportunities for improvement were identified, we worked collaboratively with suppliers to develop joint action plans, supporting them in raising their environmental performance. This proactive approach not only ensures compliance but also drives continuous improvement, embedding higher environmental standards across our supply base.





Environmental management systems are the foundation for consistent controls across the supply chain. **Paul Atkinson, Supplier Assurance Manager**

Supplier Engagement

We invest over 100 hours each year in targeted supplier sustainability development, and in FY25 this totalled 108 hours, including carbon literacy. Our focus is on suppliers with the greatest potential to influence our sustainability performance including environmental impact, carbon reduction, ethical practices, and social value delivery. Using a materiality-based approach, we prioritise engagement with those whose activities, products, or services have the most significant impacts across our value chain.

Supplier Engagement Events

To strengthen collaboration and transparency in our value chain, Telent hosts annual supplier webinars to share updates on business performance, sustainability strategy, and key priorities including carbon management and waste reduction. These events feature expert partner contributions



and provide an open forum for discussion and knowledge sharing.

Our most recent event brought together over 150 participants from across our supplier and customer network. Interactive elements including live polling, helped identify the top sustainability priorities from carbon reduction and circular economy adoption to social value and supply chain transparency.

Following positive feedback, with 95% of attendees surveyed finding the event "Very Useful", we plan to expand the programme with two dedicated supplier engagement events in the coming year, further embedding sustainability dialogue and collaboration across our supply base.

Supplier Relationship Management

In FY25, we held 200 supplier meetings with sustainability a standard agenda item and hosted dedicated supplier sustainability events to share best practice, address key risks, and explore opportunities for innovation. We also work hard to support our small business partners, who represent 67% of suppliers. This is by providing tailored guidance and resources to help them meet sustainability requirements and build long-term resilience. By increasing transparency and promoting open knowledge sharing across our supply chain, we enable collaborative problem-solving and ensure that sustainability improvements are both measurable and widely adopted.

To support this, we are developing a supplier carbon ratings programme to provide a clear, visual scorecard of performance and alignment to our standards. Ratings and tailored improvement roadmaps will be shared with suppliers and internal stakeholders to inform sourcing decisions, prioritise support, and evidence progress against our Scope 3 goals.

CDP A List for Supplier Engagement & Scope 3 Management



Telent was recognised on the CDP A List for excellence in supplier engagement and Scope 3 carbon management. This achievement reflects our structured approach to reducing value chain emissions from targeted engagement with climate-aligned suppliers and strengthening contractual requirements, to improving data quality and increasing the use of supplier-specific emissions data. In 2024, CDP assessed over 23,000 companies globally on behalf of investors, customers and regulators. Only around 2% achieved a place on the SEA A List, placing Telent in the top tier of global organisations taking meaningful climate action beyond their own operations. Click here for the full story.

Data and Transparency

Data and transparency are central to managing sustainability in our value chain. Guided by defined governance policies and external standards, we collect supplier emissions data from trusted sources and directly from suppliers. Where gaps exist, we work with suppliers to improve data quality and reporting capabilities and utilise industry benchmarks for materiality assessments.

Our Scope 3 calculations follow the GHG Protocol and are externally verified, ensuring accuracy, comparability, and a clear evidence base for tracking progress against our emissions reduction targets. As we do not manufacture products or have control over broader supply chains, achieving full transparency remains a challenge, particularly for complex or multi-tier supply chains.



Addressing this remains a priority, and we follow best practice in data collection, verification, and reporting to ensure the insights we generate are robust and actionable. Our focus is on building a clearer, more accurate picture of our Scope 3 footprint while prioritising insights that enable targeted carbon reduction, supplier engagement, and continuous improvement across our value chain.

Supply Chain Governance

We achieved 100% compliance with all statutory environmental reporting requirements in FY25. Our supply chain governance framework ensures that environmental and sustainability requirements are embedded in procurement processes, supplier management, and contractual agreements. This is underpinned by a dedicated supply chain risk register, sourcing plans that integrate climate and resilience considerations, and ongoing supplier audits to verify compliance.

This structured approach, combined with close collaboration with our predominantly UK-based supplier network, supports consistent delivery of our sustainability commitments and strengthens the resilience of our value chain.

Training

We mandate annual ethical probity training for all Procurement colleagues, with FY25 maintaining 100% completion. The programme goes beyond compliance, incorporating elements of environmental sustainability and responsible sourcing to ensure colleagues are equipped to make balanced, ethical decisions in their roles.

Training outcomes are reinforced through integration into personal objectives and development plans, embedding accountability at an individual level. We have set an ongoing KPI to maintain 100% completion year on year, reflecting our commitment to professional standards and to building a procurement function that consistently delivers transparency, integrity, and sustainable value for the business and our customers.

Innovation & Systems Development

Our ESG Procurement team is developing a suite of proprietary tools and processes to enable proactive measurement, informed sustainable design decisions, and materiality-based assessments across our projects and supply chain. In FY25, we advanced the development of several key systems, with implementation planned for FY26/27:



DCAT (Design Carbon Appraisal Tool)

A decision-support tool to assess the carbon impact of design options, enabling lower-carbon choices early in the project lifecycle



EPIC (Environmental Product Information and Compliance Database)

A centralised repository of verified environmental and compliance data for products, materials, and equipment, improving traceability, supporting sustainable design decisions, and ensuring compliance with relevant standards



SPARC (Sustainable Procurement Reporting and Commitments)

A reporting platform to track procurement-related sustainability metrics, monitor delivery against commitments, and provide transparent progress updates to stakeholders

These tools will provide greater visibility of environmental and social impacts, support evidence-based decision-making, and ensure sustainability is embedded at every stage of the procurement process.

Design Carbon Appraisal Tool (DCAT)



To support low-carbon decision-making at the earliest stages of project design, Telent has developed a Design Carbon Appraisal Tool (DCAT). Using a standard Bill of Quantities (BoQ), the DCAT uses our corporate data to estimate supply chain emissions and presents them in a visual heatmap, enabling teams to:

- Establish baselines and compare design options
- Prioritise carbon reduction initiatives based on significance
- · Identify cost-saving opportunities
- Encourage innovation in materials and design

By integrating carbon assessment directly into the design process, DCAT translates carbon data into actionable insights for Telent and our customers, enabling informed choices that cut value chain emissions and deliver better value.

Customer Engagement

Our ESG Procurement team engaged with customers and other organisations through more than 20 events and forums over the year, creating opportunities for open dialogue and joint problem-solving across the industry. These platforms enabled us to share our expertise on Scope 3 management, exchange insights, and explore innovative approaches tailored to the varied priorities of our stakeholders.



Rhys Griffiths, Senior ESG Procurement Manager, presenting Telent's supply chain sustainability strategy at the Department for Transport (DfT) Supplier Event, supporting micro, small and medium-sized enterprises (MSMEs) to align with public sector procurement sustainability requirements.

By working collaboratively, we support sustainability ambitions, provide practical guidance to help achieve targets, and contribute to customer sustainability reports and case studies, helping to evidence their progress. This approach strengthens partnerships and positions Telent as a trusted and collaborative partner in delivering environmental progress.

Collaborating for Action

Showcasing Sustainable Procurement to European City Officials

Telent hosted a delegation of officials from the Greater London Authority and multiple European cities as part of a knowledge-sharing initiative on sustainable urban development. The visit provided an opportunity for Telent to demonstrate how sustainability principles can be successfully embedded into procurement processes.

We discussed our strategies for managing Scope 3 emissions, supplier engagement, and circular economy efforts, using examples from our operations. Attendees saw how our procurement policies lead to measurable sustainability outcomes and toured our electric vehicle fleet, illustrating our integration of low-emission transport in projects. We highlighted





Left: Dave Adey, Head of Procurement, and Rhys Griffiths, Senior ESG Procurement Manager, showcasing Telent's commitment to responsible sourcing. Right: European City Officials exploring how our engineers are driving EV adoption.

collaboration with subcontractors on EV adoption for Transport for London contracts and facilitated knowledge exchange on sustainability challenges and solutions across cities. **Click for the full story**.

National Highways Major Projects Supplier Conference

Rhys Griffiths presented at the National Highways
Major Projects Supplier Conference, outlining how we
embed sustainability into procurement through supplier
engagement, carbon reduction planning, and social
value integration. The event was designed to accelerate
supply chain development, effectiveness and efficiency,
with a dedicated Carbon Management workshop.

We showcased collaborative initiatives with supply chain partners to measure and reduce Scope 3 emissions, supported by robust data verification. The event facilitated the exchange of practical solutions with other major suppliers, reinforcing our role as a trusted partner in helping National Highways achieve its sustainability targets.

Future Priorities and Roadmap

In the year ahead, we will build on our progress by increasing spend with climate-aligned suppliers and prioritising partnerships that demonstrate verified carbon reduction commitments. Our focus will be on continuing to improve supplier-specific emissions data, launching our carbon ratings programme, and moving to quarterly reporting for greater transparency and responsiveness.

We will maintain high levels of engagement through regular workshops and direct support, while introducing new tools and resources to streamline data submission and accelerate reduction initiatives. Together, these actions will embed climate action and accountability across our entire value chain.

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Collaborating for progress

Collaboration is central to our progress and our cross-functional governance and working groups bring together leaders, subject matter experts, and delivery teams to address key sustainability priorities.

Each group engages with customers, suppliers, and internal teams, sharing best practice and delivering measurable outcomes. This structure ensures our environmental management approach is both strategic and operational, with a balance of top-down direction and bottom-up innovation.

Environment & Social Value (E&S) Steering Committee

Chaired by senior leads and executive sponsors, the E&S Steering Committee sets the strategic direction for embedding environmental and social value considerations into projects and procurement. Operating on a top-down and bottom-up model, it aligns operational delivery with corporate sustainability commitments, ensuring our actions support customer ambitions and industry targets.

Environmental Sustainability Working Group

This group brings together a community of leads and subject matter experts to share information, develop joint initiatives, and exchange knowledge across the business. By promoting collaboration and building internal capability, it ensures environmental priorities are integrated into everyday decision-making.

Waste Group

Working in partnership with our circular economy partner, the Waste Group drives initiatives to reduce, reuse, and recycle materials across our operations and supply chain. It plays a central role in meeting our waste reduction targets and embedding circular economy principles into project delivery.

Green Solutions Working Group

The Green Solutions Group focuses on identifying and implementing low-carbon and resource-efficient technologies. In collaboration with engineers and sustainability leads, it pilots innovative solutions that can be scaled across projects, maximising both environmental and operational benefits.

Green Solutions Case Studies

In FY25, we developed 9 new Green Solutions case studies to showcase practical, low-carbon and resource-efficient innovations across our projects. Each case study captured the challenge, solution, and measurable outcomes from carbon savings and energy reductions to circular economy benefits.

These serve as a knowledge-sharing resources for our engineers, project managers, and customers, helping to replicate proven approaches across our operations. By documenting and promoting these successes, we are embedding innovation into everyday delivery and accelerating the adoption of sustainable practices across the business.





Telent is committed to delivering innovative Green Solutions for our customers, integrating the very best Green technologies and supporting our customers to reduce their CO₂ footprint as we all drive to deliver Net Zero by 2050.

Mick Mohan, Group Engineering Director

Click here for more information.

Employee engagement

Our people are central to delivering our sustainability ambitions. We keep employees informed and involved through regular communications, including updates on progress, new initiatives, and opportunities to contribute.



Direct support is provided through access to sustainability leads and subject matter experts, enabling teams to integrate environmental considerations into their daily work. Training programmes from onboarding modules to specialist workshops build awareness and capability across the business, ensuring colleagues understand the role they play in achieving our goals. By combining clear communication, practical support, and ongoing learning, we create a culture where every employee can contribute to positive environmental and social outcomes.

Engaging Employees Through the Telent Roadshow

Telent's Executive Roadshows, led by CEO Jo Gretton and the Executive team, provide employees with direct updates on business objectives and developments across all areas, with contributions from leaders across the business. This year, Rhys Griffiths, Senior ESG Procurement Manager, delivered a sustainability-focused update covering our Net Zero plans, Scope 3 emissions management, and supplier engagement initiatives. The interactive format ensured employees understood how they contribute to our environmental



goals, encouraging dialogue and reinforcing sustainability as a shared responsibility across the business.

Telent Awards - Net Zero Award

At this year's annual Telent Company Awards, we introduced a new Net Zero Award to recognise contributions to our sustainability goals. The first winners, London Roads and Fleet, were celebrated for their rapid adoption of an electric vehicle fleet, innovative technologies delivering real carbon reductions, and their active support of our sustainable procurement event for Transport for London, where they showcased their achievements and shared practical sustainability insights.



Training & Development

We have been developing an online environment and sustainability training module for inclusion in Telent's training library, which will launch in FY26 to further strengthen our Project Managers' environmental awareness. The module is designed to improve understanding of environmental legislation, risk identification, and sustainable practices across all stages of project planning and execution. By equipping key stakeholders with the knowledge and tools to make environmentally informed decisions, we aim to reduce



our environmental impact, enhance compliance, and support our wider corporate sustainability goals.

Accreditations, Compliance and Reporting

Frameworks and Methodologies	
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Accreditations, Compliance and Reporting

We maintain a strong framework of independent verification, recognised standards, and robust internal governance to ensure our environmental performance is credible and externally validated.

Frameworks and Methodologies

- Greenhouse gas accounting follows the GHG Protocol Corporate Standard, Scope 2 Guidance (location- and market-based), and the Corporate Value Chain (Scope 3) Standard
- Consolidation approach: operational control
- Emission factors: UK Government GHG Conversion Factors and recognised databases for selected categories (CEDA), with the GEVA method used for intensity where stated
- Renewable electricity is reported using REGO certificates and a residual mix for market-based Scope 2

Consultancy-Led Carbon Measurement and Reporting

Our approach to carbon measurement and reporting is delivered through a consultancy-led model, combining internal expertise with specialist external support. This ensures our methodology is aligned with internationally recognised protocols and that our reporting meets the highest standards of accuracy and transparency. All greenhouse gas (GHG) emissions data undergoes a third-party verification process in line with ISO 14064, giving our customers and stakeholders confidence in the results.

Standards, Frameworks, and Compliance

We benchmark performance against leading global frameworks, including CDP and the Science Based Targets initiative (SBTi), while meeting mandatory UK schemes such as Streamlined Energy and Carbon Reporting (SECR) and the Energy Savings Opportunity Scheme (ESOS). We also participate in industry-specific schemes and maintain accreditations that demonstrate our commitment to continual improvement.



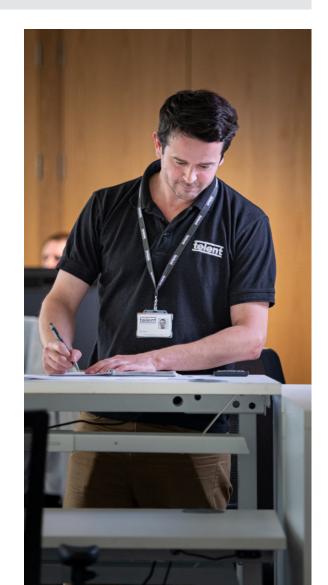






Internal Governance

Our Environment & Social Value Steering Committee oversees environmental governance, supported by structured internal audits, regular performance reviews, and reporting to the Executive Board. This ensures compliance requirements are met and that sustainability is embedded in decision-making across all business units.



PAS 2080 - Whole-Life Carbon Management

In our Highways Business Unit, we achieved PAS 2080 verification as a designer and constructor. PAS2080 is the UK's leading specification for whole-life carbon management in infrastructure. The process validated our ability to measure, manage, and reduce emissions across



the project lifecycle in collaboration with customers and suppliers. It also provided practical insights to further embed carbon reduction into project delivery, reinforcing our leadership in delivering low-carbon infrastructure solutions.



Jon Pears (Interim E&S Manager) and Andy Gifford (Director of Highways)





This achievement shows our dedication to meeting high industry standards that drive innovative carbon reduction. Tracey Lively, Assurance Delivery Director (Highways)

Ongoing Commitment

We maintain ISO 14001 certification for environmental management and continuously review our alignment with emerging standards and legislative requirements. Our approach is action-focused, ensuring that we move beyond reporting to deliver measurable outcomes on the issues most material to our business, customers, and stakeholders.

By prioritising actions that address our most significant environmental impacts, we ensure resources are directed where they can make the greatest difference. This commitment to verified, standard-aligned, and materiality-driven reporting underpins our credibility and positions us as a trusted partner in delivering environmental progress.



Appendix 1 – Our Data

Carbon

Description	Unit	FY25	FY24	FY20 (Baseline)
Carbon Footprint – Scope 1, 2 & 3		81,423	104,152*	183,349
Scope 1	tCO₂e	4,341	5,155	6,761
Scope 2 (location based)		980	1,469	2,161
Scope 2 (market based)		196***	279	308
Scope 3		76,102	97,528*	174,427
Purchased goods and services and capital goods	tCO₂e	69,350	81,709*	163,144
Purchased goods and services and capital goods intensity	tCO₂e per £'000 revenue	0.15	0.18	0.29
Fuel and energy-related activities (not included in Scope 1 and 2)	tCO₂e	1,457	1,756*	2,180
Upstream transport and distribution		807	902*	1,627
Waste generated in operations		7	30	20
Business travel		969	779*	949
Employee commuting		2,094	1,768	1,553
Use of sold products		1,200**	10,285	4,761
End-of-life treatment		218	299*	193

^{*}FY24 Scope 3 emissions have been restated to reflect the application of new CEDA V6 Global Producer Factors (excl. VAT) for economic pricing exclusive of VAT, rather than "Purchaser" factors which account for VAT. This update follows the release of new factor sets as part of CEDA's regular updates and provides greater consistency with our financial reporting approach. The change does not affect the baseline year and has no material impact on progress towards our near-term target. The adjustment demonstrates our commitment to accurate reporting and the value of independent verification in maintaining data integrity.

^{**}Significant decrease in FY25 attributable to high volumes of equipment purchased and sold in FY24 for major projects, delivered upfront during the implementation phase. In line with accepted methodologies, emissions from the use of sold products are calculated using the per-unit method and recognised in the year of sale only, as varying customer usage and maintenance models make annualisation impractical and unreliable.

^{***} Market based emissions in FY25 were calculated using the AIB residual mix factors rather than the DESNZ standard electricity factor aligning with best practices for Scope 2 reporting.

Waste

	FY25	FY24
Waste diverted from landfill	99.7%	99.3%
Waste recycled	92.9%	79.1%

Appendix 2 – Useful Links

For further details on our environmental sustainability strategy, performance, and progress towards Net Zero, please explore the following resources:

- Telent Sustainability Overview our environmental initiatives and reporting can be found on the Telent Environment & Sustainability page
- Responsible Procurement details on our procurement policies, supplier standards, and commitments to sustainable and ethical sourcing are available on the Telent Responsible Procurement page
- Certifications and Accreditations for downloadable evidence of standards, see the Telent Certifications page
- CDP (Carbon Disclosure Project) our CDP scores, A List recognition for Supplier Engagement and Scope 3 Management, and insights into global disclosure practices are available at cdp.net
- SBTi (Science Based Targets initiative) for information on our sciencebased targets and the frameworks guiding them, please visit the Science Based Targets initiative website

Appendix 3 – Definitions

Absolute reduction

A total cut in greenhouse gas emissions (tCO₂e) from a baseline, regardless of changes in company size or revenue.

Baseline year

The reference year against which emissions reduction progress is measured. In this report, FY20 is the baseline.

Bill of Quantities (BoQ)

A document itemising all third-party goods and services required for a project, used to estimate costs and assess impacts.

Business travel emissions

Scope 3 emissions arising from travel undertaken for business purposes, such as flights, trains, and car hire.

Carbon intensity

The amount of greenhouse gas emissions per unit of output, such as emissions per £m revenue.

Carbon reduction target

A goal to reduce greenhouse gas emissions within a specific timeframe, often aligned to climate science.

CDP

Carbon Disclosure Project – a global disclosure system for companies to manage and share their environmental impacts.

CEDA

Comprehensive Environmental Data Archive – a global database providing emissions factors for environmental reporting.

Circular economy

An economic model aimed at eliminating waste and keeping products and materials in use through reuse, repair, refurbishment, remanufacturing, and recycling.

Climate-aligned supplier

A supplier whose operations, targets, and practices are consistent with our carbon reduction strategy and supporting low-carbon transition. This includes net zero commitments, carbon reduction targets and carbon reporting targets.

Climate Change Risk Assessment (CCRA)

A structured process to identify, evaluate, and prioritise the potential physical and transitional risks posed by climate change to an organisation's operations, supply chain, assets, and stakeholders.

Climate resilience

The ability of an organisation, supply chain, or system to anticipate, prepare for, and respond to climate-related disruptions.

CO2e (Carbon dioxide equivalent)

A standard unit for measuring carbon footprints, representing the impact of all greenhouse gases in terms of the equivalent amount of CO_2 .

Decarbonisation

The process of reducing carbon dioxide and other greenhouse gas emissions from activities, products, and services.

Embodied emissions

Greenhouse gas emissions associated with the production, transport, and installation of materials and products, often part of Scope 3.

Employee commuting emissions

Scope 3 emissions generated by employees travelling to and from the workplace.

End-of-life treatment

Processes for managing products after their useful life, including recycling, reuse, and disposal.

Energy efficiency measures

Initiatives aimed at reducing energy use, such as upgrading lighting, heating, cooling systems, and server room optimisation.

ESOS (Energy Savings Opportunity Scheme)

A UK mandatory energy assessment scheme for large organisations to identify energy efficiency opportunities.

EV (Electric Vehicle)

A vehicle powered entirely or partially by electricity, reducing or eliminating tailpipe emissions.

Fuel and energy-related activities

Scope 3 category covering emissions from fuel extraction, production, and transportation not already included in Scope 1 or 2.

GEVA (Greenhouse Gas Emissions per unit of Value Added)

An intensity metric that measures greenhouse gas emissions relative to economic output.

GHG Protocol

The globally recognised standard framework for measuring and managing greenhouse gas emissions.

ISO 14001

An international standard for environmental management systems, supporting continual improvement in environmental performance.

LCI data (Life Cycle Inventory data)

Data detailing inputs, outputs, and environmental impacts of products or processes across their life cycle.

Market-based emissions

Scope 2 emissions calculated using supplier-specific emission factors and contractual instruments like REGO certificates.

Materiality-led approach

Prioritising issues and impacts based on their significance to both the business and stakeholders.

Net Zero

A state where a company's greenhouse gas emissions are balanced by equivalent removals, resulting in no net increase in atmospheric greenhouse gases.

No Mow May

An initiative encouraging reduced mowing to promote biodiversity by allowing wildflowers to grow and provide habitats for pollinators.

Operational control

A consolidation approach for GHG accounting where a company includes emissions from operations it controls directly.

PAS 2080

A publicly available specification for whole-life carbon management in infrastructure projects.

REGO (Renewable Energy Guarantee of Origin)

A UK certification scheme proving that purchased electricity is from renewable sources.

Residual mix

The average emissions intensity of electricity in a given region, excluding renewable supply backed by certificates like REGOs.

Scope 1 emissions

Direct greenhouse gas emissions from sources owned or controlled by the company, such as fleet fuel use.

Scope 2 emissions

Indirect greenhouse gas emissions from the generation of purchased electricity, heat, steam, and cooling used by the company.

Scope 3 emissions

All other indirect greenhouse gas emissions in the value chain, such as purchased goods and services, transport, waste, and product use.

SECR (Streamlined Energy and Carbon Reporting)

A UK regulatory requirement for certain companies to disclose energy use and carbon emissions.

SBTi (Science Based Targets initiative)

A global body enabling companies to set greenhouse gas reduction targets in line with climate science.

Supplier engagement

The process of working collaboratively with suppliers to improve sustainability performance and reduce emissions.

Supplier-specific emissions data

Emissions information reported directly by suppliers, reflecting their actual operations rather than generic industry averages.

tCO₂e

Tonnes of carbon dioxide equivalent – the standard unit for greenhouse gas emissions measurement.

Upstream transport and distribution

Scope 3 emissions from the transportation and distribution of goods before they reach the reporting company.

Waste diversion from landfill

The percentage of waste materials that are prevented from being disposed of in landfill, through recycling, reuse, or other recovery methods.

Whole-life carbon

Total greenhouse gas emissions over the lifetime of a product, asset, or project, from raw material extraction to end-of-life disposal.

