FRP

Smart Operations, Real Impact

Carbon Reduction Plan

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FRP

About FRP

FRP Advisory is a leading UK-based business advisory firm providing specialist services to companies, investors, lenders, and other stakeholders across the full corporate lifecycle. The firm delivers expert, practical advice in complex and often time-critical situations, with a strong focus on achieving clear, measurable outcomes for clients.

The firm's service offering spans into six pillars. Namely: Corporate Finance, Debt Advisory, Restructuring Advisory, Financial Advisory, Forensic Services, and Real Estate Advisory.

FRP Advisory operates across multiple sectors of the UK economy, working with both privately owned and listed businesses. Sustainability, governance, and responsible business practices are increasingly central to FRP Advisory's operations and advisory services. The firm recognises the importance of understanding and managing environmental impacts, including greenhouse gas (GHG) emissions, both within its own operations and in the context of advising clients.
FRP also delivers ESG and sustainability advisory services, supporting clients in emissions measurement, reporting, and decarbonisation initiatives, thereby contributing to wider low-carbon transition efforts.

Basis of Preparation

This Carbon Reduction Plan has been prepared to quantify FRP Advisory's GHG emissions in a transparent, consistent, and auditable manner. The assessment provides a baseline for understanding the firm's carbon footprint and supports informed decision-making around emissions management, reduction initiatives, and future sustainability objectives.

FRP Advisory's Scope 1 and Scope 2 emissions for FY2026 have been externally verified in accordance with ISO 14064-1 by TÜV AUSTRIA, providing independent assurance over the accuracy, completeness, and reliability of reported data.

Carbon Neutrality Commitment

FRP Advisory Group plc and its subsidiaries' climate targets include carbon neutrality for Scope 1 and Scope 2 emissions by 2030 and a 30% reduction in Scope 3 emissions intensity relative to the baseline year, consistent with the UK's net zero pathway to 2050.

During FY 2026, FRP has also taken steps to strengthen the robustness and credibility of its emissions reporting through the verification of Scope 1 and Scope 2 GHG in accordance with ISO 14064-1.
In parallel, we are pursuing alignment with the ISO 14001: 2015 Environmental Management System standard, supporting a more structured and systematic approach to environmental performance and continual improvement.

FRP continues to enhance the accuracy and coverage of its Scope 3 emissions inventory through application of the GHG Protocol Corporate Value Chain (Scope 3) Standard, reporting all categories relevant to its operations and value chain over time.

Our approach prioritises real emissions reductions through internal carbon reduction initiatives. FRP actively advances continuous improvement, transparency, and collaboration across our industry, as we work to strengthen our environmental management practices and drive measurable, long-term climate action.

"Our climate approach focuses on verified emissions data, continuous improvement, and targeted reductions across our operations and value chain."

Our Inventory

Emissions Inventory

FRP's Strategic Carbon Reduction Plan was developed by FRP's ESG team in collaboration with the Environmental Management team, and it is prepared in accordance with ISO 14064-1 and the GHG Protocol. This inventory provides a detailed assessment of the organisation's carbon footprint, encompassing Scope 1 (direct emissions), Scope 2 (indirect emissions from purchased energy), and Scope 3 (all other indirect emissions across the value chain).

Calculation Methodology

The emissions calculations presented in this report utilise a conservative approach. We prioritised activity-based data and when not available, a spend based approach. Emissions are calculated using the following equations:

$$GHG=\Sigma\ (Activity\ Data\_i \times Emission\ Factor\_i)$$

$$GHG=\ \Sigma\ (Spend\_i \times EEIO\ Emission\ Factor\_i)$$

For the activity-based calculation approach we apply the latest DEFRA GHG Conversion Factors, which account for the Global Warming Potential (GWP) values from the IPCC Fifth Assessment Report (AR5). All the emission factors used for Scope 1 and 2 emissions are registered in the Inventory Management Plan.

For the spend-based approach, we sourced our emissions from the *Climatiq platform*, using region specific emission factors. Where one was not available, the country's Carbon Intensity of GDP was used.

Organisational Boundaries

FRP Advisory has adopted the Operational Control approach to define its organisational boundaries for greenhouse gas (GHG) reporting. This approach has been selected because it most accurately reflects the organisation's structure and operational activities, particularly across work centres where FRP Advisory exercises direct operational control.

Out of the 37 of the Company's locations, ten are excluded since they are not subject to FRP Advisory's operational control. For these sites, lease agreements are structured on an inclusive basis. As a result, FRP Advisory does not have authority or control over energy consumption or associated emissions at these premises. Consequently, emissions arising from these locations are included in Scope 3 emissions.

Emission Sources

Scope 1	Scope 2	Scope 3
Company Vehicles Gas for heating Fugitive Emissions	Electricity	Purchased Goods And Services Paper Waste Business Travel Employee Commuting Upstream Leased Assets

Locations Under Scope 1 & 2

1. Aberdeen Meridian
2. Birmingham Colemore Row
3. Brentwood Jupiter House
4. Brighton Phoenix House & Aspect House
5. Bristol Kings Orchard
6. Burnley Pendle Business Centre
7. Cardiff Columbus Walk
8. Chelmsford Unit A & Unit B
9. Edinburgh The Apex
10. Glasgow The Beacon
11. Isle of Man Victory House & Athol Street
12. Leeds Minerva
13. Leicester Ashcroft House
14. Leigh-on-Sea Broadway
15. London 2nd, 3rd, 6th & 7th Floors Cannon St & Ground floor Martin House
16. London Blackfriars
17. Manchester Abbey House
18. Newcastle Bulman House
19. Newcastle Citygate House
20. Norwich Dencora Court
21. Orpington Central Court
22. Preston Derby House
23. Reading Abbey Gardens & Apex
24. Sheffield The Manor House & Fargate
25. Southampton Charlotte Place
26. St Albans Beaconsfield Road & Churchill House
27. Teesside Falcon Court

Locations included in Scope 3

1. Belfast, Eagle Star House
2. Bournemouth, Oxford Point
3. Cambridge, Cambridge Square
4. Liverpool, Edward Pavilion
5. London, Fitzrovia
6. Nottingham, Merchants Court
7. Salisbury, St Ann's Manor
8. Sunderland, Evolve Business Centre
9. Southampton, Mountbatten House & Woollen Hall
10. Cyprus, Limassol

Emission Categories

GHG Protocol Categories

Scope 1
Direct GHG Emissions

Emissions from operations owned or controlled by the Company.
Category 1 as defined under ISO 14064-1

- Company vehicles
- Stationary Combustion
- Process emissions
- Fugitive emissions
- Land use emissions

Scope 2
Indirect GHG Emissions

Purchased electricity, steam, heating and cooling for company's own use.
Category 2 as defined under ISO 14064-1.

Scope 3
Other Indirect GHG Emissions

Any other indirect emissions not owned or controlled by the Company. Emissions in the Supply/Value Chain associated with the Company's upstream and downstream operations.
Categories 3,4,5 & 6 as defined under ISO 14064-1.

Upstream

- Purchased Goods And Services
- Capital Goods
- Fuel & Energy-related Activities
- Transportation & Distribution
- Waste Generated In Operations
- Business Travel
- Employee Commuting
- Leased Assets

Downstream

- Transportation & Distribution
- Processing Of Sold Products
- Use of Sold Products
- End-of-life Treatment Of Sold Products
- Leased Assets
- Franchises
- Investments

ISO 14064-1 Categories

In line with ISO 14064-1 standards, our report includes clear reporting boundaries. These boundaries encompass all relevant emissions and removals of GHGs and are categorised as described in the following table.

ISO Categories		Inclusion
Category 1	Direct GHG emissions and removals	✓
Category 2	Indirect GHG emissions from imported energy	✓
Category 3	Indirect GHG emissions from transportation	✓
Category 4	Indirect GHG emissions from products used by an organisation	✓
Category 5	Indirect GHG emissions associated with the use of products from the organisation	
Category 6	Indirect GHG emissions from other sources	✓

Baseline Emissions

What are Baseline Emissions?

Baseline emissions refer to the amount of greenhouse gases (GHGs) emitted during a specific reference period. This reference period serves as a benchmark against which future emissions reductions or increases can be measured. Establishing a baseline is crucial for assessing progress in GHG reduction initiatives and for setting realistic and achievable targets.

Baseline Year

FRP Advisory has adopted FY2025 as the baseline year for GHG emissions reporting. This decision reflects the organisation's commitment to maintaining a baseline that is current, representative, and aligned with its evolving operational profile.

Establishing FY2025 as the baseline ensures that emissions performance is measured against a reference year that accurately reflects recent organisational activities and data quality improvements, thereby supporting meaningful target-setting and performance tracking.

FRP has previously revised its baseline year to reflect material organisational changes and advancements in emissions measurement. FY19 was originally used as the baseline year, and subsequently FY2023 was adopted to account for significant growth and methodological improvements. However, our decision to verify our emissions using an independent auditor led to the decision to refine our baseline to make sure we can set clear and meaningful targets.

Emission Category		Emissions (t*CO2e*)	Emissions Per Colleague (tCO_2e/C)
Scope 1		22.0	0.03
Scope 2	Market	122.51	0.17
	Location	128.15	0.18
Scope 3		3752.8	5.36
Total Emissions	Market	3897.31	5.57
	Location	3902.95	5.58

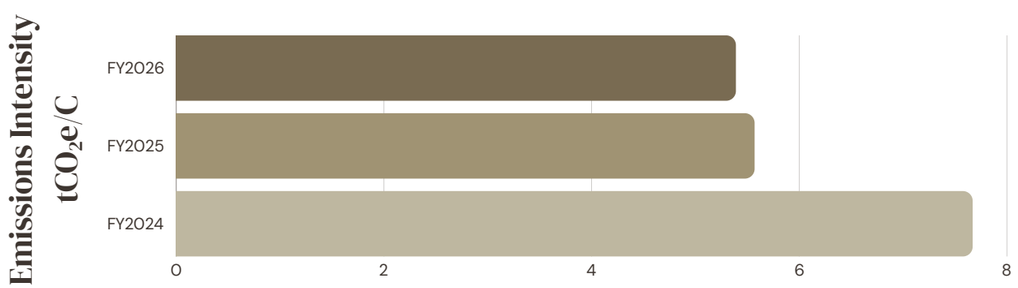
GHG Emissions Inventory

Tracking Our Climate Impact

This section presents FRP Advisory's GHG emissions for the fiscal year 2026, prepared in accordance with the GHG Protocol standards and the reporting requirements of ISO 14064-1. Emissions are categorised into Scope 1, Scope 2, and Scope 3, providing a comprehensive overview of the organisation's operational and value-chain emissions. Scope 2 emissions are calculated and reported using both the location-based and market-based methodologies, in line with GHG Protocol guidance.

A detailed comparative table presents emissions data for FY2026 and FY2025, enabling year-over-year analysis and effective tracking of emissions performance against the established baseline. Scope 3 emissions are further disaggregated by category.
The company's emissions disaggregated for Scope 1 and Scope 2, covering all major greenhouse gases, including methane (CH_2) and nitrous oxide (N^2O) are presented in a separate table. The Company has assessed its downstream Scope 3 emission categories and determined that these are not applicable to its operations, as it does not manufacture or sell physical products, nor does it have downstream distribution, processing, or use-phase emissions.

FRP Advisory's Scope 1 and Scope 2 emissions for FY2026 have been externally verified in accordance with ISO 14064-1 by TÜV AUSTRIA, providing independent assurance over the accuracy, completeness, and reliability of reported data.



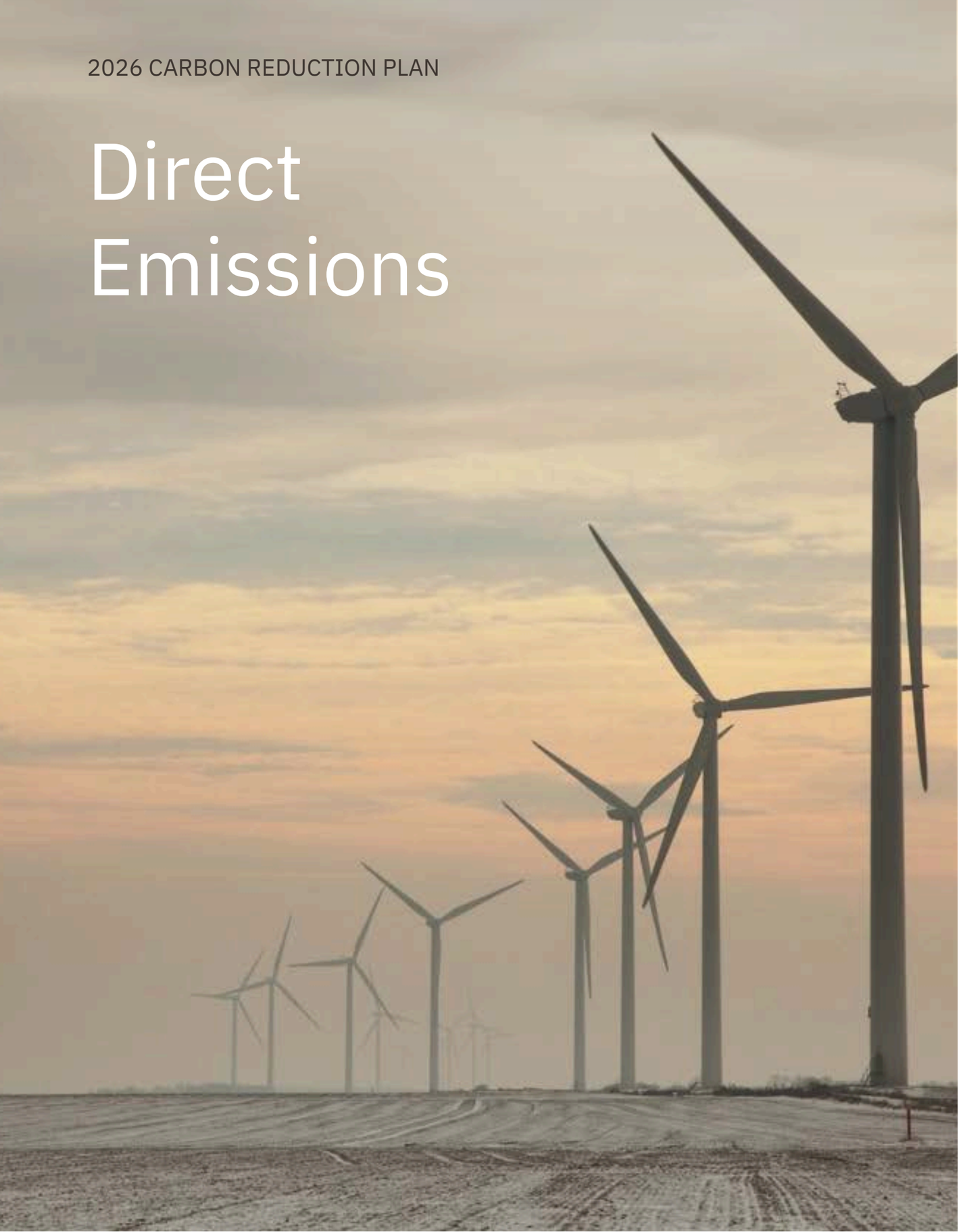
	FY26		FY25	
Emission Category	tCO_2e	tCO_2e/C*	tCO_2e	tCO_2e/C*
Scope 1	**38.3**	**0.05**	**22.0**	**0.03**
Vehicle Fleet	8.1	0.01	8.8	0.013
Heating and Cooling	29.7	0.036	13.2	0.019
Fugitive Emissions	0.5	0.001	-	-
Scope 2				
Market Based Electricity	114.75	0.14	122.51	0.17
Location Based Electricity	127.60	0.15	128.15	0.18
Scope 3	**4427.1**	**5.35**	**3752.8**	**5.36**
Upstream				
Cat 1: Purchased Goods & Services*	3161.10	3.82	2693.7	3.8
Cat 2: Capital Goods	478.34	0.58	Reported in the PG & S	
Cat 3: Fuel & Energy Related Activities		Not Applicable to FRP		
Cat 4: Upstream Transport and Distribution		Not Applicable to FRP		
Cat 5: Waste Generated in Operations	0.049	0.0001	0.1	0.0
Cat 6: Business travel	121.67	0.15	543.7	0.8
Land, Air and Sea travel	109.1	0.13	520.8	0.74
Hotel Accommodation	12.6	0.02	22.8	0.03
Cat 7: Commuting and Teleworking	625.1	0.76	515.3	0.74
Commuting to work	498.2	0.60	432.4	0.62
Teleworking	126.9	0.15	82.9	0.12
Cat 8: Upstream Leased Assets	40.82	0.05	Reported in the PG & S	
Downstream			0	
Total Emissions				
Market Based	**4580.17**	**5.54**	**3897.31**	**5.57**
Location Based	**4593.03**	**5.55**	**3902.95**	**5.58**

*The emissions' intensity per colleague (tCO_2e/C) is calculated using the average number of employees reported in FRP's 2026 Annual Report (827 employees for FY26, and 700 employees for FY25)

		tCO_2e	tCO_2e of CO_2	tCO_2e of CH_4	tCO_2e of N_2O
Scope 1		38.33	37.69	0.05	0.08
Scope 2	*Market*	114.75	114.37	0.16	0.22
	Location	127.60	126.08	0.65	0.88

		FY2026		Baseline		Comparison	
		tCO2e	tCO2e/C	tCO2e	tCO2e/C	tCO2e	tCO2e/C
Scope 1		38.33	0.05	22.0	0.03	+74%	+54.5%
Scope 2	*Market*	114.75	0.14	122.51	0.17	-6%	-18.3%
	Location	127.60	0.15	128.15	0.18	-0.5%	-14.2%
Scope 3		4427.1	5.35	3752.8	5.36	17.9%	-0.13%

Direct Emissions



Scope 1 Emissions

As part of FRP Advisory's ongoing commitment to sustainability, the organisation continues to target the achievement of zero Scope 1 emissions by 2030.

In FY2026, FRP Advisory reports an increase in Scope 1 emissions relative to the baseline. This increase is primarily attributable to higher demand for heating and cooling associated with the integration of new and expanded office locations, which rely on natural gas-fired boiler systems for heating.

Importantly, during the reporting year, FRP Advisory has refined its Scope 1 emissions methodology, underpinned by external verification in accordance with ISO 14064-1.

As part of this enhanced approach, fugitive emissions, including refrigerant losses, have now been fully quantified and included within the Scope 1 inventory. These emissions were not comprehensively captured in previous reporting periods.

Despite the year-on-year increase, the organisation considers the FY2026 Scope 1 inventory to be more complete, accurate, and representative of actual operational emissions, reflecting improved data quality and the assurance provided through independent verification.

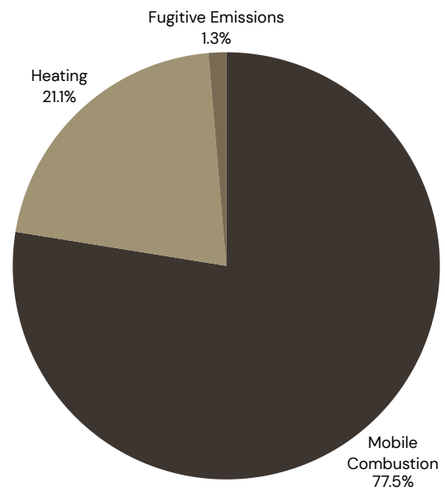
Scope 1: Reduction Policies/ Initiatives

In line with the company's comprehensive strategy to reduce Scope 1 emissions and achieve net-zero emissions by 2030, the following initiatives have been adopted:

1. **Phasing Out Internal Combustion Engine Vehicles:** Consistent with the company policy of not owning vehicles, all recently acquired internal combustion engine vehicles from newly integrated companies will be disposed of.

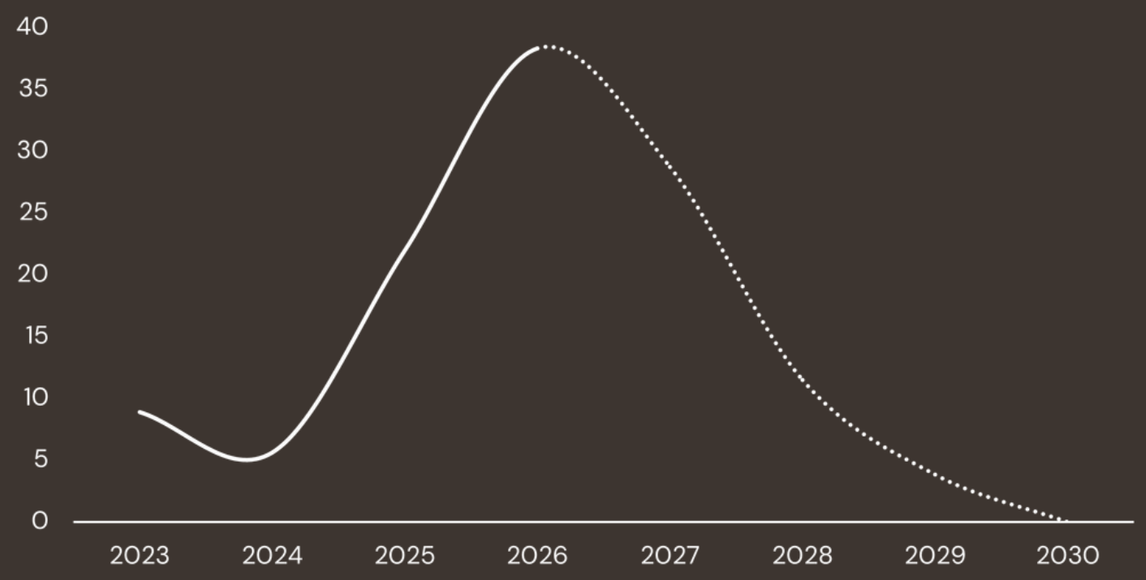
2. **Transition to Low-Carbon Office Heating Solutions:** The company aims to occupy office premises that are not dependent on gas for space heating. Preference will be given to buildings that utilise electric heating systems, which can be powered by electricity increasingly sourced from renewable energy.

Scope 1 Emissions Distribution



Scope 1 Reduction Projection

Scope 1 Estimated Reduction in tCO2e Based on Reduction Targets



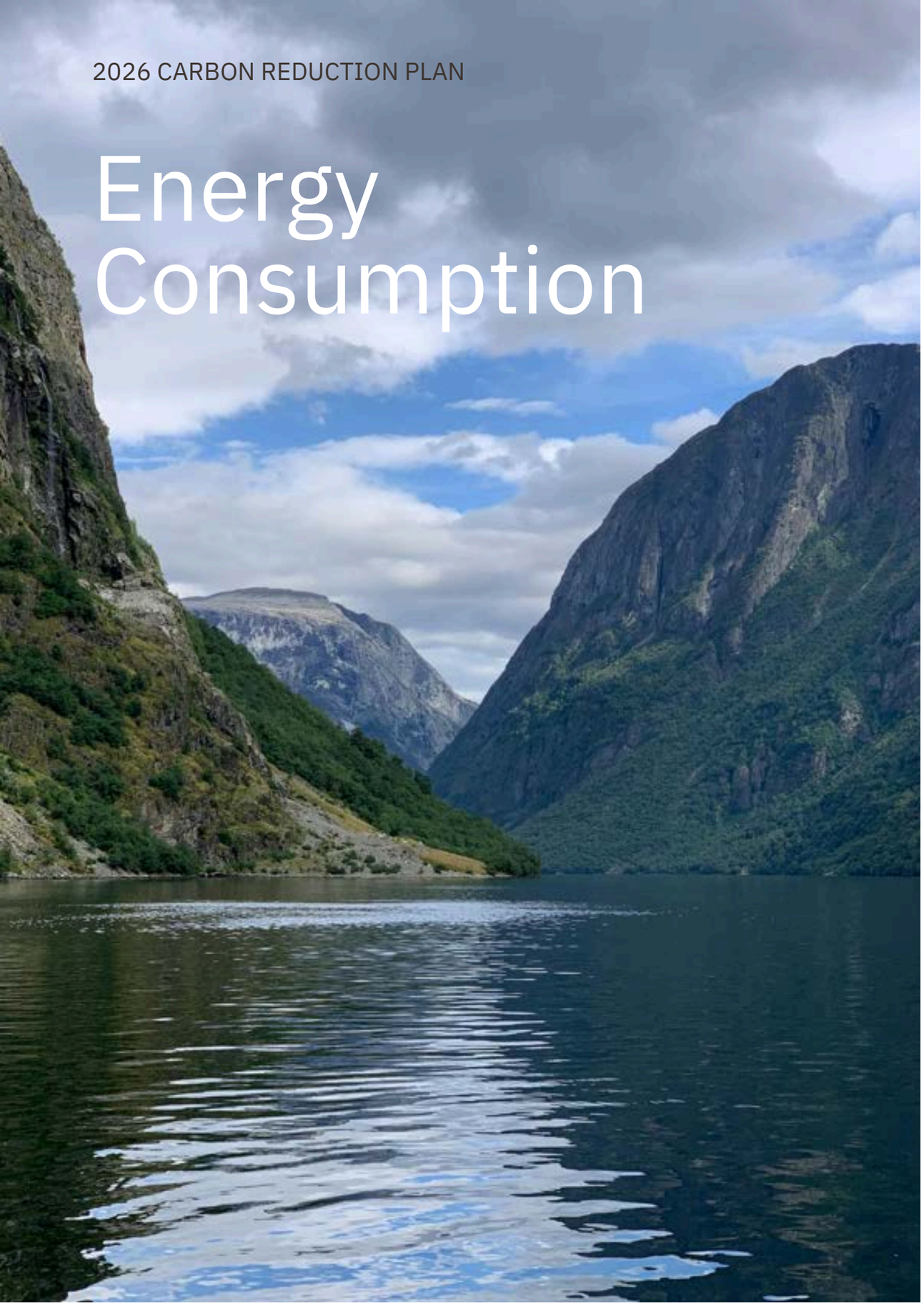
Impact of initiatives

Implementing these initiatives is expected to significantly impact Scope 1 emissions, helping the company get back on track and achieve its ambitious targets of reducing emissions by 100% by 2030. Below are the key impacts of these strategies:

Independent verification of Scope 1 emissions
Refining the Scope 1 emissions methodology and subjecting it to independent external verification in accordance with ISO 14064-1 has significantly improved the accuracy, completeness, and credibility of reported emissions.

Phasing out internal combustion engine vehicles
By removing fuel-powered vehicles introduced through business integration and avoiding future ownership of such assets, the organisation prevents long-term emissions lock-in and delivers immediate and sustained reductions aligned with the net zero Scope 1 objective.

Elimination of Natural Gas Usage
Prioritising offices with electric heating systems enables emissions reductions over time as electricity supply becomes increasingly renewable, ensuring that business growth does not result in higher Scope 1 emissions and supporting a structural pathway to net zero Scope 1.

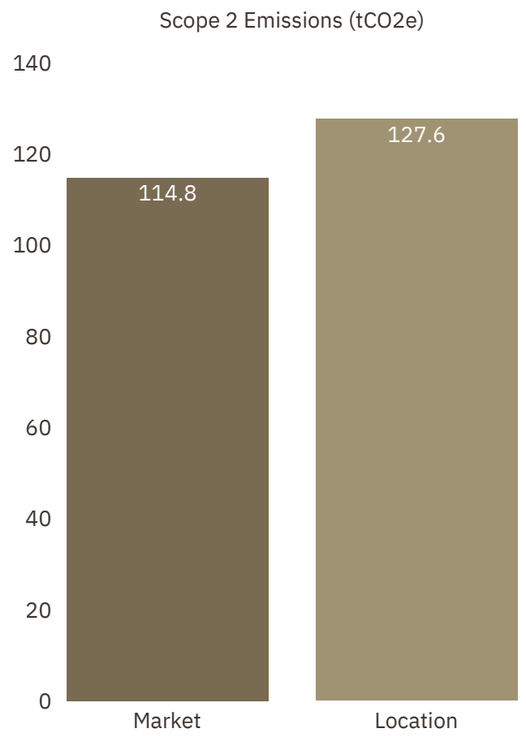


Energy Consumption

Scope 2 Emissions

At FRP, Scope 2 emissions are generated exclusively from the electricity used to meet the routine power requirements of the organisation's leased office locations.

In the previous reporting year, FRP reported that the majority of its electricity consumption was sourced from renewable energy tariffs. During the current reporting year, the organisation refined its Scope 2 accounting methodology to align with the requirements of ISO 14064-1 and to strengthen the evidential basis underpinning reported claims. As part of this enhanced approach, renewable electricity claims were supported only by contractual documentation rather than assumptions. As a result, FRP was able to verify that 40.1% of total electricity consumption was demonstrably sourced from renewable energy tariffs compared to 99.3% claimed last year.



Energy Consumption %

Non Renewable Energy	59.1
Renewable Energy	40.1

This year, FRP also expanded its Scope 2 calculations to include both the market-based and location-based approaches. Under the location-based approach, the relevant national grid emission factor was applied consistently across all office locations, calculating emissions based on the organisation's total electricity consumption regardless of tariff type.

The Company is actively working toward transitioning all office locations to renewable electricity tariffs and, where possible, securing appropriate contractual evidence to substantiate these claims.

Energy Efficient Actions

Recognising that carbon neutrality through offsetting alone is insufficient, FRP prioritises reducing energy consumption at source as a more meaningful and sustainable way to lower its overall carbon footprint. To support this, a range of energy-efficiency initiatives are applied across the organisation and communicated through the environmental policy.

Enhancing Building and Equipment Efficiency

We continue to upgrade the energy performance of our offices through measures such as: installing LED lighting systems, improving insulation, integrating energy-efficient appliances and HVAC systems during office refurbishments.

Energy Monitoring and Performance Evaluation

We have developed systems to monitor energy consumption per office, enabling us to evaluate energy use per employee and per square metre across all locations.

Environmental Management System Certification

FRP has achieved ISO 14001:2015 certification, strengthening its Environmental Management System

FRP Elevate

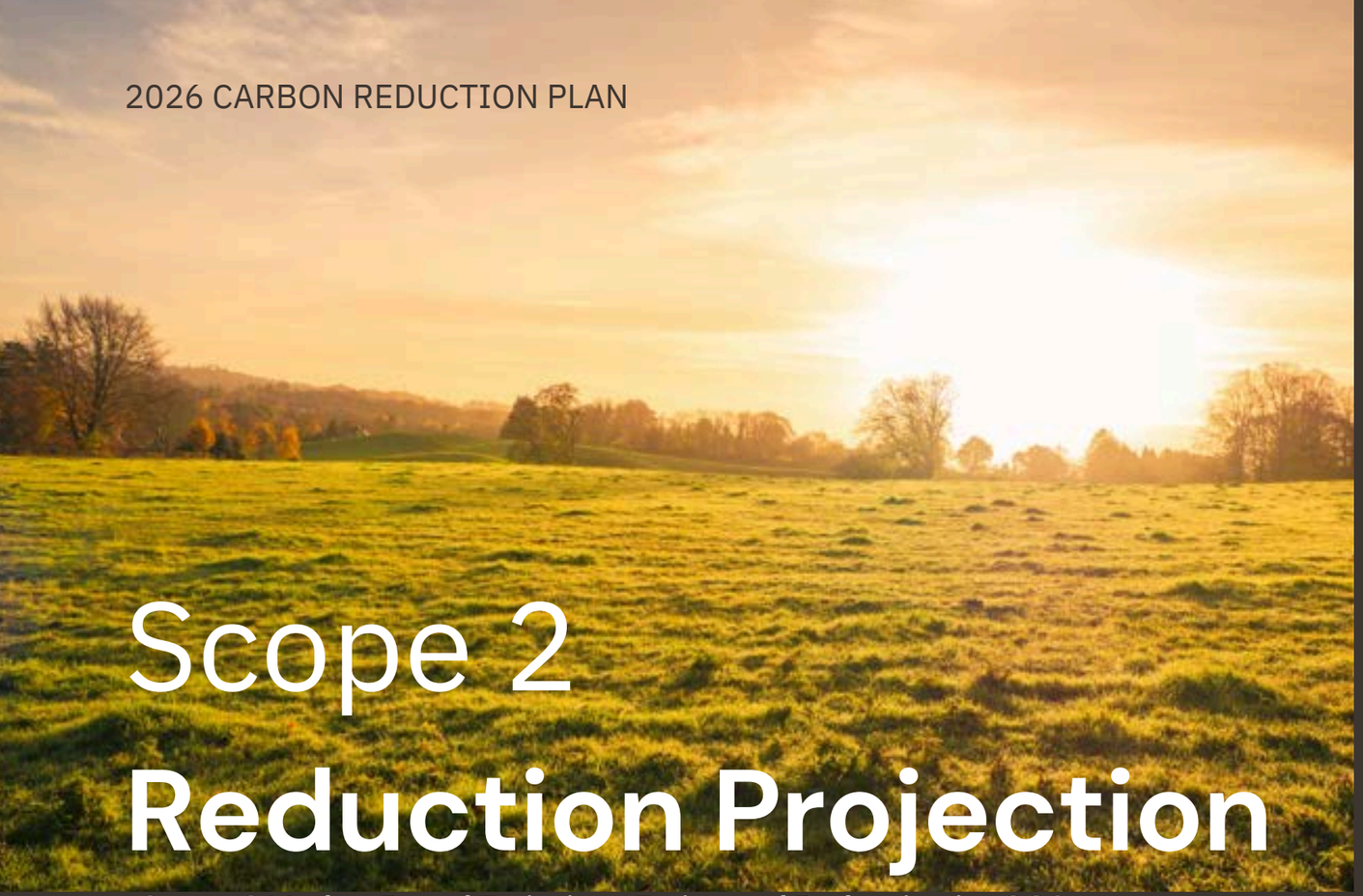
Employee Engagement and Behavioural Change

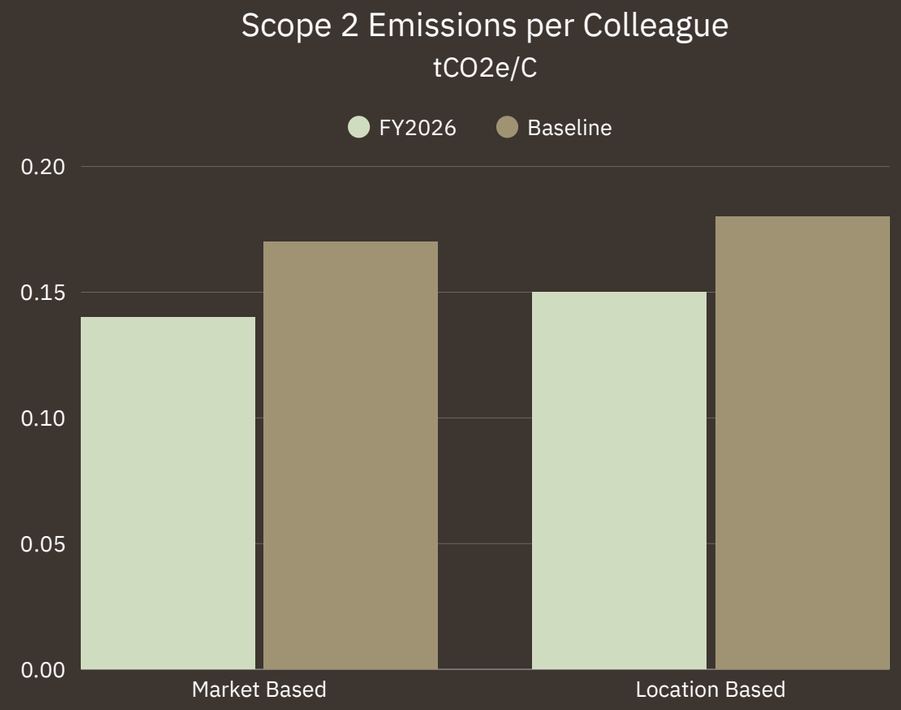
FRP promotes environmentally friendly practices, encouraging energy-saving and waste reduction behaviours across the workplace. This is supported through the centralised learning platform, ELEVATE, which provides relevant training and resources.

Switching to Renewable Energy Tariffs

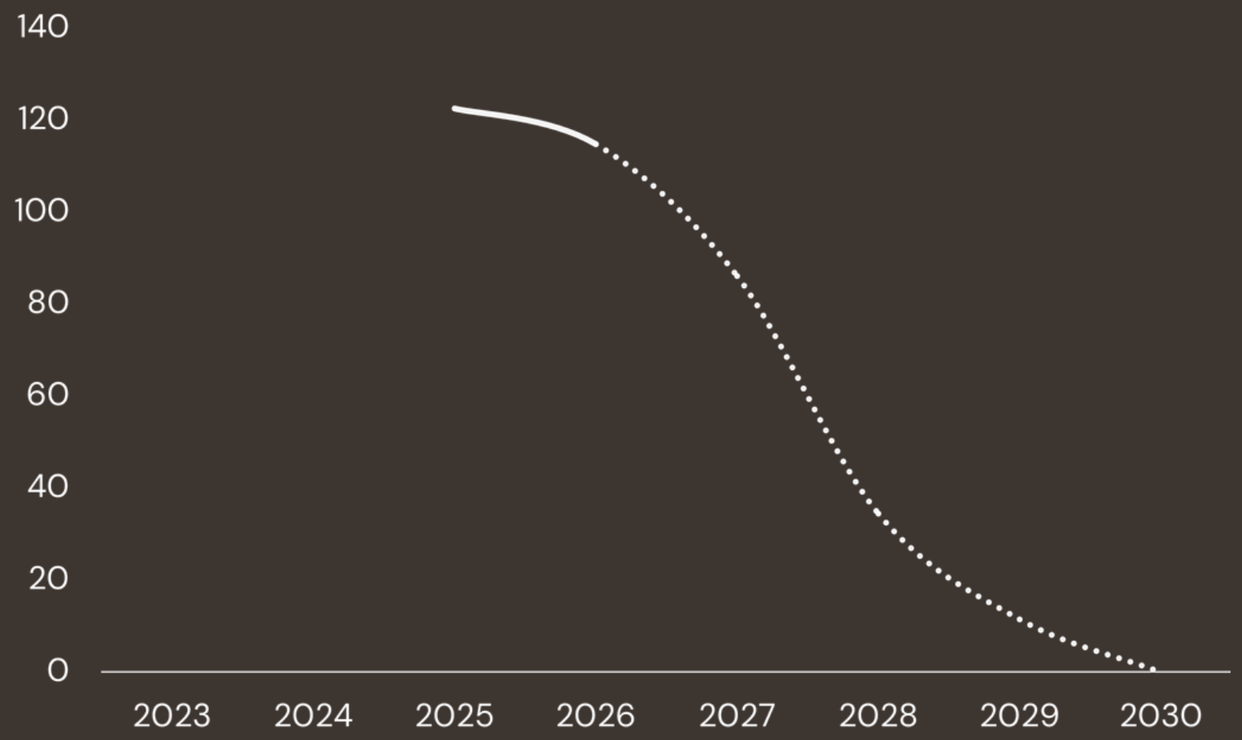
When entering new leases or renting new premises, FRP ensures that, where possible, renewable energy tariffs are selected.
This supports our goal of transitioning to 100% renewable electricity across all operations.

Scope 2 Reduction Projection





Scope 2 Market Based Emissions Estimated Reduction in tCO2e



Impact of Initiatives

Building and Equipment Efficiency
Reduces overall energy demand, directly supporting FRP's energy reduction targets.

Energy Monitoring and Performance Evaluation
Enhance FRP's ability to track and understand energy consumption at a more granular level. By monitoring energy use per office, employee, and square metre, the organisation can now make more informed, data-driven decisions, enabling targeted interventions.

Environmental Management System Certification
Strengthens governance and accountability for environmental performance. Provides a structured framework to identify, manage, and reduce environmental impacts. Supports continuous improvement through monitoring, review, and corrective actions.

Employee Education and Behavioural Change
Drives behavioural change that contributes to reduced energy use and waste across operations. The platform ensures that all employees have direct access to relevant training materials and enables the Company to monitor training participation and completion rates.

Switching to Renewable Energy Tariffs
Prioritising renewable energy contracts for new premises ensures that Scope 2 emissions remain low, helping FRP move closer to 100% renewable electricity sourcing.

Indirect Emissions **FY26 Progress**

Reducing Emissions at the Source

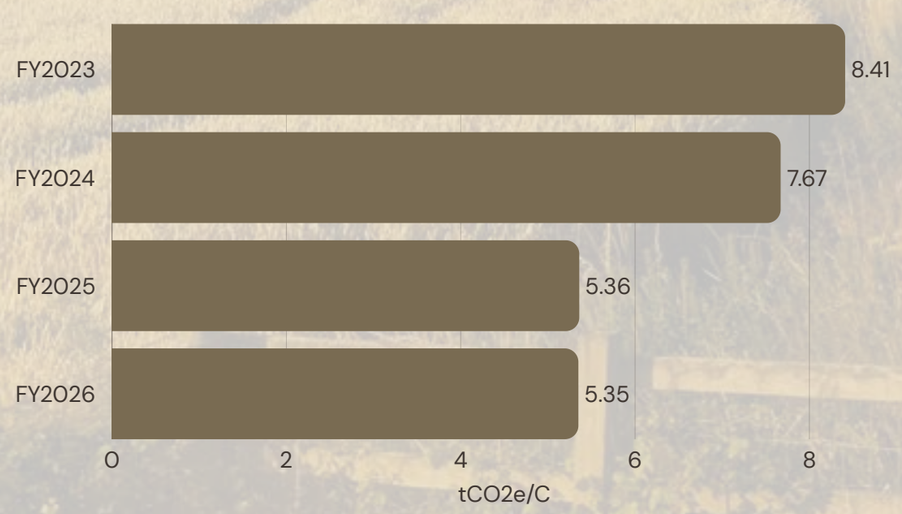
FRP acknowledges that 97% of its total emissions are derived from Scope 3 sources, which include all indirect emissions from activities not directly controlled by the company, such as those from suppliers, business travel, and employee commuting.

During the year, FRP refined its emissions calculation methodology to enhance the robustness and transparency of its reporting. Notably, the company has separately disclosed emissions from the Capital Goods and Upstream Leased Assets categories, which were previously included within Purchased Goods and Services. This improvement provides a more granular and accurate representation of the company's Scope 3 footprint.

Despite these methodological enhancements, which have increased the accuracy and completeness of reported data, FRP recorded a minor reduction reduction in Scope 3 emissions intensity compared to the prior year. This reflects continued progress in managing indirect emissions while strengthening the quality of disclosures.

Looking ahead, FRP is committed to further improving the reliability of its emissions data and aims to pursue external verification of its Scope 3 emissions in the coming years. The company will continue to focus on targeted reduction initiatives, supplier engagement, and ongoing improvements in emissions tracking and reporting.

Scope 3 Emissions Intensity



Indirect Emissions

Purchased Goods and Services

FRP is reviewing its supplier base with a focus on carbon performance and sourcing lower-carbon alternatives where available. The Supplier Code of Conduct is being updated to incorporate ESG considerations and encourage suppliers to set and disclose net zero targets. In parallel, FRP is developing supplier requirements aligned with its broader decarbonisation objectives and strengthening engagement with suppliers to support reductions across the supply chain.

Employee Commuting

A Cycle to Work Scheme and an Electric Car Scheme have been introduced to support more sustainable and lower-emission commuting options for employees. Where appropriate and subject to client commitments, FRP also offers flexible working arrangements, helping to reduce commuting-related emissions through remote working. Finally an awareness training of the different means of commuting is planned through our centralised training platform.

Capital Goods

FRP has refined the treatment of Capital Goods by separately identifying all capitalised items within the trial balance. Previously included within Purchased Goods and Services, these expenditures are now classified under the dedicated Capital Goods category in line with best practice and GHG Protocol guidance. In parallel, FRP is updating its supplier contracts to incorporate emissions reduction expectations, including the promotion of lower-carbon materials and enhanced reporting of supplier-related greenhouse gas emissions.

Business Travel

FRP encourages client-related travel and employee commuting to be undertaken by public transport wherever practicable to reduce travel-related emissions. The Business Travel Policy is currently under review to further promote sustainable travel choices and prioritise lower-emission options when travel is required.

Leased Assets

FRP has also enhanced its reporting by explicitly capturing emissions associated with fully serviced office spaces that fall outside the company's Scope 2 boundary. As these leased offices are managed by third parties and their energy consumption is not directly accounted for within FRP's operational control, the related emissions are appropriately classified under Scope 3.

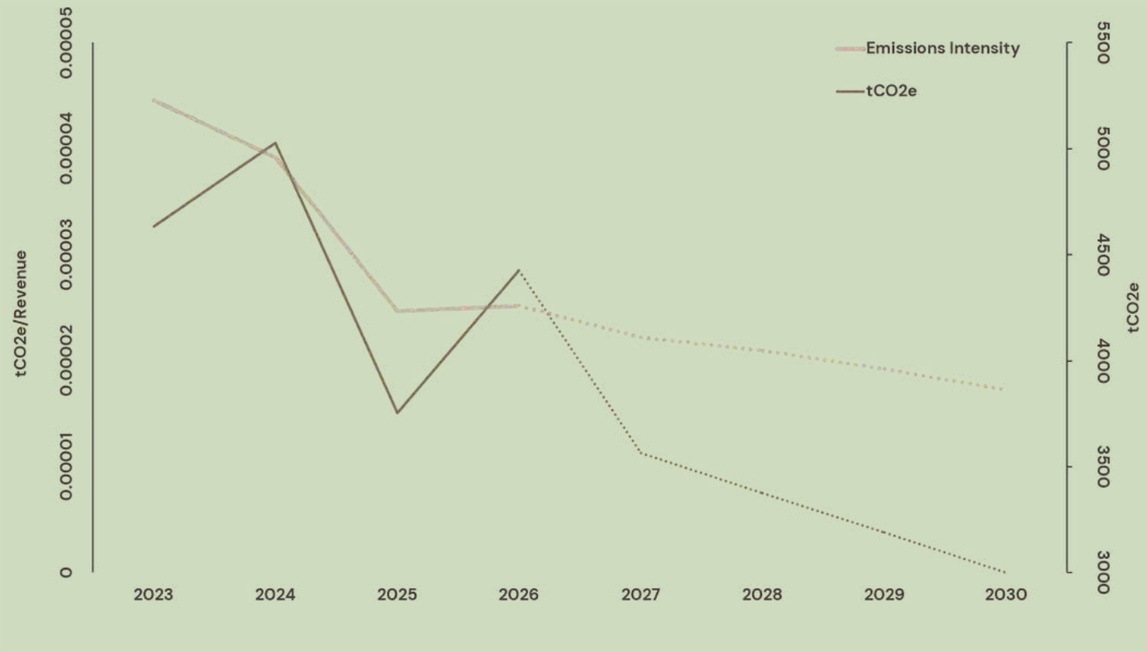
Waste Generated in operations

Waste is currently calculated based solely on paper waste, and FRP is working to expand its approach to include all waste streams within its reporting. Sustainable waste practices are promoted across all locations through employee awareness initiatives, clear waste-bin labelling, and comprehensive recycling facilities. Printing volumes are monitored by office to reduce unnecessary consumption, and single-use plastics have been replaced with reusable glassware, ceramics, and cutlery. In line with ISO 14001, FRP's Environmental Policy sets quantitative targets to support continual improvement.

Scope 3 **Reduction Projection**

Scope 3 Estimated Reduction based on Reduction Targets

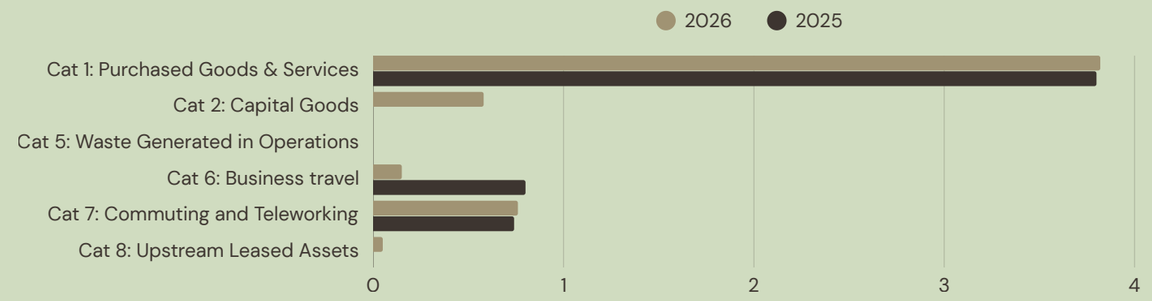
The emissions' intensity per revenue (tCO_2e/Revenue) is calculated using the revenue reported in FRP's 2026 Annual Report (£177M)



The initiatives implemented by FRP are expected to contribute to reductions in Scope 3 emissions primarily through changes in travel behaviour, commuting patterns, procurement practices, and supplier engagement. Measures such as promoting public transport, flexible working arrangements, cycling, and the uptake of electric vehicles are reducing emissions associated with employee commuting and business travel.

In parallel, enhanced supplier engagement and the introduction of ESG-focused supplier requirements are expected to support emissions reductions within FRP's upstream value chain over time. While the full quantitative impact will continue to evolve as data quality and coverage improve, these initiatives provide a structured foundation for managing, reducing, and tracking Scope 3 emissions in line with FRP's decarbonisation objectives.

Emissions per Colleague for each Category



Summary

Emissions Performance

FRP has experienced an increase in total emissions in FY26 compared to FY25 of approximately 17.5%, primarily driven by business growth, expanded value chain activity and due to enhancements in the methodology . However, the company achieved a reduction in emissions intensity of 0.6% per colleague, demonstrating continued improvements in operational efficiency.
Scope 1 emissions increased significantly by 74% in absolute terms, with intensity metrics also rising 54.5% per employee and 49.8% per revenue. This increase is primarily attributable to higher fuel consumption, operational expansion, and the inclusion of fugitive emissions within the inventory for the first time.

Scope 2 emissions were assessed using both market-based and location-based methodologies, with both approaches demonstrating improvements.

- Under the market-based approach, emissions decreased by 6.3% in absolute terms, 18.3% per employee, and 19.5% per revenue.
- Under the location-based approach, emissions decreased marginally by 0.5% in absolute terms, with stronger reductions of 14.3% per employee and 14.3% per revenue.

These reductions reflect continued targeted initiatives to improve energy efficiency and optimise electricity consumption. The consistent decline in intensity metrics across both methodologies indicates enhanced operational efficiency and more effective energy management practices.

Scope 3 emissions, which represent the majority of the Group's carbon footprint, increased by 17.9% in absolute terms, largely driven by increased business activity. Emissions intensity per revenue rose slightly by 1.4%. This is mainly due to methodological refinements in the quantification of Scope 3 emissions from purchased goods and services, including the application of disaggregated, category-specific emission factors, in addition to the explicit identification and reporting of capital goods and upstream leased assets as separate Scope 3 categories.

Overall, the results demonstrate some positive progress in emissions intensity and energy efficiency, particularly within Scope 2. However, the increase in absolute emissions, especially in Scope 1 and Scope 3, highlights the need for accelerated decarbonisation efforts.

		Absolute Emissions		Emissions Intensity			
		tCO2e		tCO2e/C		tCO2e/Revenue	
		2026	2025	2026	2025	2026	2025
Scope 1		38.3	22	0.05	0.03	$2.17e^{-07}$	$1.45e^{-07}$
Scope 2	Market	114.75	122.51	0.14	0.17	$6.48e^{-07}$	$8.05e^{-07}$
	Location	127.60	128.15	0.15	0.18	$7.21e^{-07}$	$8.42e^{-07}$
Scope 3		4427.09	3752.80	5.35	5.36	$2.50e^{-05}$	$2.47e^{-05}$
Total	Market	4580.17	3897.31	5.54	5.56	$2.59e^{-05}$	$2.56e^{-05}$
	Location	4593.03	3902.95	5.55	5.57	$2.59e^{-05}$	$2.56e^{-05}$

Reduction targets are established based on emissions intensity metrics. For Scope 1 and Scope 2 emissions (Market based) a, targets are defined using emissions per colleague as the primary intensity measure. In contrast, Scope 3 targets are based on emissions per revenue. The table below presents this year's performance against the defined reduction targets, including the percentage variance compared to the baseline year.

Emission KPIs	Reduction Targets	Actual Change	Status
Scope 1	40%	+54.5%	pending
Scope 2	20%	-18.3%	pending
Scope 3	20%	+1.4%	pending

Emissions Breakdown

Scope 1 & Scope 2

To ensure transparency and accuracy in emissions reporting, emissions are broken down by location for all sites included within the ISO 14064 reporting boundary. This breakdown covers Scope 1 emissions, arising from direct fuel consumption and on-site activities, and Scope 2 emissions, resulting from purchased electricity and other energy sources. Presenting this information in a table allows for a clear comparison of emissions across locations, supports the identification of key emission sources, and provides a robust basis for setting and monitoring targeted carbon reduction actions.

		Location Based Emissions				Market Based emissions			
Location	**Property**	**tCO_2e**	**tCO_2e of CO_2**	**tCO_2e of CH_4**	**tCO_2e of N_2O**	**tCO_2e**	**tCO_2e of CO_2**	**tCO_2e of CH_4**	**tCO_2e of N_2O**
Aberdeen	Meridian	1.43	1.42	0.01	0.01	1.43	1.42	0.01	0.01
Birmingham	120 Colemore Row	0.96	0.95	0	0.01	2.5	0	0	0
Brentwood	Jupiter House	11.98	11.85	0.06	0.08	0.96	0.96	0	0
Brighton		4.87	4.81	0.02	0.03	0.66	0	0	0
Bristol	Kings Orchard	2.37	2.34	0.01	0.02	0	0	0	0
Burnley	Pendle Business Centre	1.5	1.48	0.01	0.01	2.8	0	0	0
Cardiff	First Floor, 16 Columbus Walk	4.89	4.86	0.01	0.01	6.35	3.57	0.01	0
Chelmsford		17.16	16.96	0.09	0.12	32.6	0	0	0
Edinburgh	The Apex	5.11	5.05	0.03	0.04	0	0	0	0
Glasgow	The Beacon	1.63	1.61	0.01	0.01	3.06	0	0	0
Isle of Man		1.59	1.57	0.01	0.01	1.59	1.57	0.01	0.01
Leeds	Minerva	2.95	2.91	0.01	0.02	0	0	0	0
Leicester	Ashcroft House	6.33	6.3	0.02	0.02	8.41	3.94	0.01	0
Leigh-on-Sea	58-60 Broadway	4.06	4.03	0.01	0.01	5.59	2.29	0	0
London	110 Cannon St & Martin House	29.14	28.8	0.15	0.2	11.49	11.35	0.06	0.08
London	Blackfriars	11.81	11.78	0.02	0.01	10.88	10.85	0.02	0.01
Manchester		5.63	5.56	0.03	0.04	8.05	1.34	0.01	0.01
Newcastle	Bulman House	2.85	2.82	0.01	0.02	5.33	0	0	0
Newcastle	Citygate House	3.16	3.14	0.01	0.01	3.16	3.14	0.01	0.01
Norwich	Dencora Court	5.76	5.19	0.03	0.04	5.25	5.19	0.03	0.04
Orpington	Central Court	1.86	1.84	0.01	0.01	1.86	1.84	0.01	0.01
Preston	Derby House	1.63	1.61	0.01	0.01	3.04	0	0	0
Reading		3.05	3.02	0.02	0.02	1.79	1.77	0.01	0.01
Sheffield		21.03	20.85	0.08	0.11	27.51	10.74	0.02	0.03
Southampton	Charlotte Place	6.62	6.55	0.01	0.06	6.62	6.55	0.01	0.06
St Albans	Churchill House	4.39	4.34	0.02	0.03	0	0	0	0
Teesside	34 Falcon Court	2.17	2.14	0.01	0.01	2.17	2.14	0.01	0.01

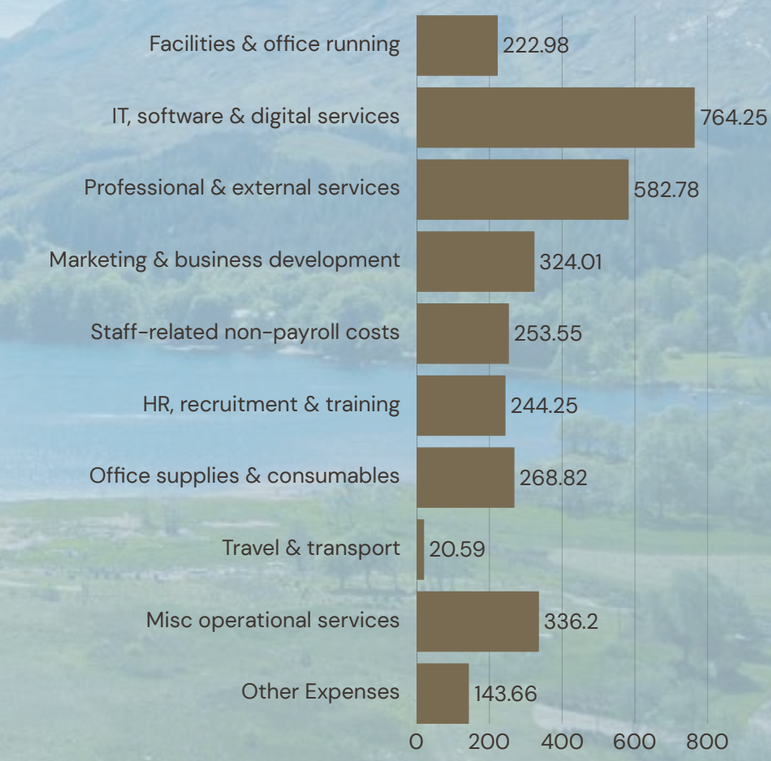
Emissions Breakdown

Scope 3

Scope 3 emissions are presented by category and further disaggregated by individual greenhouse gases, in addition to the aggregated total expressed in tonnes of CO_2e. This supplementary table is provided to enhance transparency and offer additional insight into the composition of Scope 3 emissions across the value chain. In addition, a detailed breakdown of purchased goods and services is presented, based on the categories identified in the trial balance. At this stage, these emissions have not been externally verified; however, there is an intention to pursue independent verification in future reporting years as data quality, methodologies, and coverage continue to improve.

Scope 3 Emission Category	tCO_2e	tCO_2e of CO_2	tCO_2e of CH_4	tCO_2e of N_2O
Upstream				
Cat1: Purchased Goods & Services*	3161.10			
Cat2: Capital Goods	478.34			
Cat3: Fuel & Energy Related Activities		Not Applicable to FRP		
Cat 4: Upstream Transport and Distribution		Not Applicable to FRP		
Cat 5: Waste Generated in Operations	0.05			
Cat 6: Business travel	121.7	120.97	0.11	0.58
Land, Air and Sea travel	109.1	108.37	0.11	0.58
Hotel Accommodation	12.6	12.6		
Cat 7: Commuting and Teleworking	625.1	621.46	0.85	2.82
Commuting to work	498.2	494.56	0.85	2.82
Teleworking	126.9	126.9		
Cat 8: Upstream Leased Assets	40.82			
Downstream		0		
Total Scope 3 Emissions	**4427.01**	**602.91**	**0.96**	**3.40**

Category 1 Breakdown (tCO_2e)



Uncertainties

Scope 1

Key Sources of Uncertainty

In accordance with ISO 14064-1, uncertainties associated with the quantification of Scope 1 GHG emissions arise primarily from activity data quality, temporal representativeness, assumptions, and emission factors. The key sources of uncertainty for each Scope 1 emission source are described below.

Vehicle Combustion Emissions

Vehicle emissions were calculated for five vehicles. For three vehicles, mileage data were obtained from MOT reports. The primary source of uncertainty for these vehicles relates to temporal misalignment, as the MOT reports do not exactly correspond to the FY2026, although they do represent a continuous twelve-month mileage period. It is assumed that vehicle usage during the MOT period is representative of usage during the reporting year, which may result in minor over- or under-estimation of emissions.

For the remaining two vehicles, which were newly acquired and subsequently sold during the reporting year, mileage data were sourced from insurance records. Additionally, mileage was pro-rated based on the number of days under operational control, which introduces further uncertainty related to the assumption of linear mileage accumulation over time.

Emission calculations for all vehicles use vehicle-specific DEFRA FY2025 emission factors, selected based on vehicle type and fuel. While these emission factors are authoritative and widely accepted, uncertainty remains due to their average nature, which may not fully capture real-world driving conditions, driving behaviour, or vehicle efficiency variations.

Stationary Gas Combustion

Emissions from natural gas consumption were calculated using metre readings supplied either by the property manager or the office representative. The primary source of uncertainty relates to metre reading accuracy and completeness, particularly where readings are not obtained directly from utility invoices but via third parties.

Gas consumption data were initially provided in volumetric units (m^3) and converted to energy units (kWh). The average calorific value used in the conversion was derived from available gas invoices, introducing uncertainty where invoice coverage was incomplete or where calorific values fluctuate over time. These assumptions may lead to small deviations from actual energy consumption.

DEFRA FY2025 natural gas emission factors were applied. Uncertainty associated with emission factors reflects their basis on national average gas composition and combustion characteristics, which may differ slightly from local supply conditions.

Fugitive Emissions

Fugitive emissions were assessed for fire extinguishers and HVAC systems. For HVAC systems, maintenance reports were reviewed to identify any refrigerant top-ups. Where refrigerant replenishment occurred, the quantity added was conservatively treated as equivalent to refrigerant leakage during the reporting period. This approach introduces uncertainty, as refrigerant top-ups may not perfectly correspond to actual leakage rates or timing.

Emissions were calculated using conversion guidance from the DEFRA reporting guidelines. Uncertainty arises from potential discrepancies between reported refrigerant quantities and actual system losses, as well as from assumptions regarding the immediate release of refrigerants to the atmosphere.

Management and Mitigation of Uncertainties

The organisation manages and mitigates uncertainties in its Scope 1 emissions inventory through the following measures:

Use of authoritative emission factors, specifically DEFRA FY2025 factors, to ensure consistency, transparency, and alignment with best practice.

Preference for primary activity data, such as metre readings, MOT records, and maintenance reports, rather than estimates wherever feasible.

Documented assumptions, including mileage pro-ration and calorific value selection, to ensure transparency and auditability.

Conservative treatment of fugitive emissions, assuming refrigerant top-ups represent leakage, thereby avoiding under-estimation of emissions.

These measures are consistent with ISO 14064-1 principles of relevance, completeness, consistency, accuracy, and transparency, and support the ongoing improvement of the organisation's GHG inventory quality.

Uncertainties

Scope 2

Key Sources of Uncertainty

In accordance with ISO 14064-1, uncertainties in Scope 2 GHG emissions primarily arise from data availability, estimation methods, temporal representativeness, and emission factor selection. The key sources of uncertainty and applied assumptions are described below.

Electricity Consumption Data

Electricity consumption data, expressed in kilowatt-hours, were primarily sourced from utility invoices for each operational location. These invoices are considered a high-quality source of primary activity data. However, because the organisation is undergoing certification prior to the end of the financial year, electricity consumption data for the final months of the reporting period are unavailable for most locations.

To address this gap, electricity consumption for the missing months was estimated using consumption data from the corresponding months of the previous year. The main source of uncertainty is the assumption that electricity usage patterns are comparable year-on-year. Any changes in occupancy levels, operational intensity, weather conditions, or energy efficiency measures between years may result in deviations from actual consumption.

For one location, electricity consumption was reported in monetary units. In this case, consumption was converted to kWh using the average unit electricity price derived from available invoices for the same area. This introduces additional uncertainty related to potential tariff fluctuations over time and the assumption that the applied unit cost is representative of the full reporting period.

Market-Based Method

Under the market-based approach, electricity emissions were calculated using supplier-specific emission factors where available, as reported directly on electricity invoices. These factors provide a more accurate reflection of contractual electricity sourcing but are subject to uncertainty related to supplier methodologies, disclosure practices, and the completeness of supporting information. Where supplier-specific emission factors were not available, the following hierarchy was applied:

- DEFRA FY2025 electricity emission factors were used as a conservative proxy; or
- Where contracts, or written confirmation, were available that the electricity tariff was 100% renewable, the associated electricity consumption was excluded from market-based Scope 2 emissions.

Uncertainty arises from reliance on written confirmations where detailed residual mix or certificate information is not available, as well as from potential inconsistencies in how suppliers calculate and present emission factors.

Location-Based Method

Under the location-based approach, electricity emissions were calculated using the DEFRA FY2025 national grid electricity emission factor, applied consistently across all locations.

The primary source of uncertainty under this method relates to the use of a national average factor, which may not fully capture regional variations in grid electricity generation mix or temporal changes in grid carbon intensity.

Nevertheless, the DEFRA national emission factor is widely recognised as an authoritative and appropriate proxy and provides consistency and comparability in line with ISO 14064-1 and GHG Protocol guidance.

Management and Mitigation of Uncertainties

The organisation manages and mitigates Scope 2 emission uncertainties through the following measures:

Use of invoice-based primary data wherever available, prioritising measured consumption over estimates.

Transparent estimation methodology for missing data, using prior-year consumption from corresponding months to maintain seasonal comparability.

Separate reporting of location-based and market-based emissions, ensuring clarity on the different assumptions and emission factors applied.

Application of a defined emission factor hierarchy for the market-based method, prioritising supplier-specific factors, followed by DEFRA factors.

Conservative treatment of renewable tariffs, requiring written confirmation before excluding consumption from market-based emissions.

These measures support the reliability, transparency, and consistency of the Scope 2 GHG inventory and facilitate future improvements in data quality and uncertainty reduction.

Uncertainties

Scope 3

Key Sources of Uncertainty

For the FY2026, FRP's Scope 3 GHG emissions were calculated based on multiple indirect sources. These emissions were estimated using a combination of DEFRA FY2025 emission factors and financial and activity data. Although FRP employed detailed calculations, several qualitative uncertainties are acknowledged in the data and assumptions used.

Purchased Goods and Services and Capital Goods Categories 1 & 2

Scope 3 emissions from Purchased Goods and Services and Capital Goods were both calculated using an expenditure-based method.

Total annual spend data were obtained from financial records and multiplied by a UK national average emissions intensity factor, derived from the ratio of total UK consumption expenditure to total UK CO_2 emissions. For Capital Goods, spend was specifically identified and separated based on capitalised items recorded in the trial balance. The principal sources of uncertainty for these categories include:

- Use of financial data as a proxy for physical activity, which assumes a consistent relationship between monetary value and GHG emissions across different goods and services.
- National-level emission intensity may not reflect the specific supply chains, production technologies, or geographic origins of the organisation's purchases.
- Price variability, inflation, and procurement choices, which can affect expenditure without a proportional change in physical emissions.
- Potential misclassification of expenditure items, where certain capitalised purchases may remain included within Purchased Goods and Services.

While the expenditure-based method is recognised as a valid screening-level approach under ISO 14064-1 and the GHG Protocol, it results in higher uncertainty compared to supplier-specific or activity-based calculations. The approach was selected due to data availability constraints and to ensure completeness of Scope 3 reporting.

Upstream Leased Assets Category 8

Scope 3 Category 8 emissions include offices leased by the organisation that are fully serviced and not under FRP's operational control. As a result, direct energy consumption data for these assets were not available, and emissions were therefore calculated using an expenditure-based approach.

Lease payment values were sourced from lease agreements and multiplied by the same UK national average emissions intensity factor.

The key sources of uncertainty for this category include:

- Absence of direct energy or fuel consumption data, requiring reliance on financial proxies.
- Assumptions that lease costs correlate with emissions, despite lease payments reflecting factors such as location, services included, and market conditions rather than energy intensity alone.
- Variability in serviced office energy performance, which may differ significantly between locations and service providers.

Despite these uncertainties, the applied methodology avoids under-reporting of emissions associated with leased assets outside operational control.

Management and Mitigation of Uncertainties

The organisation manages and mitigates uncertainties in Scope 3 emissions through the following measures:

Application of a conservative and transparent methodology, using nationally recognised average emission factors.

Clear categorisation and disclosure of calculation methods, distinguishing expenditure-based estimates from operational data in Scopes 1 and 2.

Consistent application of assumptions across Categories 1, 2 and 8 to maintain comparability and methodological integrity.

Documentation of data sources and limitations, enabling traceability and verification.

Continuous improvement strategy:

- Engage suppliers to obtain activity-based or product-level emissions data;
- Transition to hybrid or supplier-specific methods where feasible.

Uncertainties

Scope 3

Waste Generated in Operations Category 5

Waste emissions were assessed for paper waste generated from printed materials. FRP tracked the number of printed sheets used during the reporting period. Emissions were calculated under the assumption that all printed paper enters a closed-loop recycling system, in line with the organisation's waste management practices.

The primary sources of uncertainty for this category include:

- Assumptions regarding recycling efficiency, as the calculation assumes a fully closed-loop system where paper is recycled into new paper products, but does not account for potential process losses within the recycling chain.
- Supplier-reported paper weight data, which may vary by paper type, batch, or specification.
- Simplified waste scope, as the assessment focuses exclusively on paper waste and does not include other operational waste streams.

Emission factors and methodological assumptions were selected to reflect recycling treatment pathways only, rather than landfill or incineration. While this approach is considered appropriate and representative of FRP's waste practices, residual uncertainty remains due to limited visibility over downstream recycling processes and actual material recovery rates.

Business Travel Category 6

Business travel emissions were calculated using a combination of activity-based and expenditure-based methods, depending on data availability. **Vehicle business travel** was calculated using mileage records. **Air travel** emissions were calculated based on distance travelled between origin and destination airports. **Other transport modes** were calculated using spend-based data where mileage or distance data were not available.

Key sources of uncertainty include:

- Data heterogeneity, arising from the combination of mileage-based and expenditure-based data sources.
- Assumptions in spend-based calculations, where monetary value may not directly reflect distance travelled or mode efficiency.
- Air travel distance methodology, which assumes standard routing between airports and may not account for detours, stopovers, or class of travel.
- Behavioural variability, such as occupancy rates, vehicle types, and driving styles, which are not fully captured in average emission factors.

DEFRA FY2025 emission factors were used for all applicable transport modes, providing consistency and alignment with recognised best practice, while introducing uncertainty inherent to average, mode-level emission coefficients.

Employee Commuting and Teleworking Category 7

Emissions from employee commuting and teleworking were calculated using results from a company-wide employee survey. A total of 55.88% of employees responded, and results were extrapolated to represent 100% of the workforce.
The primary sources of uncertainty for employee commuting include:

- Survey response rate, with the assumption that respondents are representative of the full employee population.
- Self-reported data, which may be subject to recall bias or estimation errors.
- Variability in commuting patterns, including mode choice, journey length, and frequency, which may change over time.
- Teleworking emissions were estimated based on the percentage of time employees reported working from home. Uncertainty for teleworking emissions arises from simplified assumptions regarding home energy use, which may vary significantly between households.

Management and Mitigation of Uncertainties

The organisation manages and mitigates uncertainties in Scope 3 Categories 5, 6 and 7 through the following actions:

Use of conservative assumptions, such as treating all printed paper as waste and extrapolating survey results cautiously.

Application of authoritative emission factors, including DEFRA FY2025 factors.

Clear documentation of assumptions, data sources, and methodological limitations.

Combination of activity-based data where available, prioritising mileage and distance data over spend-based proxies.

Ongoing improvement measures:

- Increasing employee survey response rates;
- Expanding waste tracking to additional waste streams;

These measures align with ISO 14064-1 principles of relevance, completeness, transparency, and continual improvement, and support the credibility and robustness of FRP's Scope 3 emissions reporting.

Declaration and Sign Off

This Carbon Reduction Plan has been prepared in accordance with PPN 06/21 and the associated guidance and reporting requirements for Carbon Reduction Plans. Greenhouse gas emissions have been calculated and reported in line with the published Carbon Reduction Plan reporting standard and the GHG Protocol Corporate Accounting and Reporting Standard, using the appropriate UK Government greenhouse gas conversion factors.

Scope 1 and Scope 2 emissions have been reported externally verified in accordance with with ISO 14064-1. The required subset of Scope 3 emissions has been reported in line with the Carbon Reduction Plan reporting standard and the GHG Protocol Corporate Value Chain (Scope 3) Standard.

This Carbon Reduction Plan has been reviewed and approved by the Board of Directors (or equivalent governing body).

Signed on behalf of the Supplier

Jeremy French, Chief Operating Officer

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FRP

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