



putting environmental,
social and governance
at the forefront of our
growing business

ESG report
2023





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our Environment, Social and Governance (ESG) commitment

As a dedicated, conscientious, and forward-thinking business within the facilities management industry, Churchill Group recognises the fundamental importance of fostering a positive environmental, social, and wellbeing culture across all aspects of our operations. Our ESG commitment underpins our core Group values: **Always do right, Always seek better, and Always put people first.**

In 2019, we launched our Sustainability Charter, which underpins our Group Sustainability strategy. Last year we recognised the need to evolve this dedication to better align with the evolving world and its priorities and created our updated ESG commitment.

Our primary goal is to generate a beneficial influence while embedding environmental factors into the heart of our operations. We pledge to function as an open, trustworthy, and sustainable organisation, preserving our environment for succeeding generations.

Building strong, long-lasting relationships with our suppliers is at the heart of our commitment, with an emphasis on ensuring products we use throughout our operations are ethically and responsibly sourced, and of the highest environmental performance. This forms part of our commitment to reducing our carbon footprint and moving towards net zero carbon operations.



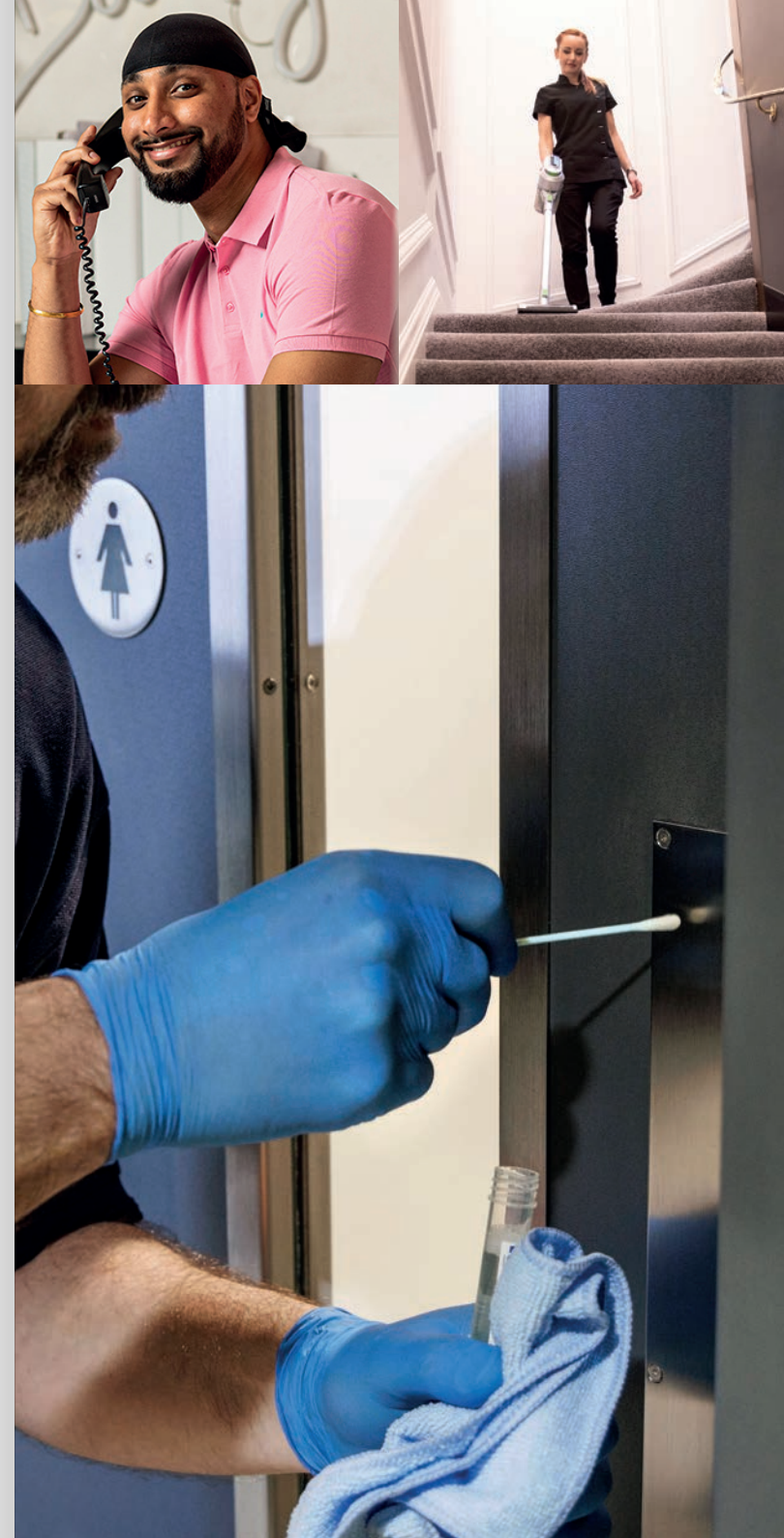
With the support of our colleagues, clients, and partnerships we strive to create opportunities within the environments in which we work to deliver on our commitments knowing we can achieve more together. Our vision is to create sustainable opportunities to thrive and support people in our local communities.

We consider our people to be our greatest asset, therefore, it is important to us that we foster an environment where all our colleagues feel a genuine sense of belonging and are at ease expressing their authentic selves in the workplace. We empower our people to engage in volunteering activities by providing them with time, structured opportunities, and necessary resources. Through our Social Value framework, we actively support communities, aiming to foster growth and development. We prioritise sharing our achievements internally, with clients, and with our partners, dedicating time to thoroughly report on our activities and their impact.

We see innovation as a key component of running our business ethically and sustainably. Corporate Governance is about our ethical leadership and management culture behind the

decisions we make and our strategic direction. We strive to always maintain the highest standards of professionalism, integrity, and corporate governance practices to maintain excellence in our daily operations and to promote continued confidence with employees, clients and other stakeholders.

Churchill Group is committed to continually reducing our environmental impacts, making a difference in our local communities, and enabling all colleagues to bring their whole selves to work. This report offers an overview of our ESG approach, highlighting key indicators of success and our achievements to date.



who we are

Churchill Group is a UK-based facilities management company that is committed to building a better future. We are specialists in cleaning, security, guest services, window cleaning, water hygiene and compliance. Our mission is to safely create a positive impact on our colleagues, clients, and communities through our specialist services.

Our brands are trusted by organisations across the UK to clean, secure and enhance workplaces, education environments, public transport, leisure destinations, open spaces, communities, and the critical links that keep our country running.

Our brands:



At the heart of our operations lies our guiding value of doing the right thing, which permeates through our businesses. This shared ethos fosters collaboration, innovation, and a collective force for good throughout all our specialisms.

We are proud to be employee-owned, meaning that every single one of our colleagues is a beneficiary of our future success. Employee ownership engenders enthusiasm, purpose, and commitment. We are confident that empowering our team to think and act as owners will drive them to go above and beyond in their contributions. This is evident when we unite our team members to collaborate, innovate, and share ideas. When you're an owner, you behave like one and we know this creates a fantastic culture and motivation to be the best.



Employee Ownership Trust (EOT)

At Churchill Group, we take great pride in being an employee-owned business, which means our employees are beneficiaries of our future success. We believe that this ownership structure empowers our teams to align with our goals and actively shape the future of Churchill Group and our specialist businesses. By transitioning to an employee-owned model, we can all be safe in the knowledge that every decision the business takes will positively affect our customers and employees.

Our vision is to support our colleagues and customers, and the communities we work with to ensure that they succeed and prosper. Embracing employee ownership will foster lasting positive change in the lives of the individuals and the spaces we interact with. While our existing leadership team continues to manage our operations daily, our founders remain present to offer guidance and support, ensuring the long-term stability and sustainability of the business.

The decision to transition to an employee-owned structure was driven by the numerous benefits it offers to our employees, providing everyone in the company with the opportunity to reap the rewards of our collective success. We are committed to creating an inclusive and rewarding work environment where each individual has a stake in our shared prosperity.

Terry Ennis, Senior Account Manager: “It’s great to know that Churchill looks after their employees. The importance of recognising employees, their hard work, and the people’s inclusiveness is important.”

Thomas Farrell, Environment Manager: “The Employee Ownership Trust announcement just blew me away, such a proactive decision by the owners. I think the EOT should show every single person here in Churchill that we are trusted, so much so that we have all been entrusted with the future of the business.”

Charlotte Parr, Director: “Becoming an EOT gives us all a stronger sense of ownership with each action. As employees of Churchill Group, we already know that our efforts are appreciated and create an impact, but this takes our commitment a step further.”

Phil Matis, Operations Director: “Becoming employee-owned is a huge step for us as we continue to grow, innovate, and push the boundaries of what we can achieve. The reaction from colleagues across the business, as well as clients and industry peers has been phenomenal; everyone is sincerely grateful and very excited for what lies ahead.”



foreword from James Bradley, CEO

This report is published to provide transparency, showcasing areas where tangible progress has been achieved, while also highlighting the valuable lessons we've learned over the past 12 months.

Environment, Social and Governance (ESG) initiatives form a key part of how Churchill Group does business. Our strategic approach seamlessly integrates these initiatives, guiding the delivery of services to our customers. The ethos driving the Group's ambitions encapsulates an ongoing dedication to sustainability in all aspects of our operations. This encompasses strategies focused on the environment, social impact, and the wellbeing of people.

I am immensely proud of the work our teams have accomplished and I'm genuinely excited for what lies ahead. We've made significant strides in our social, community, and environmental endeavours, continuously broadening our outlook for the future. Central to

these efforts remains our unwavering focus on our customers and recognising the significance and importance sustainability has to them.

I'm particularly proud and excited about our decision to become an Employee-Owned Trust (EOT). When considering ways in which to take the company forward, we were impressed by the benefits becoming an employee-owned business would bring including furthering our sustainable purpose with better impacts for people and the environment. We believe that becoming employee-owned will create a long-lasting positive impact on the people and spaces we serve.

Strengthening our local approach is important to us as we grow, and evidence shows that employee ownership has a highly positive effect on local economies as it means businesses like us continue to focus on the communities we work in, rather than being swallowed up by a larger competitor losing the regional presence.

Additionally, as part of our long-term ESG commitments, we look for talent in the areas local to where we work, contributing to the local economy and local business ecosystem.

I'm truly committed to positioning our business as a frontrunner in our industry and advocating for sustainability whenever possible. It's a cause close to my heart, and I believe it's crucial for shaping a better future for all.











James Bradley, CEO





guiding principles

- Focus on the client – establish the organisation so that it is driven by a client-centric purpose ensuring every role understands the internal and external customer needs and the part they play
- Create a people and performance based culture by implementing a communications strategy that cultivates meaningful engagement and establishes inspiring leadership to live our value of People First
- Unique market positioning that cements our specialisms and depth of services to continue our differentiation in the FM industry
- Focus on E+S – become an impact focused organisation that will consider, measure and report against Environmental and Social factors
- Financial responsibility and business Governance (inc QHSE) – support the growth and acquisition strategy to achieve double digit organic growth and margin enhancing complementary service lines

UN Sustainable Development Goals (SDGs)				
Link to Set for Success strategy	Financial responsibility and business governance	Focus on environmental and social factors	Create a people and performance based culture	Focus on environmental and social factors
Section reference:	<ul style="list-style-type: none"> • Social value 	<ul style="list-style-type: none"> • ESG accreditations and awards • Employee wellbeing 	<ul style="list-style-type: none"> • Social value 	<ul style="list-style-type: none"> • Employee wellbeing
UN Sustainable Development Goals (SDGs)				
Link to Set for Success strategy	Focus on environmental and social factors	Focus on environmental and social factors	Financial responsibility and business governance	Financial responsibility and business governance
Section reference:	<ul style="list-style-type: none"> • Safeguarding our environment 	<ul style="list-style-type: none"> • Safeguarding our environment 	<ul style="list-style-type: none"> • Social value 	<ul style="list-style-type: none"> • ESG accreditations and awards • Safeguarding our environment
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our policies and commitments

ESG charter	Volunteering & community investment
Menopause	Gender pay gap
Modern slavery	Diversity and inclusion



progress and achievements

Throughout the past year, Churchill Group has consistently upheld the highest standards of environmental responsibility, social impact, and corporate governance. This unwavering dedication has been reflected through a range of acknowledgements and recognitions, including our prestigious ISO accreditations.

ISO accreditations

Once again, in 2023, we upheld our company's adherence to multiple ISO standards. These audited standards define what best practice looks like in business and ensure that our Integrated Management System (IMS) is sustainable, reliable, and trustworthy.

Our IMS combines diverse processes and systems into one framework and is certified to:

- ISO 9001 (Quality Management)
- ISO 14001 (Environmental Management)
- ISO 45001 (Occupational Health and Safety)

In addition to our IMS, we have also maintained our approvals to ISO 50001 (Energy Management) and ISO 27001 (Information Security).

These ISO certifications serve as a testament to our commitment to continuous enhancement and assure both internal and external stakeholders regarding the robustness of our management systems and dedication to ongoing progress, a fundamental aspect of all ISO standards.

RoSPA Gold Medal achievement

Churchill Group was honoured to receive the prestigious RoSPA (Royal Society for the Prevention of Accidents) Gold Medal in April 2023. This esteemed recognition is awarded to organisations that have demonstrated an exceptional commitment to safety by achieving the RoSPA Gold Award for five to nine consecutive years. This year marks our seventh consecutive year of securing the Gold Award.

The judging process for this accolade involves careful evaluation of various key criteria, including:

- Day-to-day health and safety systems and policies
- Active involvement of senior leadership
- Engagement and consultation with the workforce
- Thorough accident investigation and remediation practices
- Adherence to enforcement records

We were awarded the internationally recognised accolade for our exemplary health and safety standards. The RoSPA Gold Medal serves as a testament to our unwavering dedication to maintaining consistently high standards of health and safety across a diverse range of disciplines and sectors over the past seven years. It underscores our commitment to fostering a culture of safety and wellbeing within our business.



SFMI Silver

Churchill Group was awarded 'silver' from the Sustainable Facilities Management Index (SFMI). This is the second time we have taken part in the assessment and is an improvement on the bronze award we received in 2021, marking our continued growth in sustainability and ESG.



EcoVadis Silver

During 2023, Churchill Group received a silver medal from EcoVadis, a global sustainability accreditor. This recognition marks a significant improvement from the bronze medal we received in the previous year. EcoVadis evaluates organisations based on a comprehensive range of sustainability criteria, including environmental, social, ethical, and supply chain practices. Achieving a silver medal demonstrates our dedication to continuous improvement across these key sustainability metrics.





safeguarding and environment

Roadmap to Net Zero

Churchill Group has already committed to being Net Zero by 2040. When we made this commitment, we recognised it as a challenging goal, but one that was specific, measurable, achievable, relevant, and time-bound (SMART). Since then, we've witnessed and actively participated in extensive efforts throughout our value chain to reduce emissions. We find it inspiring to see the momentum building for Net Zero and Climate Resilience not only within our industry but also in broader contexts.

Science-Based Targets

The Science Based Targets initiative (SBTi) is a corporate climate action organisation, a collaboration between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). It enables companies and financial institutions worldwide to play their part in combating the climate crisis by defining and promoting best practice in science-based target setting and independently assessing companies' targets.

In June of 2023, we formally submitted our near-term science-based emissions targets to the SBTi and these have now been validated. Furthermore, the SBTi's Target Validation Team has determined our scope 1 and 2 target ambition is in line with 1.5°C trajectory.

Our Target:

“Churchill Contract Services Group Holdings Limited commits to reduce absolute scopes 1 and 2 GHG emissions 50.4% by FY2032 from a FY2022 base year.

Churchill Contract Services Group Holdings Limited also commits that 95.3% of its suppliers by emissions covering purchased goods and services, capital goods and upstream transport and distribution, will have science-based targets by FY2027.”

Tackling Climate Change requires ambitious action from the FM sector. This validation of our science-based target proves our commitment to building a sustainable economy, by doing not what is easy but what is necessary.

This validation forms an important early step in our roadmap to Net Zero by 2040. The next steps on this roadmap will see our transition to electric vehicles (EV) accelerate across our fleet to an anticipated 1,000 EVs by 2032 and an extensive supplier engagement program ensuring that, by 2027, our largest suppliers responsible for almost two thirds of our scope 3 emissions have established science-based targets for their own scope 1 and 2 emissions.





safeguarding and environment

Greenhouse Gas Inventory

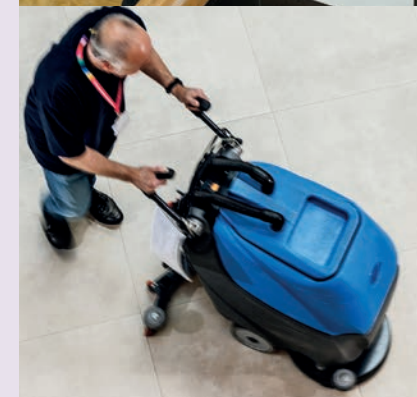
During 2023, we performed our second complete Greenhouse Gas Inventory of our business, covering all our business units and emissions across all three scopes. We've established the previous year (FY21/22) as our baseline for monitoring progress towards our science-based targets and Net Zero commitment, allowing us to compare this year's inventory.

Overall, we've observed a 5% increase in total emissions compared to the previous year (refer to Table 2: Financial Year 22/23 Greenhouse Gas inventory in the appendix). This increase was expected based on our modelling, and we anticipate a further increase in total emissions in the FY24 reporting period, albeit at a slower rate. Our goal is to reach peak emissions by or before FY25 and then see a steady decrease in total emissions.

Some significant category increases include a 405% rise in waste emissions on client sites and a 272% increase in emissions from upstream transportation and distribution. We attribute these increases to improved data quality

resulting from better engagement with our supply chain. Additionally, conducting a new employee commuter survey led to a 15% increase in emissions from employee commuting and remote working.

Despite the overall increase in emissions, there are positive aspects to highlight. The quality of data collected has significantly improved, especially in capturing accurate waste data and understanding commuter patterns. Moreover, our Scope 1 emissions have started to diverge from miles travelled due to enhanced vehicle efficiencies and a doubling of electric vehicle miles travelled. Considering our substantial business growth in FY23, with a 16% increase in turnover and a 19% rise in personnel, the 5% increase in total emissions indicates positive signs of our overall performance decoupling from emissions.





safeguarding and environment

Waste

This year, Churchill Group has continued to strengthen our partnership with PHS, a provider of washroom services. In the previous financial year, our clinical waste streams generated 80,711 kWh of energy through Waste-to-Energy facilities.

This year, we've seen a significant increase to 152,035 kWh of energy, marking almost a 90% rise - enough energy to power 38 UK homes.

Across our own facilities, waste generation for 2023 has notably increased, with total waste more than doubling, from 16.2 tonnes in FY22 to 35.8 tonnes in FY23.

We have implemented various enhancements throughout our business, focusing on waste segregation, utilising local waste facilities, and conducting awareness training. Although there has been an increase in waste generation, we are satisfied with the outcome as the data for 2023 is considerably more accurate than previous records. Our waste service providers now provide us with comprehensive information regarding waste weight, destinations, and final treatment methods.

By enhancing the quality of the data driving our waste improvement initiatives, we aim to improve our ability to accurately measure the effects of future improvements.

Regarding landfill diversion rates, in cases where we lack sufficient information on waste disposal outcomes at certain leased offices, we've applied the national average waste rate percentages from the Wrap Green Office Guide for those specific locations. Our objective is to enhance the accuracy of this data in FY24.





safeguarding and environment case studies

Case study - Sustainability Superstar: Eric Davies (Churchill Cleaning and Amulet)

In the busy world of facilities management, where efficiency and logistics often take centre stage, there exists a shining example of heartfelt community engagement and dedication to his colleagues: Eric. With a journey spanning from the security department to his current position as Facilities Manager, Eric's 16-year tenure at his current site is not merely a testament to longevity but to his commitment and passion for making a difference.

Eric played a key role in spearheading a site-based allotment project and was involved in the process of introducing multiple beehives on the site. His nominator emphasised his passionate dedication and mindfulness of the broader impact these projects have, benefitting not only their on-site colleagues and the client but also the local community. The judge was notably impressed by his substantial contributions, particularly in collaboration with local students and involvement in uniform exchange schemes, clearly making a positive difference.

Case study – St Pancras International Station

Churchill Group has been working with Network Rail High Speed to provide cleaning services to St Pancras International Station since 2017, providing a comprehensive service that's been both innovative and sustainable. St Pancras is a busy commuter hub that saw a footfall of over one million passengers each day before the pandemic.

Providing a sustainable service is a key consideration for Churchill with all of its customers. As part of our ESG Charter, we are investing in solutions to reduce single-use plastic, reduce cleaning chemicals, increase our electric fleet and reduce our carbon footprint.

St Pancras is a more sustainable and eco-friendlier environment with Churchill's chemical-free cleaning products and PVC-free packaging. Technology has also played a core part in the

sustainability journey, assisting St Pancras in managing its waste by improving recycling, and using sensor tech to make informed decisions.

Greg Dingle, London Regional Director at Churchill, commented: "As we gain more and more momentum on our own sustainability journey, it is great to be helping our customers on theirs too. The St Pancras project has been an outstanding achievement for all involved. We have tailored our service to complement their own, providing outstanding innovations in sustainability to meet St Pancras' needs. Credit goes to each and every individual that has contributed to this partnership"





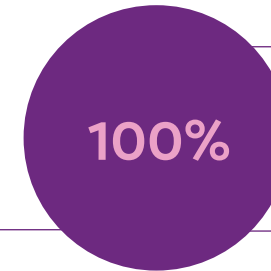
supply chain

Churchill Group is committed to managing our supply chain in a responsible, sustainable and ethical manner. We ensure that our procurement practices are aligned with our ESG Charter, satisfy the requirements of our certified ISO 14001 Environmental Management System, certified ISO 50001 Energy Management System and adhere to guidance provided in ISO20400 'Sustainable Procurement'.

Our vendors are fundamental to the performance of our business and, as such, we expect them to have total commitment to working safely, be capable, socially responsible, quality driven, innovative and efficient. We work with vendors to provide Churchill Group with best value at competitive cost in full compliance with our Vendor Code of Conduct, Sustainable Procurement Policy and all legal requirements including employment law, human rights and labour standards, bribery, corruption, health and safety and finance.

We use a range of suppliers, sub-contracted partners and vendors, to support us with our

Suppliers with contracts that include clauses on environmental, labour, and human rights requirements



Suppliers that have signed the sustainable procurement charter

Suppliers that have gone through a CSR assessment

operations. Each vendor is required to contractually agree to operate within the confines of our policies and adhere to our vendor code of conduct before being permitted to work with, or on our behalf.

We are committed to continuously improving our practices to identify and eliminate any risk of corruption, violence, modern slavery and human trafficking within our business and our supply chain and will only appoint and work with supply vendors that provide fair payment of wages and ethical, legal working conditions for their employees.

Supply chain risk assessments are conducted, including physical audits carried out on those identified as strategically critical or being higher risk, and any risks identified are reported to the board.

For high-risk supply categories, such as workwear, additional certifications are required before on-boarding suppliers. For example, we only trade with clothing distributors who are SEDEX certified and can evidence continuous assessment of their clothing manufacturing factories about Modern Slavery, Health & Safety and Human Rights.

Furthermore, our Procurement department is CIPS accredited and works within the guidelines advised by CIPS about modern slavery, human rights identification, and risk assessment. In addition to vendor onboarding reviews and annual assessments, we deliver modern-day slavery training to all our staff including how to identify modern-day slavery in our supply chain.





supply chain innovation

Plastic savings

In the financial year 22/23, we have continued to strengthen our collaboration with our primary consumables supplier, Bunzl, to offer sustainable product ranges and services. By implementing water-soluble cleaning sachets and reusable trigger sprays, introducing compostable microfiber cloths, and launching the Odorbac range, we have avoided the use of 61 tonnes of single-use plastics. This saving is equivalent to the weight of over 7,000 Henry Hoovers and represents a 6% increase in savings compared to the previous financial year.

While introducing these innovative and environmentally friendly product ranges, we also took the opportunity to embark on a project aimed at enhancing the efficiency of our logistics operations. As a result, we've managed to save 65 tonnes of transport and distribution emissions in this fiscal year alone.

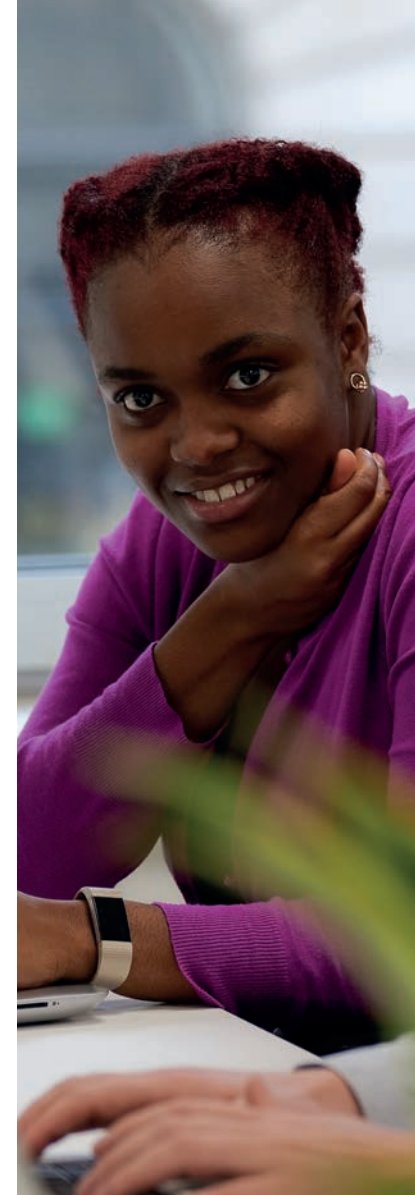
Sustainable Solution Awards

We have also continued to work with Bunzl to optimise the uptake of gold and silver rated products across our client sites. Products rated either Gold or Silver

for sustainability take into consideration the packaging, manufacturing, and the composition for sustainability credentials. In the 21/22 financial year, 59% of products used on client sites were rated as either Bunzl Gold or Bunzl Silver, in 22/23 this has risen to 64%.

Water

Our water consumption across our offices and depots decreased by 14% this year (see Table 1: Environmental Metrics for reference). Several adjustments, such as implementing lower pressure and volume settings in hygiene facilities throughout the business, have contributed to this reduction. However, we believe that most of the reduction observed over the year is attributed to the ongoing emphasis on remote work. Both of our water intensity metrics; Water consumed per Management and Administration Employee and Water consumed per Employee, saw significant reductions, with decreases of 17% and 27% respectively.





supply chain innovation

Vendor selection

All vendor appointments are evaluated and managed through our onboarding process. In addition to being able to deliver the supply requirements on a best-value basis taking into consideration social values, ethical practices and environmental impact, vendors must adhere to our Vendor Code of Conduct and Sustainable Procurement Policy, be financially stable, demonstrate priority for Health and Safety and meet the minimum certifications and accreditations applicable.

Vendor management

Client expectations, scope of works and/or products and good specifications, performance and deliverables are confirmed and communicated with each vendor. All works delivered and/or products and goods supplied by vendors are completed with full adherence to Churchill Group onboarding requirements and agreed terms and conditions of supply. Where formal procurement category reviews are undertaken, terms of service or supply offerings are covered contractually under formal Framework Agreement contracts.

Vendor compliance

Robust vendor evaluation processes are conducted monthly to ensure vendors adhere to our values, policies and legislation along with KPIs to continually monitor performance. Sustainability and environmental solutions, energy reduction programs and carbon footprint commitments are also included in the monthly reviews. Vendor supply risk is assessed by working closely with vendors to identify, prioritise and monitor short, medium and long-term sustainability risks and seek to reduce them. Vendors are encouraged to monitor and educate their supply chain on the principles of sustainable procurement.

Vendor monitoring

Together with our vendors, we seek to continue to do things better every day, finding new ways to improve, share knowledge and ensure best practices. Vendors are challenged to innovate and invest to provide products and services that continue to add value, minimise risk and keep pace with economic, environmental and social developments. Various procurement tools are utilised across the supply chain to achieve this including, but not limited to issue of annual vendor sustainability questionnaires, benchmarking and formal procurement reviews.





Chemical sachets

- Removes all single use and virgin plastics.
- Reduces water consumption in the manufacturing process.
- Planet friendly, plastic free packaging.
- Non-hazardous, biodegradable formulations removes pollution risk.
- Minimises reliance on single use plastics and virgin plastics.
- Provides the lowest carbon footprint in product/service delivery.

Odorbac closed loop system

- Removes all single use and virgin plastics.
- Non-hazardous, biodegradable formulations removes pollution risk.
- Closed loop recycling system provides a reuse, recycling, recovery process of Odorbac containers.

Clean Works Pro Eco floor pads

- Made from 100% post-consumer recycled PET fibre.
- Up to 11 PET water bottles used to manufacture 1 13inch floor pad to remove a substantial volume of single use plastic.

SC Johnson soap products

- Transitioning clients to a cartridge hand soap system from a bulk fill dispenser system reduces plastic waste by 46%, reduces cardboard waste by 81% and overall soap consumption by 77%

First Mile

- Zero to landfill waste collection services
- Consultative recycling programmes specific to clients' waste profiles.
- Fleet of electric bicycles used in London for lower carbon recycling collections.
- 100% conversion of any non-recyclable waste into Green energy.

Metsa paper consumable products

- Partnering with a manufacturer of toilet tissue and hand towels utilising 98% renewable energy to produce paper consumable products.
- Investing in a UK fossil-free manufacturing facility to ensure 100% renewable energy is utilised in the manufacturing process in the future.

Kimberly Clark RightCycle program for hand towels

- A closed loop recycling process utilises segregated hand towel waste collected at client locations and recycles this waste into raw materials to create new Kimberly Clark paper products.

phs washrooms

- Focusing on a zero to landfill disposal of all client washroom waste as part of our journey to net zero, our current profile of waste disposal is:
- 93.8% of waste converted into Green energy.
- 4.3% to alternative treatment.
- 1.1% to incineration.
- 0.9% to landfill.

Bunzl small order project:

- Working in partnership with Bunzl Cleaning & Hygiene Supplies to consolidate ordering frequency, increase drop sizes and reduce the number of actual orders placed year on year resulting in demonstrable reduction in the carbon required to make deliveries to clients by reducing small orders by 34%.
- By reducing ordering frequency, Churchill Group has reduced the overall carbon emissions required to deliver the vast array of cleaning materials and consumables required to support our cleaning business and enabling progress towards our net zero ambitions. Utilising a Carbon Forecast tool, we have achieved a 57% reduction in carbon intensity over 4-years and avoided 67.7 tonnes of CO2e compared to 2019 activity.

Cleaning machinery

- Sustainable cleaning equipment continues to be added to our core cleaning equipment range. Latest addition as follows:
- The Numatic ERP180 Tub Vacuum made from 45% less plastic and utilising ReFlow Technology incorporating recycled, post-industrial materials from the automotive industry, all of which have been diverted from landfill incineration. The 420W motor reduces power consumption by up to 30% making the ERP the most sustainable tub vac in the market.





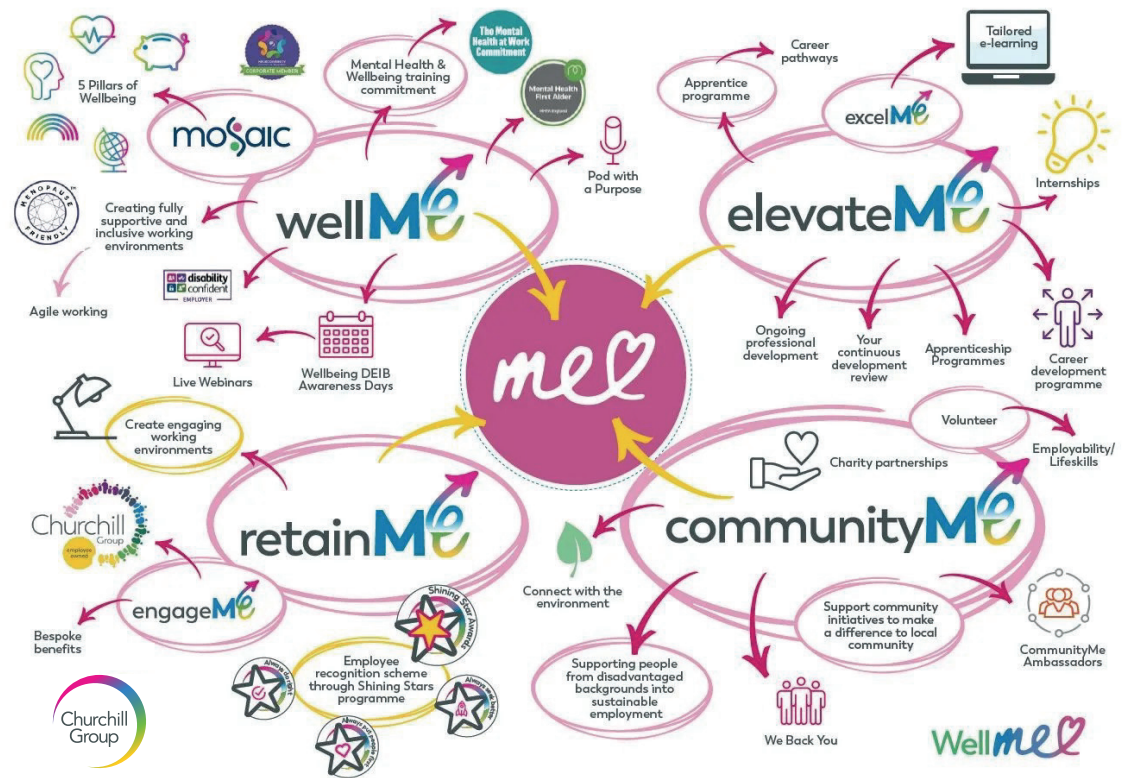
employee wellbeing

At Churchill Group, we believe our people are our greatest asset and never take for granted or underestimate the importance of their health and wellbeing. It's important to us that our colleagues have a space to thrive. Our focus on creating a fully inclusive and supportive culture where all colleagues feel they can bring their whole selves to work and have a true sense of belonging is at the heart of all we do. It's important to us that we enable our colleagues to define their own wellbeing in a way that is sustainable to them, supporting the needs of our multigenerational diverse workforce.

WellMe programme

Our WellMe programme was created to support colleagues at different touch points and events throughout their lives.

The programme is underpinned by our 5 pillars of wellbeing; mental health, physical health, financial health, workplace culture and diversity equity and inclusion.



Colleague activity calendar

In alignment with our commitment to promoting diversity and inclusion across the 5 pillars of wellbeing, we've developed the Churchill Group colleague activity calendar. This calendar serves as a platform to foster participation and collaboration among colleagues throughout the year. Through various initiatives, we aim to raise

awareness and spark engagement on important topics such as mental health, overall wellbeing, and cultivating an inclusive workplace culture.





employee wellbeing

World Menopause Day



Show Racism The Red Card Day



Mosaic

Project Mosaic was created to connect, inspire, and empower people from all parts of our business. It's important to us that all our colleagues have a voice and feel truly heard on subjects that matter to them. It is the foundation used to create a psychologically safe environment where all employees feel they can bring their whole selves to work and have a true sense of belonging.

The role of a Mosaic Champion is unique as they have the opportunity to help influence and shape our business today, tomorrow and in the future, from the perspective of our colleagues. Our champions come from across our group of specialist businesses and are passionate about all things colleague happiness with a drive to make positive change.

Our champions support us to continue to evolve our values of, 'Doing the Right Thing', 'Always Putting People First' and 'Always Seeking Better. Mosaic is instrumental in representing the views, feelings, and experiences

of all colleagues, providing them with a vehicle to voice their thoughts and opinions. Our champions work closely alongside our leadership team to implement change and to truly understand our employees' journey and Churchill experience.

It's important to us that our champions feel supported within their roles, so we work closely with external partners and experts to help elevate their knowledge, awareness, and skills. Our champions also complete wellbeing foundation training to support them to feel confident and successful within their roles.





employee wellbeing

Mental Health First Aid

At Churchill Group, we've established a team of Mental Health First Aiders, each with specialised training and accreditation from Mental Health First Aid England. This globally recognised programme, Mental Health First Aid (MHFA), is designed to help individuals recognise signs of mental health issues and offer initial support, much like traditional first aid training.

By incorporating MHFA training into our organisation and local communities, we aim to promote open discussions about mental health, reduce stigma, and foster a more positive culture. Additionally, our Mental Health First Aiders participate in quarterly peer-to-peer drop-in sessions led by our MHFA Lead. These sessions provide support and encourage mutual growth, skill development, and the building of a supportive community.



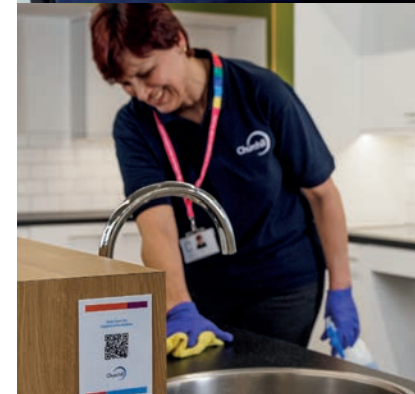
Disability Confident Employer

The Disability Confident scheme holds significant importance for us, underpinning our commitment to inclusivity. As part of this commitment, we meticulously consider every stage of the colleague journey, from role advertising to interviews, onboarding, and beyond, ensuring inclusivity remains a priority throughout.

We take pride in creating spaces and experiences that cater to the diverse needs of our colleagues. Understanding and supporting them is at the core of what we do. We are proactive in providing reasonable adjustments, ensuring that everyone has what they need to thrive in their roles, from recruitment onwards.

Neurodiversity in Business Charter

In March 2023, we signed the Neurodiversity in Business charter to show our commitment to fostering an environment where neurodivergent people are understood and form an invaluable part of our work culture. We recognise the importance of educating all our colleagues about neurodiversity to ensure that everyone receives the best experience and support available to carry out successful, fulfilling roles within our business and the communities we work within.





social value

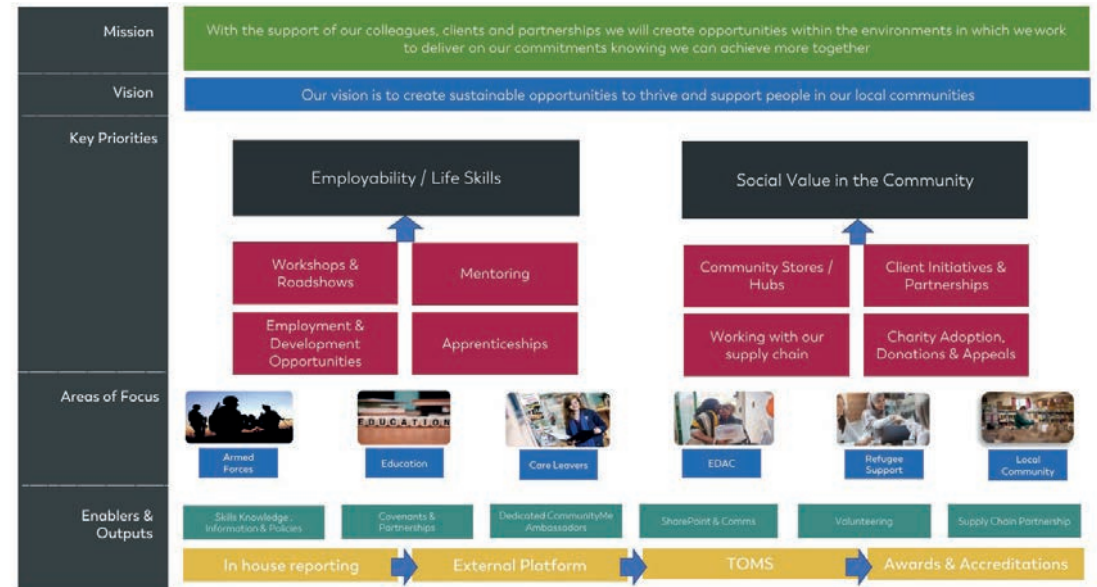
Our social value framework serves as a blueprint for guiding colleagues, our customers and the communities we work within to align their actions with socially beneficial outcomes. It outlines a set of values and metrics designed to evaluate the impact of decisions and initiatives on society.

We've introduced a dedicated role to lead our social value framework and initiatives. With this added support within the business, we're building upon the fantastic contributions our colleagues already make to support local communities and are creating opportunities to positively impact society. Our priority is to assist individuals facing barriers to employment and those with challenging life experiences, helping them thrive within our communities.

Our focus areas include veterans, care-experienced young people, survivors of domestic abuse, refugees, and young people from disadvantaged backgrounds. We collaborate with charities and organisations dedicated to supporting individuals who are

facing significant challenges in finding employment. To facilitate our efforts in supporting social value initiatives, we ensure that our colleagues have access to a range of internal resources and support mechanisms. These resources are designed to empower our team members to actively engage with community projects and initiatives, enabling them to make a tangible and positive difference in the lives of others.

social value framework





social value

Some of the charities we have been working with



shaw trust



Churchill, GTR and the Shaw Trust Charity.

We back you

At Churchill Group, we prioritise supporting charities and causes within the communities where we operate. Through our 'We Back You' scheme, colleagues who are fundraising for a registered charity can request donations or sponsorship from us. This initiative has contributed £30,000 to the funds of charities that hold special significance to our colleagues. Some of these charities include The Drive Forward Foundation, London Air Ambulance, Mental Health UK, Northern Rights, Young Women's Outreach, TENT Partnership and Oasis Community Learning.





social value

Drive Forward Foundation insight day

In collaboration with our partners at the Drive Forward Foundation, Churchill Group proudly hosted a special insight day tailored specifically for care-experienced young individuals. Held at our London office located on Fleet Street, the event served as a platform to offer invaluable insights and opportunities.

During the event, participants were provided with a comprehensive introduction to our business operations and the dynamic facilities management (FM) industry. It was an immersive experience, designed to equip them with a deeper understanding of our company ethos, values, and the myriad of career paths available within Churchill Group.

One of the highlights of the event was the opportunity for attendees to engage directly with leaders and hiring managers from various divisions within our business. From the cleaning and transport sectors to security and guest services, they had the chance to network, ask questions, and gain firsthand insights from industry professionals.

In addition to these interactive sessions, the insight day featured engaging group activities and mock interviews, carefully crafted to enhance participants' skills and confidence levels. These activities not only provided practical experience but also encouraged collaboration and teamwork among the attendees.

As the event drew to a close, contact details were exchanged, symbolising the beginning of potential future collaborations and opportunities. Suhag, one of the young individuals who attended the event, shared his thoughts: "It was a truly enlightening experience to see the array of opportunities available at Churchill Group. It's rare to find an event where so many people can relate to each other and share common experiences."

Overall, the Insight Day proved to be a resounding success, leaving a lasting impression on both participants and our colleagues. It showcased our dedication to fostering inclusivity, empowerment, and meaningful engagement within our communities and beyond, ensuring inclusivity remains a priority throughout.

We take pride in creating spaces and experiences that cater to the diverse needs of our colleagues. Understanding and supporting them is at the core of what we do. We are proactive in providing reasonable adjustments, ensuring that everyone has what they need to thrive in their roles, from recruitment onwards.



DRIVE FORWARD



social value

Apprenticeships

Within the Churchill Group, we are fortunate to have a team of exceptional individuals who contribute their talents and dedication to our success. Apprenticeships are invaluable opportunities that open doors to new possibilities and pathways to career advancement. Throughout the financial year 22/23, we proudly supported 35 of our colleagues on their apprenticeship journeys, enabling them to further their careers in FM. These apprenticeships have equipped our colleagues with fresh knowledge, skills, and behaviours that not only enhance their effectiveness in their current roles but also pave the way for assuming greater responsibilities and progressing in their careers.

While we acknowledge the significant positive impact apprenticeships bring, it's important to recognise the immense effort and dedication required to complete an apprenticeship alongside fulfilling one's regular job responsibilities. It's a testament to the commitment and resilience of our apprentices that they successfully balance these dual responsibilities.



35

Throughout the financial year 22/23, we proudly supported 35 of our colleagues on their apprenticeship journeys, enabling them to further their careers in FM.





social value

Andre Micai

**Key Account Manager, London,
Facilities Manager Level 4**

“Doing the IWFM Level 4 Facilities Management Diploma apprenticeship has truly been a transformative experience for me, not only in my role as a key account manager but also as an individual.

As a cleaning manager, my primary responsibility is to ensure that the facilities I oversee are maintained to the highest standards of cleanliness and functionality.

Through the apprenticeship program, I have tackled various key areas such as planning and executing maintenance schedules, managing budgets, coordinating with vendors, and implementing sustainable practices. With each module completed, I have gained the expertise needed to handle all aspects of facilities management, enabling me to better lead and guide my team to achieve our goals.

An invaluable aspect of the apprenticeship has been the emphasis on communication and interpersonal skills. Given the collaborative nature of facilities management, effective



communication is essential when interacting with colleagues, subcontractors, and other stakeholders. By practising my communication abilities, I have been able to foster strong working relationships, ensuring that tasks are carried out smoothly, and objectives are met. Furthermore, these improved communication skills have positively affected my interactions outside of work, equipping me with the ability to engage with others more effectively and build stronger connections.

In summary, undertaking a facilities management apprenticeship has not only enhanced my abilities as a key account manager but has also positively impacted my personal growth. The fresh knowledge, problem-solving skills, effective communication techniques, and environmental consciousness acquired through the apprenticeship have translated into better performance within my role and improved interactions with others. This experience has truly been invaluable, paving the way for both professional and personal development.”

Reed Barham

**IT Service Desk Apprentice,
Head Office IT, Information
Communication Tech Level 3**

“Since starting my Level 3 Information Communications Technician apprenticeship, I have had the opportunity to learn and develop my skills within IT.

The program has been great for my learning style, allowing me to learn in a hands-on environment while also having the opportunity to join live events with experienced tutors. This combination of hands-on learning and theory has allowed me to learn at a fast pace, while also feeling comfortable at the pace I am learning.

My colleagues have also played a crucial role in providing support and guidance throughout my apprenticeship, giving me advice from their experience and allowing me to further my understanding of systems and processes.”



case study

Ivan Lucci

The Churchill family, our Chequers and Renovo businesses are involved in supporting a variety of social housing projects in and around London with cleaning and grounds management services.

Renovo is a joint venture between Chequers and One Housing, a housing association and a not-for-profit organisation with a strong social purpose.

One Housing's operations include Arlington, a hostel for the homeless in London that incorporates a conference centre. Chequers runs BICSc and other training programmes at Arlington.

One Housing saw the value in the programmes and opened them up to Crisis, one of its partners. Crisis is a national charity for people experiencing homelessness. Members are offered expert help to find safe housing and an opportunity to gain new skills as well as wellbeing support.

Ivan Lucci was a member of Crisis and was being supported by his Crisis coach. Thanks to that help, he became aware of our training programmes and subsequently

attended the Chequers training centre. He successfully passed his day's course, impressed our training team, and as a result was later offered an interview.

The good news didn't end there because Ivan was subsequently offered a job. He now works for Churchill at the Stratford Centre, a shopping mall and indoor market in Stratford town centre, east London. He works four hours a day, five days a week.

For Ivan, this was an important achievement. He said: "I was desperate to find a job, not only for the money but for my sense of self-worth. When you have experienced having no fixed abode and no job, the world feels so bleak. The teams at Crisis, Chequers and Churchill all pulled together to help me, and it has made a very big difference to my life."

"Everyone helped me to get back into the workplace and, what's more, find a way of earning enough money to supplement my benefits without losing them. I am 42 years old and finally getting back on my feet. I have somewhere to live, I have a job and I feel genuinely optimistic about the future."

Said Naomi Childe, director at Chequers: "The Churchill Group takes its social value responsibilities seriously, and all the businesses in the group look to add value to the communities they are part of. We run various initiatives to help disadvantaged people from our communities get back into the workplace, but the success of them is still dependent upon the qualities of the people we meet."

"Ivan showed all the characteristics we look for, he was willing, pitched in and showed enthusiasm. At his later interview, he impressed more of my colleagues and that's how he earned his role. It is great to know that we have helped Ivan get back on his feet, and to be able to share his story to inspire others."



One Housing



conclusion

Our annual ESG report highlights our strong dedication to environmental sustainability, social responsibility, and corporate governance. Through transparent reporting and consistent action, we have made notable progress in embedding ESG principles into our operations, ultimately contributing to lasting value for our colleagues, customers, and the communities in which we operate. Looking ahead, we are committed to furthering our efforts to create a positive impact and promote a sustainable future for all.



Data Appendix 1.

Category	Financial Year	2022/23	2021/22	Change
Energy	Overall Energy Consumption (MWh)	10,719.7	10,159.5	6%
	Total electricity consumption (MWh)	359.1	362.4	-1%
	Renewable Electricity consumption (MWh)	307.0	272.8	13%
	Renewable Electricity Share (%)	85%	74%	16%
	Energy Intensity (kWh/Employee)	668.9	753.0	-11%
	Energy Intensity (MWh/£m Revenue)	33.0	36.1	-9%
Carbon*	Scope1 (tCO2e)	2661.4	2505.6	6%
	Scope2 (tCO2e)	69.4	89.9	-23%
	Scope2 Market-Based (tCO2e)	34.2	45.3	-24%
	Scope3 (tCO2e)	13,264.0	12,680.0	5%
	Scopes 1-3 Total (tCO2e)	15,994.8	15,275.5	5%
	Scopes 1-3 Intensity (tCO2e/Employee)	1.0	1.1	-12%
	Scopes 1-3 Intensity (tCO2e/£m Revenue)	49.2	54.3	-9%
Waste	Total overall waste (t)	35.8	16.2	121%
	Total hazardous waste (t)	0.0	0.0	-
	Waste diverted from landfill (t)	33.9	9.7	250%
	Waste converted to energy (t)	19.3	5.4	258%
	Waste recycled (t)	14.6	4.3	240%
	Waste diverted from landfill (%)	95%	60%	58%
	Recycling rates (%)	41%	27%	54%
	Waste Intensity (kg/per M&A Employee)	203.2	95.9	112%
	Waste Intensity kg/Employee	2.23	1.20	86%
	Waste Intensity (kg/£m Revenue)	110.0	57.6	91%
Water	Water Consumed (m3)	1878.4	2174.0	-14%
	Water Intensity (m3/ M&A Employee)	10.7	12.9	-17%
	Water Intensity (m3/ Employee)	0.12	0.16	-27%

Table 1:
Environmental
Metrics

*All carbon footprint figures are given as location-based unless market-based is specified.

Data Appendix 2.

Scope	Category	2022/2023		2021/2022		% Change 23 vs 22
		Total Emissions (tCO ₂ e)	% of Total Emissions	Total Emissions (tCO ₂ e)	% of Total Emissions	
Scope 1	Total Scope 1	2,661	17%	2,506	18%	6%
	Natural gas	9	0.1%	11	0.1%	-18%
	Plant/Machinery Fuel	44	0.3%	7	0.0%	561%
	Refrigerants	-	0.0%	2	0.0%	-
	Company Vehicles	2,609	16.8%	2,486	16%	5%
Scope 2	Total Scope 2	69	0.4%	90	1%	-23%
	Electricity (Location based)	69	0.4%	90	0.6%	-23%
	Electricity (Market based)	34		45		
Scope 3	Total Scope 3	13,264	83%	12,680	83%	5%
	Purchased Goods & Services	8,124	52.4%	7,624	53.7%	7%
	Capital Goods	973	6.3%	1,109	7.8%	-12%
	Fuel & Energy Related Activities	710	4.6%	607	4.1%	17%
	Upstream Transportation and Distribution	465	3.0%	125	0.9%	272%
	Waste generated in operations	3	0.02%	9	0.1%	-67%
	Waste managed at client sites	40	0.3%	8	0.1%	406%
	Business travel	376	2.4%	437	2.4%	-14%
	Employee commuting and remote working	2,061	13.3%	2,228	12.6%	-7%
	Use of sold products/services	502	3%	517	3%	-3%
	End of life treatment of sold products	10	0.1%	16	0.1%	-38%
ALL	15,995	100%	15,275	100%	4.7%	

Table 2: Financial Year 22/23 Greenhouse Gas inventory

The Churchill Group organisational carbon footprint has been calculated in line with the GHG Protocol Corporate Accounting and Reporting Standard, the Corporate Value Chain (Scope 3) Standard, and the UK Government GHG Conversion Factors for company reporting. The Scope 1 and Scope 2 emissions have been verified to limited assurance according to ISAE 3410.



Data Appendix 3.

Training Category	Number of Programs	Completion Rate
Business Ethics	5	75%
Data Security / GDPR	7	73%
Diversity and Inclusion	5	60%
Environmental Awareness	1	73%
Health and Safety	15	77%
Human Resources	11	75%
Human Rights	2	63%
Mental Health Awareness	3	87%
Modern Slavery Awareness	1	69%
Career and Skills Development	4	89%
Water and Water Hygiene	1	77%

Table 3: M&A
ESG Training
Metrics - FY23