M GROUP

Sustainability Strategy 2027-2032

Essential infrastructure services for life

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Foreword from Andrew Findlay

Group Chief Executive

"Sustainability is an integral part of our commercial strategy."

Every day, our 14,000 people keep the country's essential infrastructure working: the water in the tap, the power in the grid, the roads and railways people travel on, and the networks that connect them. That work has earned M Group a place at the heart of national life – and the responsibility that comes with it.

Sustainability is an integral part of our commercial strategy. Our clients are often regulated businesses with binding environmental commitments, and they choose partners who reflect those commitments in their delivery. Our investors benchmark our sustainability performance, and increasingly our financing terms reflect it. When the Group Operations Board endorsed this strategy in June 2026, it did so on the understanding that sustainability and growth go hand in hand.

We approach this as one business. Over the past two years we've brought a collection of strong companies together as one M Group, with shared delivery platforms and a single way of working. That consistency is what these commitments demand, whether we're converting a substantial vehicle fleet or bringing thousands of suppliers to a common standard.

In 2026 we earned an EcoVadis Bronze medal, placing M Group in the top 35% of companies assessed worldwide; this strategy sets out how we build on that achievement.

At M Group we have simple but essential ambitions for all the infrastructure projects we partner on: make sure they're delivered safely and built sustainably, whilst creating opportunities to grow thriving careers.

Through 2025 and 2026 we worked with external consultants, ERM, on a full Double Materiality Assessment. Our leadership validated the findings in April 2026, and the Group Operations Board endorsed the strategy and its delivery roadmap in June 2026.

Each of the seven material outcomes has a named executive owner, delivery will be governed through full integration with our risk management committee, and internal audit will provide assurance. This is a plan the business will run and measure, meeting challenges as they arise, and backed by accountability at the most senior level.

It's a snapshot of how we see the future from this year's perspective. Modifying and adjusting the plan is all part of an agile approach and I fully expect these targets to adapt and develop with our deepening sustainability maturity and the needs of our clients, people and communities we serve.

The pages that follow contain long-term objectives and measurable commitments in the form of FY29 headline targets for most of our seven material outcomes, the indicators we'll track against them, and a commitment to report progress every year, together with potentially new areas of focus.

Welcome from Andrew Hunt

Director of ESG and Innovation

"Our targets should be viewed as dynamic, evolving in line with our growing sustainability maturity and strategic priorities."

M Group
At a glance

M Group keeps the UK's essential infrastructure running. Our teams design, build, maintain and upgrade the water, energy, transport, data and telecommunications networks the country depends on.

The Group at a glance

- 14,000 people, supported by around 8,500 subcontractors.
- A fleet of more than 9,100 vehicles.
- FY26 turnover of £3.1 billion and a £10.4 billion order book.
- Expertise across the Energy, Water, Technology & Communications, Transport, and Defence, Industrial & Public Sector markets.

Footprint and handprint: the two measures in this strategy

Two measures run through this document. Our footprint is the consequential impact of M Group's operations: the emissions of our fleet, the energy of our sites, the waste our work creates. Our handprint is the benefit our work provides for others and the conscious efforts we make to improve the communities and environment around us, such as the renewable connections, smart meters, EV charging and leakage reduction we deliver for clients, as well as the social value, biodiversity gain, carbon reduction and workforce education we provide. Our aim is to shrink our footprint while expanding our handprint.

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Our handprint: what our work makes possible

Energy Infrastructure

The UK is targeting a fully low-carbon grid by 2030, and that infrastructure is yet to be built. We're the only contractor working on all three of the UK's overhead line upgrade programmes, reinforcing transmission for offshore wind and renewables.

Energy In-Home

Decarbonisation has to reach the front door. We install smart meters, deliver energy-efficiency upgrades and retrofit renewable technologies in homes across the country. Through our AgilityEco business we supported more than 45,000 vulnerable households in FY25.

Water

We combine national reach with precision engineering across water and wastewater networks: around 1.5 million smart meters installed as sole installer for Thames Water, active leakage control for major utilities, and new portfolios including the Storm Overflow Alliance. BGEN, which joined the Group in 2024, deepens that engineering expertise; its 1,100 Technical services specialists design and build in the most demanding regulated environments, helping water clients remove pollutants, cut energy use and reach net zero.

Technology and communications

We build and maintain the digital backbone of the UK: the fixed, mobile and private networks that keep people, businesses and emergency services connected. The average person in the UK interacts with our services 18 times a day. Telent, which joined the Group in 2025, strengthens that work, maintaining the communications behind National Highways' roadside systems, the rail network and the emergency services, as well as the secure IT and communications for the UK's new nuclear stations at Hinkley Point C and Sizewell C.

Technical services

Our 1,100 engineering specialists design, build and optimise assets in the most demanding regulated environments, helping blue-chip clients remove pollutants, cut energy use and reach net zero. At Hinkley Point C, our installations will help supply 6% of the UK's electricity.

Rail and aviation

As the rail sector enters Control Period 7, with billions of pounds allocated to operations, maintenance and renewals, we deliver essential asset renewals and are expanding electrification through the ARQ partnership. In aviation, we support airfield ground lighting and terminal capital maintenance.

Highways

With 70% of the National Highways network more than 45 years old, the country's priority is making what exists last. Our maintenance and specialist bridge care teams keep the road network safe and serviceable without the carbon cost of building new.

Our values in this framework

Our values run through the pillars: **Responsible** is the standard we hold ourselves to; **Open** is how we report; **Together** is how we build belonging and partnership; **Ambitious** is the stretch in the commitments this strategy makes.

How the pillars work together

The seven key topic outcomes form a system rather than a list. Belonging and a strong safety culture underpin our ability to attract and retain people. Supplier engagement is how we reach the large share of our emissions which sit in our supply chain. Climate performance underpins our sustainable financing, and careful water management protects the environments we work in.

Ambitious

Corporate strategy > Sustainability framework > Material-topic plans > Foundation

Responsible — Environmental Stewardship

Climate mitigation and adaptation

Cut our Scope 1, 2 and 3 emissions in line with a validated science-based target, publish a Climate Transition Plan, and prepare our operations for a changing climate.

Water management

Be the UK's leading smart water meter installer, helping clients cut leakage and households cut demand, while managing water and pollution risks responsibly in our own work.

Together — Social Responsibility

Colleague attraction, retention & development

Make M Group a place where people join, grow and stay, through engagement, learning, apprenticeships, and a culture people feel they belong to.

Health and safety

It Starts With Me safety programme: everyone who works for us, and with us, goes home safe and well every day.

Open — Trusted Operations

Responsible supply chain

Engage our priority suppliers through a single framework of sustainability and social-value expectations that is embedded in our procurement process.

Service quality and delivery

Measure the service our clients experience, establish a Net Promoter Score (NPS) baseline, and improve it across every division.

Data privacy and cybersecurity

Protect the systems, networks and personal data that essential services depend on. An enhanced cybersecurity plan is under way and formal targets will follow.

Our values run through the pillars: Responsible is the standard we hold ourselves to across Planet and our governance; **Open** is how we report, honestly and in full; **Together** is how we build belonging inside the business and partnership across our supply chain; **Ambitious** defines our approach to these targets.

How we build this strategy

EcoVadis: our external measuring stick

EcoVadis rates more than 150,000 companies worldwide on environment, labour and human rights, ethics, and sustainable procurement, and helps us see where improvements can be made. In February 2026, M Group scored 64 out of 100, earning us a bronze medal at the 67th percentile, with our Technology & Communications business achieving a silver medal. Our improvement plan targets Silver for the Group by the end of FY27.

Double Materiality Assessment
Independent, facilitated by ERM

EcoVadis Benchmark
Score & improvement feedback

Group Improvement Strategies
Multiple ambitious programmes across the Group

CVC ESG Maturity Assessment
Investor portfolio review

Internal Audit Findings
Across the business

Peer Benchmarking
Against listed peers

ecovadis

Sustainability Strategy

This Document

Risk Board

Roadmap

Our journey so far

2021 rated by Sustainalytics

2023 switch to EcoVadis, a more in-depth, evidence-based test favoured by our leading clients

2024 CVC acquires the Group

2025 EcoVadis “Committed” 56/100, Aran and Telent join, reshaping our footprint

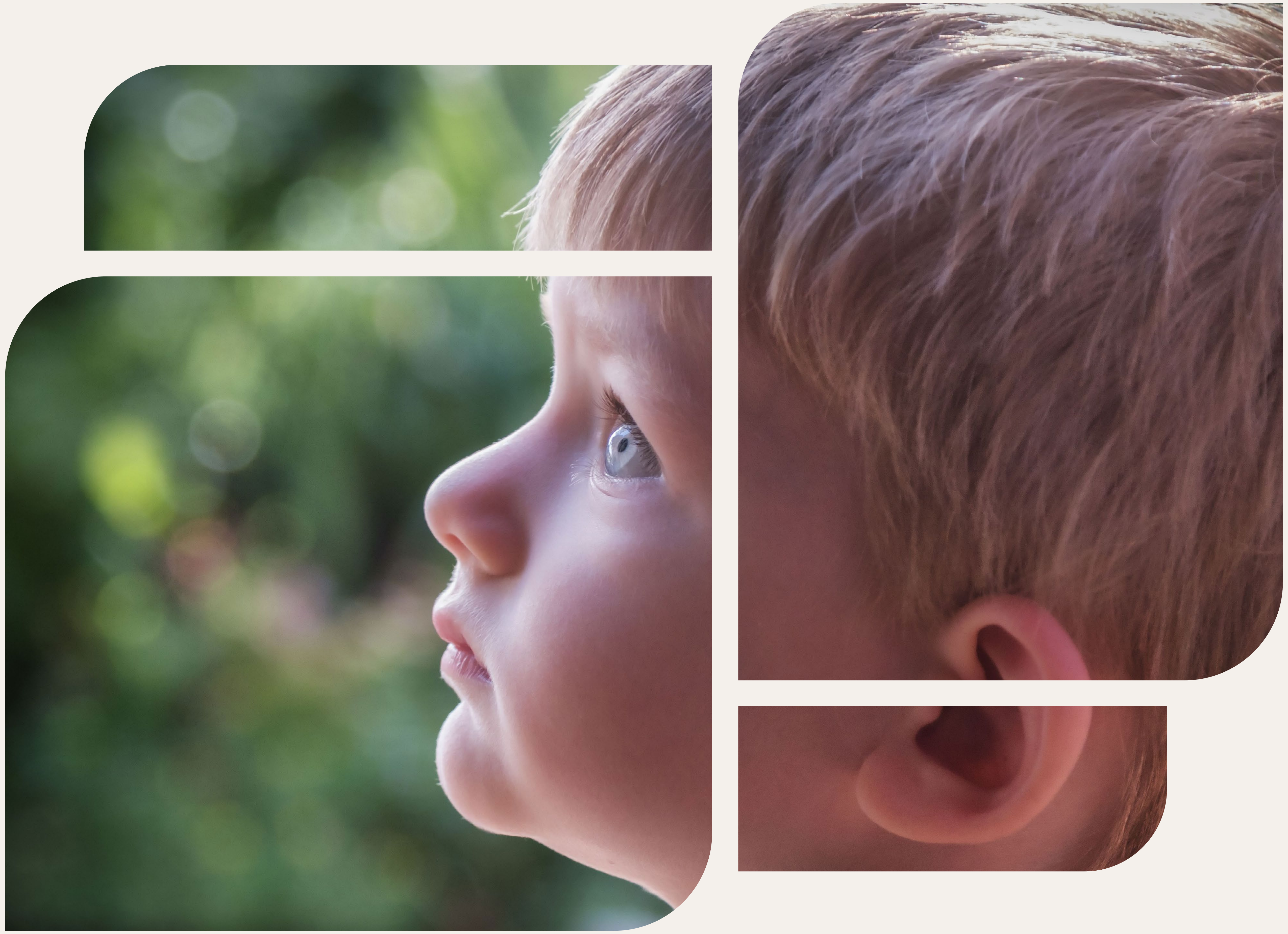
Our material outcomes

Double materiality in brief

A Double Materiality Assessment (DMA) asks two questions of every topic: does M Group have a material impact on the world here, and does this topic carry either material risk or opportunity for us? Topics that score highly on either axis are our priority and shape this strategy.

The assessment identified twelve material topics in December 2025, and these were consolidated further into the seven material outcomes which were endorsed in June 2026. Topics outside the seven are not discussed in this report, and are monitored in case their material impact grows, and other areas remain as live interrelated commitments with delivery plans in this document.

Seven DMA outcomes remain our area of focus: climate mitigation and adaptation; water management; colleague attraction, development and engagement; health and safety; responsible supply chain; service quality and delivery; and data privacy and cybersecurity. The following pages set out why each is material and where we are going.



Dec 2025	Feb 2026	Jun 2026	FY27
Double Materiality Assessment	first EcoVadis medal (Bronze, 64/100)	Group Operations Board endorses this strategy	ESG Climate Transition Plan prepared

What is most material

Climate mitigation and adaptation

Our emissions, and our exposure to a changing climate. By FY30: Scope 1 and 2 down 42% from FY22 (ECL-01), Scope 3 intensity down 51.6% (ECL-02), and a published Climate Transition Plan.

Water management

The water our work saves for the country. By FY29: the UK's leading smart water meter installer (WM-01), and network repair and upgrades measured against quantified targets – installations, households reached, cubic metres saved – with targets set in FY27.

Colleague attraction, development and engagement

The talent pipelines our growth depends on. By FY29: engagement at 80% (CADE-01) or more, five field training days (seven non-field) (CADE-02), more than 6% of colleagues on apprenticeships (CADE-03), voluntary attrition down two percentage points (CADE-04).

Health and safety

Our duty to a large field workforce. "It Starts with Me" programme (HS-01): incident rates consistently below industry average (HS-03), at least 90% of colleagues agreeing with "I feel safe at work" by FY29 (HS-02). More than 85% of colleagues agree "I feel I'm encouraged to work safely, regardless of pressure (HS-04).

Responsible supply chain

The ethics, emissions and resilience of the suppliers behind our delivery. By FY29: embed our Sustainable Procurement Strategy across the Group, (RSC-01) strengthening responsible sourcing, supplier environmental performance and supply chain resilience.

Service quality and delivery

The experience of the clients whose infrastructure we renew and support. FY27: establish a Group-wide NPS baseline (SQD-01). FY29: targets set and improvement measured by division (SQD-02).

Data privacy and cybersecurity

Protecting critical national infrastructure and personal data. Targets follow the enhanced cybersecurity plan, aligned with critical infrastructure demands.

We will refresh the DMA every three years, or sooner following a material event such as a major acquisition or global event.

Our ambition at the 2027-2032 roadmap on a page

FY27

Mobilise

Risk Committee integration; ESG dashboard production; Scopes 1–3 re-baselined and resubmitted to the Science Based Targets initiative (SBTi); Climate Transition Plan soft internal launch; water management targets set; responsible supply chain framework defined; NPS baseline started with Telent taking the lead; people diagnostics run; Group-level social value framework defined. Fixed dates: Exploration of sustainability-linked finance; EcoVadis resubmission.

FY28

Embed

Climate Transition Plan external publication: decarbonisation roadmap extended into Scope 3 and considerations around the use of heavy plant; training and development model improvements implemented; supplier framework embedded in our procurement platform with climate requirements; NPS drivers analysed by division; UK Sustainability Reporting Standards (SRS) readiness gap closed; single business management system fully migrated.

Headline-target waypoint

FY29

Deliver the headline targets

Engagement ≥80% (CADE-01); training days five (field) and seven (non-field) (CADE-02); improvement in number of colleagues on apprenticeships; voluntary attrition reduction; belonging at 75%; priority suppliers representing increasing amount of Group spend engaged; NPS and cyber targets set; measurable social-value framework live.

SBTi near-term year

FY30

The science-based waypoint

42% reduction in Scope 1 and 2 emissions against our SBTi baseline; full UK SRS-aligned reporting with assurance.

Net-zero pathway & strategy refresh

FY31 FY32

Lead and refresh

Net-zero pathway milestones set beyond 2030; leading-employer positioning on skills and inclusion; strategy review and FY33+ refresh, with ESG performance supporting our financing terms and long-term value.

Seven standing programmes inform our strategy

- Resubmitting our science-based targets
- Extending the Climate Transition Plan into costed delivery
- Linking financing terms to sustainability performance
- The development of a group-wide social-value framework
- The reporting roadmap towards UK SRS
- Regulatory monitoring
- Deeper sustainability partnership with our clients

Environmental Stewardship

Our environmental promise has two elements running in parallel:

Shrink our footprint: an extensive vehicle fleet moving to lower carbon, operational and procurement processes that embrace circularity, energy-efficient sites, less waste, and careful use of water.

Grow our handprint: renewable connections, EV charging, smart metering, leakage reduction for clients, as well as M Group's contribution to a sustainable Britain: the environmental improvement and social benefit that our presence brings.

Two material DMA outcomes anchor this pillar: climate mitigation and adaptation, and water management, with nature, waste and the circular economy as cross-cutting commitments.

In our values, this pillar represents '**Responsible**'.

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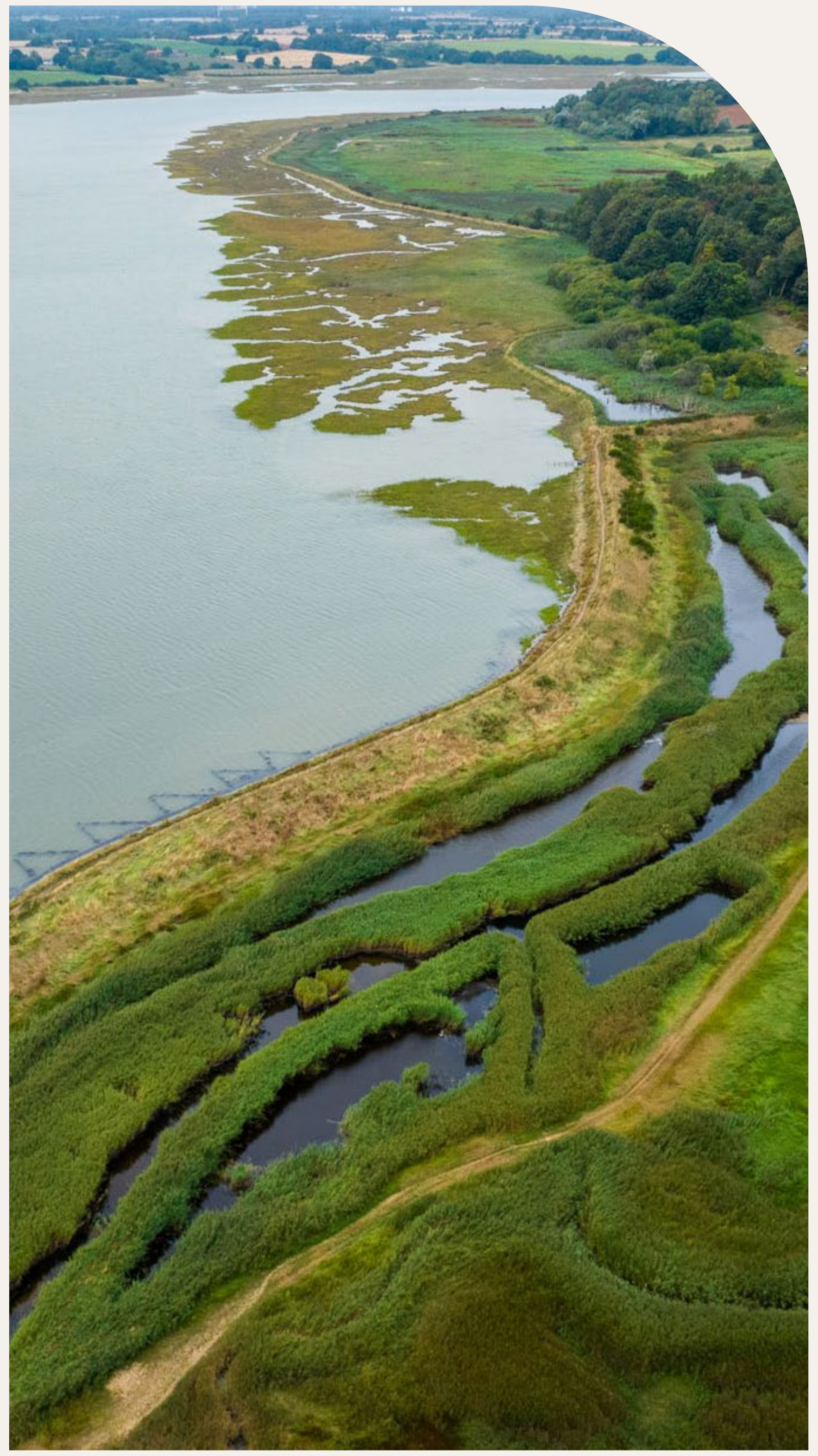

Climate mitigation and adaptation

Credible decarbonisation

Our ambition

Deliver our Science Based Targets initiative (SBTi) validated near-term target, publish a credible Climate Transition Plan, and be ready for UK climate disclosure requirements ahead of demand.

Where we are

Our near-term science-based target is validated: a 42% reduction in Scope 1 and 2 emissions by FY30 against our FY22 baseline (ECL-01), with a 51.6% reduction in Scope 3 intensity over the same period (ECL-02). Our audited and independently verified FY26 accounts show cumulative Scope 1 and 2 reductions of 20.7%, on target, with carbon intensity down 18.7% year on year.

This year we measured the whole footprint on one boundary for the first time. This showed there were 581,603 tonnes of CO_2e in FY26, of which 91.2% was the goods and services we buy. That proportion is our latest focus of work for this strategy period.

What we'll do

- Re-baseline Scopes 1 to 3 for our recent acquisitions and resubmit to SBTi by the end of 2027.
- Publish our Climate Transition Plan, with formal board-level ownership, a soft internal launch, and external publication to follow.
- Define our medium and long-term ambitions beyond 2030, aligned to net zero by 2050, with interim milestones mapped to delivery actions.
- Account for carbon transparently, stating reductions with our value chain, avoided emissions beyond our value chain, and neutralisations separately. We'll never present neutralised volumes as reductions.
- Move Scope 3 to supplier-specific carbon data over the strategy period, reporting both the method and the movement.
- Adapt as well as mitigate: rising temperatures, flooding and storms are real exposures for a field workforce. Climate is managed as a principal risk on our Group risk register, with scenario analysis and resilience planning.

How we'll report

Audited emissions disclosure annually; TCFD-aligned climate disclosure; UK SRS readiness by FY28; progress against SBTi reported in every ESG report.

Green fleet and helping the UK decarbonise

Green fleet

Fleet is our largest single source of Scope 1 emissions, so it's where our climate plan starts. Our fleet decarbonisation strategy contributes to our ECL-01 target of 42% reduction through four levers: electrification and hybridisation, smarter procurement, route optimisation through telematics, and renewable fuel. We've implemented Mission Zero certification across our whole Group during the last 18 months. More details are available in our ESG Report.

The targets are specific. By FY30, 100% of company cars electric, 80% of operational cars hybrid, and around a fifth of our light commercial vans electric, from roughly 10% of the fleet electric at the start of FY26.

The major gains come from FY28 onwards as van procurement cycles turn. In the meantime, 200 hybrid replacements are in delivery, charging infrastructure is live at key sites, dedicated hydrotreated vegetable oil (HVO) bunker sites are opening, and telematics improves the efficiency of every vehicle we haven't yet replaced. Our people have already driven 4.8 million miles on electric power.

For the heavier vehicles that batteries cannot yet serve, we trial alternatives rather than wait, including our first hydrogen-powered maintenance truck with Oxfordshire County Council, cutting tailpipe CO2 by 30 to 40% compared with diesel. Our Transport division has committed to net zero by 2040, with new contracts now starting at around 40% electric car use.

Helping the UK decarbonise

The less noticeable climate story is the one we deliver for clients with a genuine benefit for everyone: connecting solar and renewable generation to the grid, building public EV charging across the country, and pioneering charging for electric HGVs through the government-backed ZEHID programme, with the first sites now live.

Over the last three years our energy business has installed hundreds of chargers across almost a hundred sites, and holds National Electricity Registration Scheme (NERS) accreditation to 132kV, audited quarterly by an independent body. During this strategy period we will put an annual figure against this area and report it alongside our own emissions.

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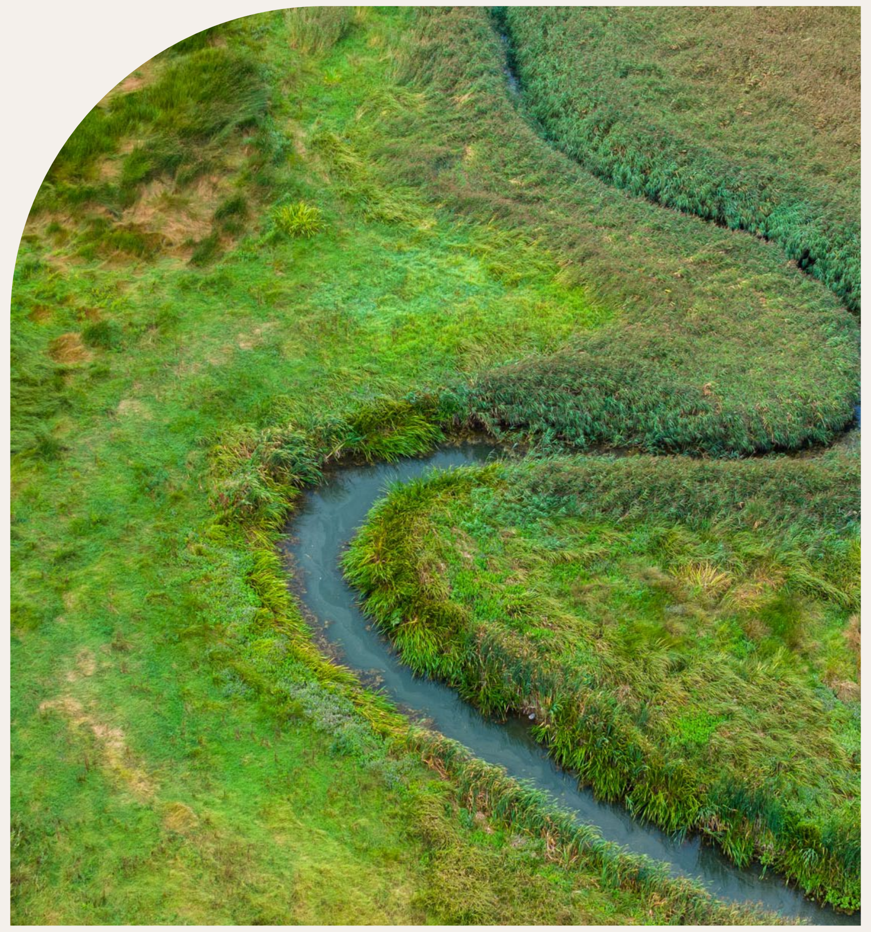

Water management

Stewardship in three parts

Water

The Environment Agency expects England's public water supply to fall short by around five billion litres a day by 2055. Around 60% of that gap has to be closed on the demand side, through leakage reduction, smart metering and water efficiency: the work we already do. Our ambition is to be the UK's leading smart water meter installer (WM-01). We've installed around 1.5 million smart meters as sole installer for Thames Water, and we deliver active leakage control for Yorkshire Water and United Utilities. The 2025–2030 regulatory cycle puts billions of pounds of new investment behind the sector, and regulators now attach direct financial consequences to leakage. In FY27 we will set our quantitative targets: installations per year, households reached and cubic metres saved. We also help our clients to manage water movement, with a proven track record of pipeline projects for extensive resilience schemes.

The other half of the water problem is too much water rather than too little – in the form of flooding. Increasingly we are helping our clients move towards nature-based drainage solutions. We will build the design and delivery capability to meet that shift, on the foundation of the sustainable drainage and storm overflow schemes we have already delivered.

We will also extend across every metering programme the zero-landfill meter recycling programme which we developed in Yorkshire, which has already handled around 250,000 removed meters. Pollution prevention on our own sites remains a certified operational discipline, and we'll establish a Group water usage baseline so that we can report on it annually under GRI requirements. In this way, we'll make sure our own water use is measured alongside the water we help our clients save.

Nature and biodiversity

The Highways specialism within M Group's Transport division has committed to becoming a nature-positive business by 2030, and we have completed the initial assessment phase of a TNFD (Task Force on Nature-related Financial Disclosures) journey, reviewing where our operations depend on and affect nature. Delivery is already visible on contracts, from biodiversity net gain baselining in Peterborough to roadside nature reserves in Suffolk, and our next step is bringing that divisional leadership up to a Group-level position. Biodiversity net gain now reaches energy infrastructure too, including a charging hub built on contaminated brownfield land in Manchester with native and pollinator planting.

Waste, materials and the circular economy

Excavated soil and stone is our largest material flow, and we re-used 237,879 tonnes on site in FY25. In FY26 we collected our first structured Group-wide waste dataset, and the UK's digital waste tracking regime from October 2026 will put per-movement data behind every disposal route. We will use that data to set recycling and diversion targets.

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Social Responsibility

Everything this strategy promises is delivered by people: 14,000 people together with a large subcontractor workforce, in the field, in all weathers, delivering infrastructure the country cannot do without.

Attracting and keeping the right people is a vital precondition for a sustainable business. We open our doors widely, recruit differently, develop deeply, include everyone, keep people safe, and create value in the communities we serve.

Two DMA outcomes are related to this pillar:

- Colleague attraction, development and engagement
- Health and safety

Inclusion and social value are the binding characteristics that make them achievable.

In our values this pillar represents '**Together**'.

Colleague attraction, development and engagement

The talent engine

Recruit differently

Our social recruitment strategy widens the pipeline to people the sector may sometimes overlook: unpaid carers, veterans, and young people not in education, employment or training. We made 204 veteran placements this year, hold Armed Forces Covenant Gold status and Disability Confident accreditation with a guaranteed-interview commitment, and now measure social mobility at the point of application.

Develop deeply

Learning runs at scale: thousands of training enrolments a year, functional academies and an active learning model that prioritises practical experience, with divisional training centralising into one group function. Early careers are a genuine engine: 87 graduates and 642 apprentices on programme, with a 93% apprentice retention rate. Field training days have risen from 3.5 to 3.9, on the way to our target of five (seven for non-field colleagues (CADE-02)), and we're targeting apprenticeships to grow to more than 6% of the workforce by FY29 (CADE-03). Our 5% Club Silver membership has been re-awarded, with our BGEN business independently achieving Gold membership.

Engage and keep

Engagement stands at 74% with an FY29 target of at least 80% (CADE-01). For us, retention gets the same attention as attraction, and we've seen a two-point cut in voluntary attrition (CADE-04). Internal mobility lifted by 3 percentage points. Our senior professionals will also speak publicly on skills, training and job creation, which is a national problem we are equipped to help solve, particularly with our CEO's position as Co-Chair of the Energy & Utility Skills Partnership CEO Council.

Create value where we work

The activity that builds our workforce is the same activity that generates most of our social value: local hiring, apprenticeships, skills routes for veterans and young people facing barriers to employment, and spend with local businesses. Page 25 sets out the measured return and our commitments.

Inclusion and belonging

Inclusion at M Group is a mechanism, and belonging is its measure. Our ENABLE framework runs five colleague networks, each with a Group lead, governed through a Group Inclusion Forum with Chief Executive endorsement. Reciprocal mentoring pairs senior leaders with colleagues whose lived experience differs from their own, and an Inclusion Measurement Framework tracks recruitment through to progression.

The numbers are moving. "I feel I belong here" has risen from 67% to 70% in a year, on the way to our FY29 target of 75%, and every tracked inclusion question improved in the 2025 People Opinion Survey. External recognition has been awarded to our Transport division, with a top 30 place in the Inclusive Top 50 UK Employers, and from 2027 we will put the entire Group forward for that accolade.

The pipeline is being rebuilt from the bottom up to reflect a more inclusive profile: a quarter of colleagues completing our First Line Leaders programme are women, and female representation in our talent programmes has risen to 30%. For representation in leadership, our FY29 goals are set accordingly: 20% of leadership roles held by women and a 24% female workforce. These targets move year on year, and we'll report the trajectory annually.

ENABLE

Social value and social mobility

Value beyond the contract

Loop, our groupwide platform, converts logged activity into a monetised social return across local jobs, apprenticeships, training and community spend. FY26 was our benchmarking year, and the divisions on the platform generated around seven pence of social value in the pound, some £75 million. Two further streams sit outside that total: our Technology and Communications business reports over £200 million of independently validated social value on the HACT (Housing Associations Charitable Trust) method, and AgilityEco, our in-home decarbonisation business, reached more than 45,000 vulnerable households with £143 million of lifetime bill savings. (These are measured on different bases, so the three are not additive.)

Public procurement is moving our way. Government policy has made social value a mandatory evaluation criterion in central government contracts, and recent changes have increased the weighting of social value at tendering. One of the best routes for us to optimise this is through our social mobility focus and the hiring decisions built into our contracts; this year we've developed a veteran pathway through our highways academy, and a NEET work-experience pilot returned more social value than it cost to deliver.

By FY29 we will set a group social-return target based on the FY26 benchmark, name a single executive owner, and report social value as a regular section of our Annual Report and Statement of Accounts.

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Health and safety

It starts with me

The maturity behind 'It Starts With Me'

Our ambition is simple: everyone who works for us, and with us, goes home safe and well, every day. That is a moral duty first and foremost, but it is also a commercial one, because safety performance is a condition of trust for every client we serve.

An independent assessment of our safety, health, environment and quality maturity in 2025 set the direction for this strategy period: structured systems in place, with proactive, shared ownership continually improving and evolving. Our target is proactive-level maturity, reached through better safety intelligence, stronger frontline leadership, and harmonised systems.

"It Starts With Me" is the standard behind it and ensuring this awareness programme is implemented across our Group is one of our key goals for FY29 (HS-01). Ensuring we have a culture in which everyone is empowered to speak up, and an environment where not doing so would be regarded as unsafe conduct. Our duty of care extends to the roughly 8,500 subcontractors we have working alongside our own people, and strengthening subcontractor safety management is a named priority.

Wellbeing is part of safety, not an annex to it, and ours is measured on outcomes: Of the colleagues who used our structured counselling service through our employee assistance programme, 82% remained in work. Our FY29 targets are perception-led as well as incident-led: at least 90% of colleagues saying, "I feel safe at work" (HS-02), more than 85% of our colleagues agree "My line manager encourages me to work safely" (HS-04) and incident rates held consistently below the industry average (HS-03).

Trusted Operations

Trust is the licence for everything M Group does: we work inside people's homes, on the country's critical networks, and with data that everyone depends upon. Holding that trust means a supply chain held to the same standards we hold ourselves to, service quality our clients can measure, and systems and data protected to the level critical infrastructure demands, with our Code of Conduct running through all of it.

Three material outcomes anchor the pillar:

- Responsible supply chain
- Service quality and delivery
- Data privacy and cybersecurity

This pillar is represented by "**Open**".

Responsible supply chain

Our standards, through our suppliers

Our ambition

Embed our Sustainable Procurement Strategy across the Group (RSC-01), working with our supply chain to strengthen responsible business practices, reduce environmental impact and create lasting social and economic value.

BRONZE | Top 35%
ecovadis
Sustainability Rating
JAN 2026

The framework

- **Trusted Supply Chains.** Our Supply Chain Code of Conduct sets minimum expectations covering ethics, labour standards, health and safety, the environment, data protection and social value. In FY26, accepted supplier codes or equivalent policies covered 29% of Group procurement spend, increasing to 70% by FY29 through formal acceptance and equivalence processes. We will build on the environmental, social and governance risk screening completed for our Top 100 suppliers by introducing consistent, risk-based segmentation to determine where additional requirements, assessment and assurance are proportionate. By FY29, active EcoVadis assessments achieving a minimum score of 45 will cover 25% of targeted spend, up from 5.5% in FY26.
- **Sustainable by Design.** Purchased goods and services account for most of our measured carbon footprint, making supplier action central to improving our Scope 3 performance. In FY26, 28% of Group spend was with climate-aligned suppliers demonstrating credible action through emissions measurement, reduction targets and recognised climate commitments, increasing to 38% by FY29. We have already developed 97 supplier-specific emissions profiles and will gradually replace spend-based estimates with more accurate supplier data. By FY29, Supplier Carbon Ratings will cover suppliers representing 30% of Group spend, helping us target engagement and improvement where it can make the greatest difference.
- **Growing Together.** Small and medium-sized enterprises are central to competition, resilience and the economic value created through our supply chain. In FY26, 53% of Group spend, more than £800 million, was with small and medium-sized enterprises, rising to 74% of UK subcontract spend. We will continue to support smaller suppliers by removing unnecessary barriers, applying proportionate requirements and improving our understanding of regional and diverse supply chain spend. During FY26, we also delivered 147 hours of supplier engagement and capability building through workshops, events and one-to-one support.
- **Client Ready.** Sustainable procurement helps our businesses and clients turn environmental, social and economic priorities into practical supply chain action. We will bring together supplier standards, carbon data, social value evidence and assurance findings to support sourcing decisions, client reporting and programme delivery. We will also build capability across our buying community through practical guidance and learning, building on the 62% of buyers who completed Sustainable Procurement Awareness training in FY26.

Service quality and delivery

Delight clients

Our ambition

By FY27, a single Group-wide customer NPS methodology and a Group baseline (SQD-01). By FY29, improvement targets set and reported for every division, tracked by the score itself and by the response rate behind it (SQD-02). Consistent delivery of the core services is what earns the right to work with our clients on the sustainability challenges we share.

The framework

- Net Promoter Score: Telent, in our Technology & Communications division, has surveyed its major accounts every year for four years, with an average NPS of 50 and customer satisfaction of 8.6 out of 10 in 2025. Results go back to account teams, and every account whose score fell gets a follow-up conversation. Touchpoint mapping will expand division by division, and alongside NPS we are evaluating the delivery measures our contracts already address: right-first-time, service failure and complaint resolution rates.
- Assured on site: site audits captured digitally at the point of work, an automatic rectification report the moment anything fails, seven days to put it right and evidence the fix, and automatic escalation until the action closes. This approach is already in place in various forms across all divisions, and developing a common system of reporting for every aspect of the business is a task in development.
- One set of standards: around a dozen divisional quality policies will soon be consolidated into a single Group quality policy, with genuine divisional differences carried as controlled addenda, and a single business management system replaces our legacy systems.
- One connected record: a digital thread across the capital delivery lifecycle, from bid through delivery to closure and maintenance, linking quality, compliance, commercial and environmental data in one governed place. It is the precondition for measuring service quality at Group level.

Data privacy and cybersecurity

Protect what's critical

We protect critical national infrastructure, which sets the bar. Cyber Essentials Plus is rolling out across the Group, and our ISO 27001 information security management system has now been extended across acquired businesses. Incoming UK cyber resilience legislation will formalise our obligations as an operator of essential services, and we are preparing ahead of it. We will also set out our approach to the responsible use of AI and data ethics. Formal targets will follow once the enhanced cybersecurity plan is complete.

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Governance, ethics, risk and one group

The machinery of responsible delivery

Governance

From FY27 a new ESG Committee, inside our existing Integrated Assurance Operating Model, becomes the executive forum for this strategy. ESG is a standing item at the Risk Board, executive sponsors own each outcome, and Internal Audit provides independent assurance. Greenhouse-gas performance already influences executive bonuses.

Ethics

From FY26 we publish the volume of business ethics violations reported through our independently operated whistleblowing hotline. Underpinning this is our Code of Conduct, which brings together a wide range of Group policies with ethical practice at its centre: zero tolerance of bribery and financial crime, and our modern slavery obligations, set out in a statement approved annually by the Board. We are members of the UN Global Compact and report progress annually against its ten principles.

Risk

ESG risks live on the Group Risk Register alongside all other critical business risks. Climate change is a principal risk with named ownership and mapped controls, and our TCFD-aligned climate-related financial disclosures are published in the audited Annual Report.

One group

Delivery runs on unification: the Thriving Together and One BMS (Business Management System) programmes are helping us to shape a single business management system replacing existing legacy systems. One data platform is what will make groupwide measurement, and control, possible.

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Ambition

In 2019, trading then as Morrison Utility Services, we set out our first five-year decarbonisation strategy: a target of saving 5% in greenhouse gas emissions year on year. It worked. Our carbon intensity has more than halved since then, and the measures it put in place are still paying dividends.

The pages so far have set out who we are, what is most material to us, and our direction of travel. What follows are the commitments: specific, measurable and owned.

You never really get to the end of a five-year strategy, and we wouldn't want to. The best ones put in place the measures the next one builds on, exactly as the 2019 plan did for this one.

So, we're setting a course that's stretching but achievable. The next page brings every commitment together in one place, and we'll report progress in every ESG report, along with any changes or course corrections along the way.

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Our targets and how we'll report

Accountability on one page

Every commitment in this strategy, consolidated: strategic targets first, operational metrics beneath, each metric carrying a footnoted definition in the designed document. DMA targets are factored into personal objectives for their top-level sponsors. The Group-level EcoVadis score outcomes are also built into Director of ESG and Innovation's personal targets. Objectives marked with ** are DMA ambitions.

Outcome	Sponsor (DMA Targets only)	Headline target	Baseline / current	By when
Climate – Scope 1 & 2	Director of ESG and Innovation	42% absolute reduction (SBTi-validated) (ECL-01**)	FY22 baseline; 20.7% cumulative reduction (audited FY26, on target)	FY30
Climate – Scope 3	Director of ESG and Innovation	51.6% intensity reduction per £ value added; supplier-specific data replacing spend-based method (ECL-02**)	FY22 baseline; method upgrade in progress. Our current spend-based method reports an 11% increase in intensity for FY26.	FY30
Climate – transition	Director of ESG and Innovation	Climate Transition Plan published (TPT-aligned), soft internal launch FY27; net-zero pathway beyond 2030 defined	Design phase complete; delivery phase started	FY28
Water Management	Chief Operating Officer	Leading smart water meter installer; installs/yr, households reached, m^3 saved (WM-01**)	~1.5m meters installed to date; target set Q4 FY27	FY29
People – engage & develop	Chief People Officer	Engagement ≥80% (CADE-01**); training days 5 field / 7 non-field (CADE-02**); >6% apprentices (CADE-03**); attrition −2pp (CADE-04**)	75%; 3.9 field days; 4.4%; 12–14% attrition	FY29
People – belonging	Chief People Officer	76% "I feel I belong"; women in leadership 20%	70% (2025 POS); 16%	FY29
Health & safety	Group SHEQ Director	'It Starts with Me' embedded across M Group (HS-01**), evidenced by demonstrable improvement in safety culture maturity, incident rates significantly below industry benchmarks (HS-03**), ≥90% of colleagues reporting "I feel safe at work" (HS-02**), and ≥85% reporting that they are encouraged to work safely, regardless of pressure. (HS-04**)	Independent maturity assessment complete; proactive level targeted	FY29
Responsible supply chain	Chief Financial Officer	Embed our Sustainable Procurement Strategy across the Group (RSC-01), strengthening responsible sourcing, supplier environmental performance and supply chain resilience.	Group approach and core FY26 baselines established.	FY29
Service quality and delivery	Chief Operating Officer	Group-wide NPS methodology and baseline set in FY27 (SQD-01**), then Group and divisional targets (SQD-02**) (with preliminary reporting by FY29)	No group baseline. Most mature division: Telent NPS 50 / CSAT 8.6 (2025 survey)	FY29
Cyber & data privacy	Chief Technology Officer	Targets set on completion of the enhanced cybersecurity plan	Targets set on completion of the enhanced cybersecurity plan	FY29
Social value	Not applicable	Single group methodology and framework in FY27, then a group social-return target	~7p per £ measured benchmark (FY26, Loop divisions)	FY29
Enablers – EcoVadis and financing	Not applicable	EcoVadis Silver (est. 72–74/100); ESG ratchet live 25 May 2027	Bronze 64/100 (Feb 2026)	FY27
Enablers – reporting	Not applicable	UK SRS-aligned reporting with external assurance over key sustainability data	TCFD-aligned climate disclosure published in the audited Annual Report	FY30

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Operational metrics

Theme	KPI	Baseline / current	Overall ambition
Climate	Fleet electric (EV Only) percentage	10% (FY26)	Company cars 100% EV, operational cars 80% hybrid, ~19% EV vans by FY30
Climate	Carbon intensity (tCO2e/£m)	16.0 (FY26, audited)	Reducing yearly on SBTi glidepath
Climate	Waste re-used or diverted from landfill	237,879t excavated material re-used (FY25)	Auditable diversion targets set once digital waste tracking data in place (FY27)
Water Management	Smart water meter installation	Pending	Currently in development
People – Engage and develop	Employee "I feel I belong"	70% (2025 Survey)	>76%
People – Engage and develop	Women in Leadership	16%	>20%
People – Engage and develop	Apprentice retention	93%	Maintain while volume grows >6%
People – Engage and develop	Training enrolments / learning hours	200,000 enrolments, 175,000 hours	Single group figure once all training systems unify
People - Health & Safety	Employee "Feel safe at work"	80% (FY25)	>90%
People - Health & Safety	Employee "encouraged to work in safe ways"	85%	>90%
Service quality and delivery	Assurance close-outs	Site audits, corrective actions, median days to close	Groupwide reporting options will be investigated in the coming year
Service quality and delivery	Customer net promoter score	TBC	Groupwide reporting options will be investigated in the coming year
Responsible supply chain	Sustainable procurement capability and supply chain development	29% Supply Chain Code of Conduct coverage by spend; 5.5% EcoVadis coverage of targeted spend; 28% climate-aligned spend; Supplier Carbon Ratings launching in FY27.	By FY29: 70% Code coverage; active EcoVadis assessments scoring at least 45 covering 25% of targeted spend; 38% climate-aligned spend; Supplier Carbon Ratings covering 30% of spend.
Data privacy and cybersecurity	TBC	TBC	TBC

How we'll report

An annual ESG report, and an expanded, audited ESG section in the Annual Report and Accounts, aligning progressively to UK SRS, with an ambition of external assurance over key sustainability data by FY30.

Where next?

Scope 3 reduction, supplier engagement at the long tail and data quality across a recently unified group will take the full strategy period. We are building towards commitments on AI ethics, group-level social value and nature targets and deeper climate adaptation. We will publish progress annually and refresh this strategy by FY32.