Carbon Footprint Assessment and Net Zero Strategy Report

Project ID:
7269069158

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1. Executive Summary

ParkingEye Limited commissioned this project to evaluate its operational greenhouse gas (GHG) emissions and update its Net Zero strategy. This report presents the company's carbon footprint assessment for the 2024 reporting year, **1st January 2024** to **31st December 2024**, marking the fifth year of full Scope 1 to 3 emissions reporting with McGrady Clarke. The assessment also supports an update to the Net Zero strategy, which uses FY 2019 as the baseline year.

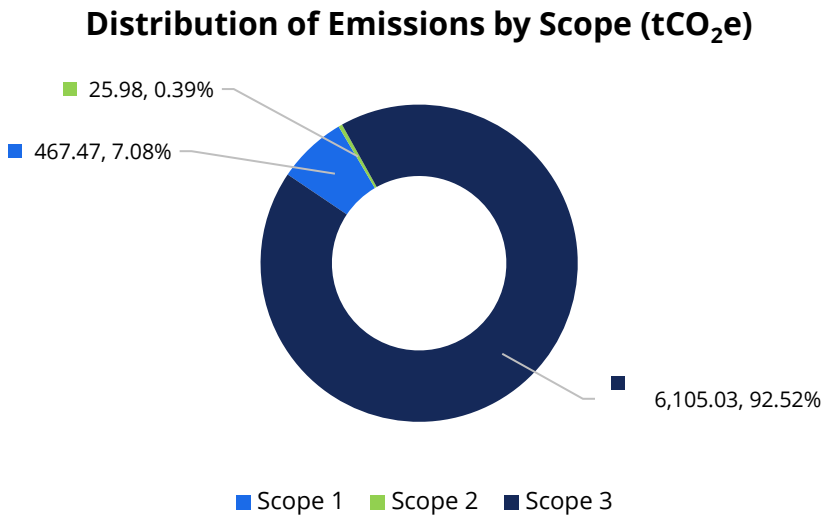

Figure 1 Distribution of Emissions by Scope

Figure 1 and **Table 2** summarise ParkingEye Limited's FY 2024 greenhouse gas inventory. During the reporting period, the organisation generated 6,598.48 tonnes of carbon dioxide equivalent (tCO_2e), reflecting a 19.07% reduction from FY 2023, as shown in **Table 1** below. In FY 2024, Scope 3 emissions accounted for the majority of the footprint (92.52%), while Scope 1 and Scope 2 contributed 7.08% and 0.39% respectively. Within Scope 3, *Capital Goods* was the largest contributing category at 2,004.19 tCO_2e.

Table 1 Summary of Emissions

Scope	Reporting Year		Percentage Change (%) from 2023 to 2024
	2024	2023	
Scope 1 (tCO_2e)	467.47	318.52	+46.76%
Scope 2 (tCO_2e)	25.98	77.77	-66.60%
Scope 3 (tCO_2e)	6,105.03	7,757.36	-21.30%
Total Emissions (tCO_2e)	**6,598.48**	**8,153.64**	**-19.07%**

All emissions across each scope have been calculated using the location-based methodology (see **Section 2** for more detail). Of the 15 Scope 3 categories, nine were applicable and have been included in the FY 2024 carbon footprint calculations (see **Table 2** and **Section 14** for further breakdown). ParkingEye Limited monitors all relevant GHG emissions across applicable scopes with no significant exclusions, and the GHG inventory is updated annually. The carbon footprint has been prepared in accordance with the GHG Protocol.

Table 2 Summary of Emissions by Scope

Source	Carbon Emissions (tonnes CO_2 equivalent)	% of Total Emissions
Intensity Metrics		
Emissions per Turnover (tCO_2e/£m)	214.42	-
Emissions per FTE Employee (tCO_2e/FTE)	21.92	-
Scope 1		
Natural Gas	21.17	0.32%
Transportation (Excluding Grey Fleet)	446.30	6.76%
Total Scope 1	**467.47**	**7.08%**
Scope 2		
Location-based Electricity	25.98	0.39%
Total Scope 2	**25.98**	**0.39%**
Scope 3		
1. Purchased Goods and Services	1,844.78	27.96%
2. Capital Goods	2,004.19	30.37%
3. Fuel- and Energy-Related Activities Not Included in Scope 1 or 2	122.12	1.85%
4. Upstream Transportation and Distribution	75.43	1.14%
5. Waste Generated in Operations	1.18	0.02%
6. Business Travel	242.20	3.67%
7. Employee Commuting	217.57	3.30%
9. Downstream Transportation and Distribution	0.21	0.00%
11. Use of Sold Products	1,597.35	24.21%
Total Scope 3	**6,105.03**	**92.52%**
Total Emissions	**6,598.48**	**100.00%**

The Net Zero strategy has been updated from the 2019 base year with the aim of achieving Net Zero by 2050, however, based on current progress, ParkingEye Limited is projected to potentially reach this goal as early as 2040. The updated strategy includes Scope 1, 2 and 3 emissions reduction actions, which are outlined in **Section 16.2**. At the time of reporting, ParkingEye Limited remains ahead of its targets.

2. Introduction

In this report, ParkingEye Limited's operational carbon emissions have been calculated. The analysis has been completed using a **location-based**[1] approach (i.e. does not consider the current purchases of renewable energy) rather than a **market-based**[2] approach because:

- By using only the location-based approach, the client ensures consistency in emissions reporting, avoiding potential fluctuations caused by market-based purchasing decisions.
- Future changes in energy procurement, such as rising costs or shifts to non-renewable or partially renewable energy, would not impact baseline emissions calculations.
- This approach maintains comparability over time, ensuring that carbon reduction progress is measured against a stable and reliable benchmark without the complexities of dual reporting.

3. Boundary

3.1. Organisational Boundary

The organisational boundary for this carbon footprint assessment encompasses all operations under the control of ParkingEye Limited, using the operational control approach. This means that any activity where ParkingEye Limited has full authority to implement and enforce its operational policies is included within the reporting boundary.

The assessment has been carried out at the corporate level, rather than product level. Due to the nature of ParkingEye Limited's operations as a service provider, primarily offering automated number plate recognition (ANPR) and parking management solutions, traditional product-level greenhouse gas accounting is less appropriate.

3.2. Scope Descriptions

The GHG Protocol Corporate Accounting and Reporting Standard categorises corporate greenhouse gas (GHG) emissions into three distinct 'Scopes'.

[1] A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid average emission factor data).
[2] A market-based method reflects emissions from electricity that companies have purposefully chosen; it considers any Renewable Energy Certificates, supplier and tariff.

Scope 1 emissions refer to direct emissions from sources that are under a company's operational control. These include emissions from the combustion of natural gas, onsite fuels, and company-owned or operated vehicles.

Scope 2 emissions are indirect GHG emissions resulting from the generation of purchased electricity, heat, steam or cooling consumed by the company. Although these emissions occur at the facilities where the energy is produced, they are accounted for in the organisation's footprint because they are driven by its energy use.

Scope 3 emissions are all other indirect GHG emissions that occur as a consequence of a company's activities but arise from sources not owned or controlled by the company. There are 15 Scope 3 categories which are detailed further in **Section 14** of this report.

3.3. Scope 1 and 2 Boundaries

The Scope 1 and 2 boundaries for this report include emissions associated with natural gas consumption and electricity usage within ParkingEye Limited's buildings, and fuel used by company-owned or operated vehicles. It is acknowledged that ParkingEye does combust small quantities of fuel onsite in diesel generators, however this data cannot be separated for transport data. Therefore, in this assessment, it has been assumed all fuel data was used for transport purposes.

Carbon equivalent emissions have been assessed using the location-based approach, as defined above.

3.3.1. Buildings

Table 3 provides a summary of the sites that recorded natural gas or electricity consumption during the reporting period, along with their corresponding MPANs/MPRNs and utility type. Fugitive emissions from refrigerant losses are not applicable and have therefore not been included in the carbon footprint. No new sites were occupied during 2024.

Table 3 ParkingEye Limited's Sites and Their Relative Utilities

Site Location	MPAN	Utility
Eaton Avenue 34, Chorley, PR7 7NA	7602864708	Natural Gas
Eaton Avenue 38, Chorley, PR7 7NA	7602865003	Natural Gas
Chorley Buckshaw Village, PR7 7NA	7602864809	Natural Gas

Eaton Avenue 40, Chorley, PR7 7NA	7602864910	Natural Gas
Carr Place 426, Walton Summit Centre Bamber Bridge Preston PR5 8AU	56085107	Natural Gas
Unit 426 Walton Summit Centre, Preston, Lancashire, PR5 8AU	1610021130494	Purchased Electricity
36 Eaton Avenue, Chorley, Lancashire, PR7 7NA	1630000454394	Purchased Electricity
40 Eaton Avenue, Chorley, Lancashire, PR7 7NA	1630000454419	Purchased Electricity
Landlords Supply, 36-38 Eaton Avenue, Buckshaw Village, Chorley, Lancashire, PR7 7NA	1630000454446	Purchased Electricity
Car Park, Church Street, Kidderminster DY10 2AW	1470001109576	Purchased Electricity
LANDLORDS SUPPLY 40-42, EATON AVENUE, BUCKSHAW	1630000454437	Purchased Electricity
38 EATON AVENUE, BUCKSHAW VILLAGE CHORLEY PR7 7NA	1630000454400	Purchased Electricity
36-40 Eaton Avenue, Chorley, Lancashire, PR7 7NA	1630000454428	Purchased Electricity

3.3.2. Vehicles

This report quantifies emissions arising from fuel consumption in all company-owned and operated vehicles, including petrol and diesel vehicles within ParkingEye Limited's fleet. It was confirmed that no electric vehicles (EVs) were in use during the reporting period.

3.4. Scope 3

Emissions have been assessed and reported from categories considered material to the business, in line with the principles of relevance, completeness, accuracy, consistency, and transparency, as set out in the Corporate Value Chain (Scope 3) Accounting and Reporting Standard (World Resources Institute).

Following a materiality screening, the following Scope 3 categories were identified as relevant, significant, and material to ParkingEye Limited's operational carbon footprint:

- Category 1: Purchased Goods and Services
- Category 2: Capital Goods
- Category 3: Fuel- and Energy- Related Activities
- Category 4: Upstream Transportation and Distribution

- Category 5: Waste Generated in Operations
- Category 6: Business Travel
- Category 7: Employee Commuting
- Category 9: Downstream Transportation and Distribution
- Category 11: Use of Sold Products

4. Exclusions and Inclusions

4.1. Exclusions

The following Scope 3 categories have been excluded from the carbon footprint assessment, as they are not applicable to the nature of ParkingEye Limited's business operations:

- Category 8: Upstream Leased Assets
- Category 10. Processing of Sold Products
- Category 12: End-of-Life Treatment of Sold Products
- Category 13: Downstream Leased Assets
- Category 14: Franchises
- Category 15: Investments

All reasonable efforts have been made to account for all factors that may contribute to carbon emissions. Any emission sources not included in this assessment are considered to be de minimis.

4.2. Special Inclusions

The following section outlines where key emission sources have been included within categories whose names may not clearly indicate their contents.

4.2.1. Homeworking

As ParkingEye Limited does not have direct financial or operational control over emissions arising from employees working at home, emissions from homeworking and hybrid staff have been included under the **Section 14.7 Employee Commuting.**

5. Reporting Period

The reporting period for the latest carbon footprint assessment aligns with ParkingEye Limited's financial year, spanning 1st January 2024 to 31st December 2024.

Where relevant, comparisons have been made to the preceding financial year, covering the period from 1st January 2023 to 31st December 2023. Further comparisons to FY 2019 – FY 2022 have also been included where appropriate.

6. Data Quality and Emissions Calculations Methods

Where primary data was available, activity-based calculations were undertaken. In instances where such data was not accessible, a spend-based or hybrid approach was employed. For future reporting periods, it is recommended that the organisation implements a robust data capture system to streamline data collation and enhance reporting accuracy. Further detail on improving data quality is included in the **Methodology and Data Quality** section.

7. Background

ParkingEye Limited, established in 2004, is a leading UK provider of car park management solutions. The company specialises in automated parking systems, including automatic number plate recognition (ANPR) technology, enabling clients such as retail parks, hospitals, hotels and local authorities to manage parking facilities effectively. Its service offering includes parking enforcement, permit management and data analytics.

ParkingEye Limited remains committed to environmental responsibility and continues to monitor and manage its carbon footprint in line with best practice. FY 2024 marks the fifth year the company has quantified its full Scope 1, 2 and 3 emissions, demonstrating its ongoing commitment to sustainable business practices. In addition to producing a comprehensive carbon footprint, ParkingEye Limited continues to comply with the mandatory Streamlined Energy and Carbon Reporting (SECR) framework and the Energy Savings Opportunity Scheme (ESOS).

8. Competitor Analysis

A competitor analysis provides valuable insight into environmental performance relative to industry peers, helping to contextualise a company's market positioning. Key metrics – such as turnover, employee numbers and emissions – are typically drawn from publicly available reports, with carbon intensity (emissions per unit of turnover or FTE) offering a useful benchmark.

It is essential to acknowledge that limitations exist when relying on public emissions data. Methodologies, assumptions, and exclusions are rarely disclosed in detail, hindering meaningful comparability. Furthermore, many organisations report only Scope 1 and 2 emissions, which may represent a small fraction

of total emissions. Comparing this to a company reporting comprehensively across Scopes 1 to 3 may result in skewed or misleading conclusions.

An initial competitor analysis was undertaken for ParkingEye Limited's operations. A list of peer organisations was compiled using internal documentation found on ParkingEye Limited's website under sections labelled 'competitive analysis'. The identified competitors are listed below:

- Euro Car Parks
- Group Nexus
- HX Car Park Management
- Smart Parking
- Horizon Parking
- UK Parking Control
- MET Parking Services
- Simple Intelligent Parking
- (Agena Group) UK Car Park Management

Of the companies reviewed, only Euro Car Parks and UK Car Park Management had publicly reported emissions. UK Car Park Management disclosed data at the group level, while Euro Car Parks published a Carbon Reduction Plan alongside their emissions figures. Both reports covered FY 2023 and thus formed the basis of the quantitative comparison in this analysis.

Other competitors, including Group Nexus, HX Car Park Management and UK Car Park Management, published general sustainability policies without disclosing emissions data. Group Nexus has publicly stated an aim to achieve carbon neutrality by 2026 and noted the offsetting of 253 tCO_2e in 2022, suggesting that partial emissions calculations may have been undertaken. However, the absence of published data precluded direct comparison with ParkingEye Limited.

Figure 2 and **Figure 3** present a comparison of emissions intensity, measured as $kgCO_2e$ per £ turnover and tCO_2e per full-time equivalent (FTE) employee respectively. These were calculated using publicly available data for each competitor. Although ParkingEye Limited's intensity metrics are higher, it is important to acknowledge that ParkingEye reports on all applicable 15 Scope 3 categories in addition to Scope 1 and 2. In contrast, Euro Car Parks reports on only a subset of Scope 3 categories, while UK Car Park Management discloses emissions in line with Streamlined Energy and Carbon Reporting (SECR) requirements, with limited Scope 3 coverage.

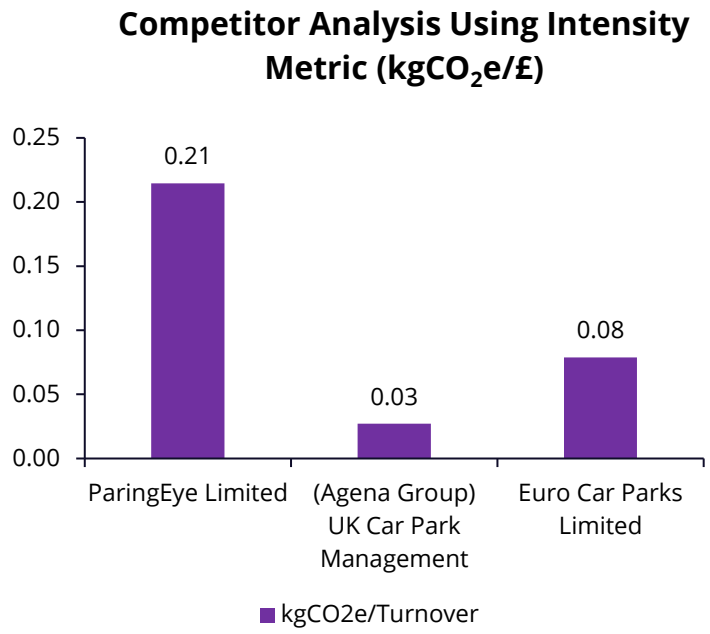

Figure 2 Competitor Analysis by Intensity Metric Emissions per pound

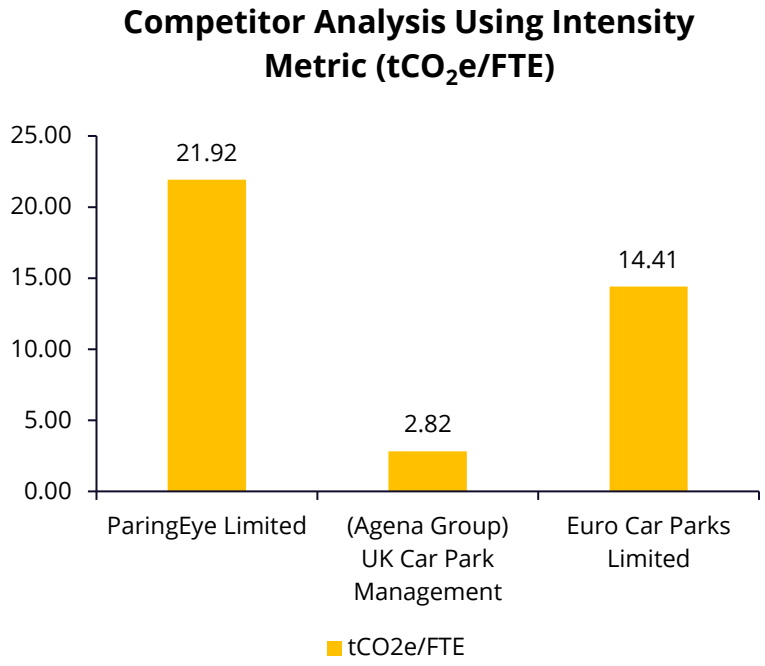

Figure 3 Competitor Analysis by Intensity Metric Emissions per Full Time Employee

Figure 4 compares Scope 1 and 2 emissions per turnover (£m) across the peer group. ParkingEye Limited reported the lowest emissions metric from purchased electricity. On the other hand, ParkingEye Limited have the highest Scope 1 emissions per turnover. Therefore, reducing Scope 1 emissions represents a huge opportunity to ParkingEye Limited.

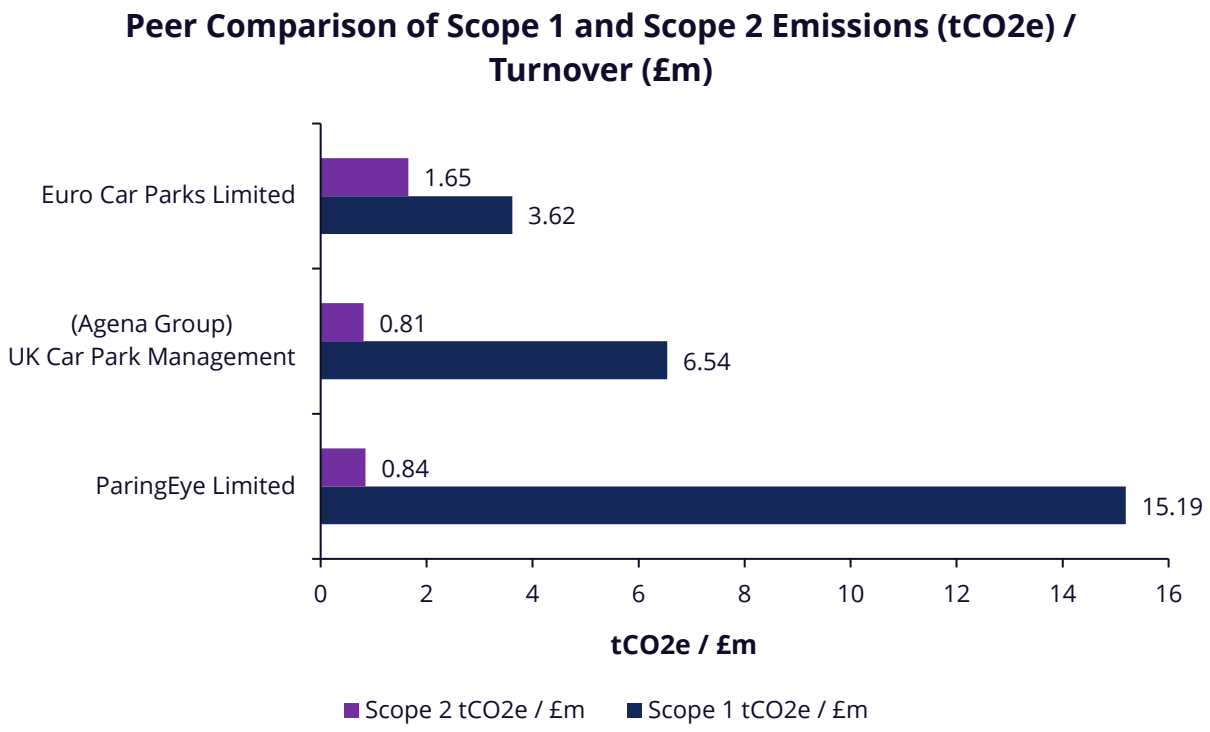

Figure 4 Peer Comparison of Scope 1 and 2 Emissions Intensity Metrics

Overall, the analysis demonstrates that comprehensive emissions disclosure within the sector is limited. ParkingEye Limited distinguishes itself through transparent and complete carbon accounting across all three scopes on top of SECR-compliant scope categories. This level of reporting exceeds regulatory requirements and positions the organisation as a leader in sustainability within the industry. By voluntarily adopting best practices and maintaining full disclosure, ParkingEye Limited sets a strong precedent for peers in the sector.

9. Emissions Overview

Emissions by scope and subcategory are presented in **Table 4** and **Figure 5**, with each scope disaggregated into its respective components. **Table 4** and **Figure 6** also include a historical breakdown of emissions across reporting years. Please note that there have been some revisions to the methodology used to calculate emissions from *Use of Sold Products* therefore these figures differ to those published in previous reporting. Similarly, *Upstream Leased Assets* was previously included in previous reports, but has since been removed, as new information revealed the data was double counting with Scopes 1 and 2.

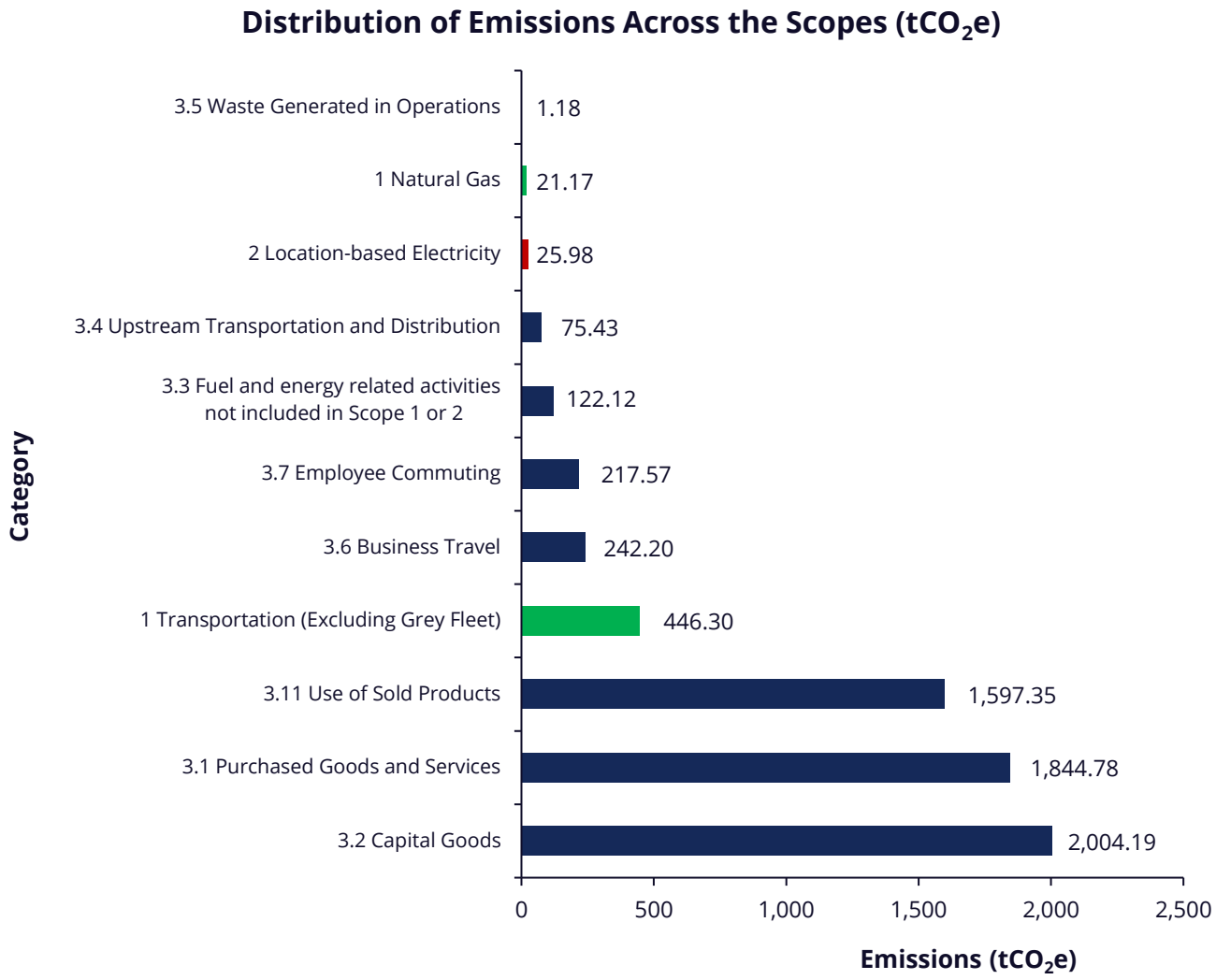

Figure 5 Distribution of Emissions Across the Scopes

Figure 5 illustrates the distribution of ParkingEye Limited's emissions across all three scopes. For visual reference, Scope 1 emissions are represented in green, Scope 2 emissions in red, and Scope 3 emissions in navy blue. The figure clearly demonstrates that the majority of emissions fall within Scope 3, which is typical for service-based organisations where value chain activities generate significantly more emissions than direct operations.

The most emission-intensive Scope 3 categories for ParkingEye Limited in FY 2024 were *Capital Goods* (2,004.19 tCO_2e), *Purchased Goods and Services* (1,844.78 tCO_2e), and *Use of Sold Products* (1,597.35 tCO_2e), representing 30.37%, 27.96%, and 24.21% of total emissions respectively. These categories have consistently dominated the emissions profile across all reporting years, as illustrated in **Figure 6**. Whereas Scope 1 and Scope 2 emissions, arising from *Natural Gas* (21.17 tCO_2e*), Company-Operated Vehicles* (446.30 tCO_2e), and *Electricity Consumption* (25.98 tCO_2e) constitute a relatively small share of total emissions.

Figure 6 presents ParkingEye Limited's current and historical greenhouse gas emissions by scope and subcategory from 2019 to 2024. It should be In FY 2024, total emissions amounted to 6,598.48 tCO_2e, with 92.52% attributed to Scope 3 sources. Over time, ParkingEye Limited has achieved a 28.40% reduction in total greenhouse gas emissions between 2019 and the current reporting year, FY 2024.

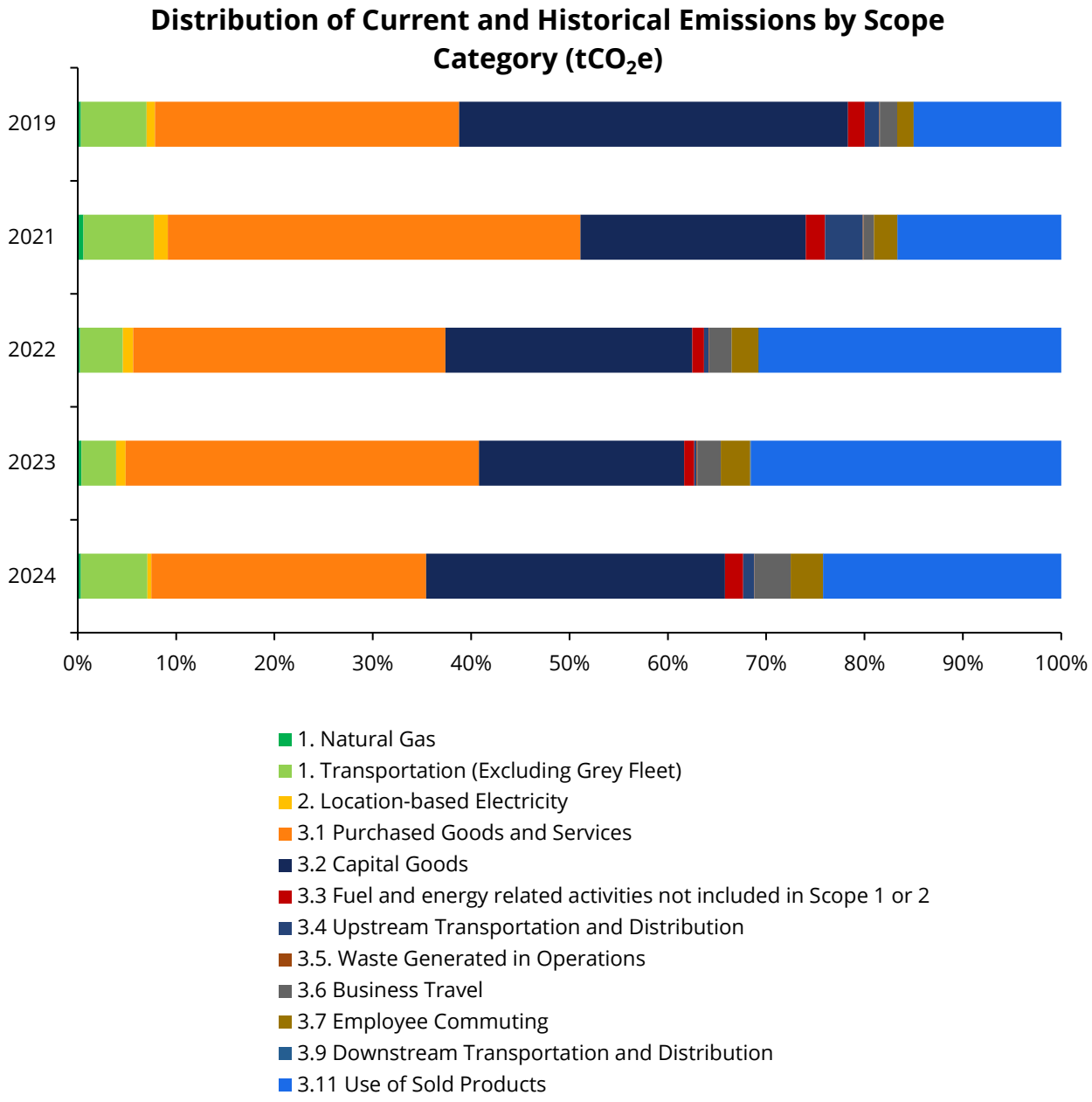

Figure 6 Current and Historical Emissions by Scope Category

Table 4 Current and Historical Emissions Inventory (tCO_2e)

Reporting Year	2024		2023		2022		2021		2019	
Source	Emissions (tCO_2e)	% of Total Emissions	Emissions (tCO_2e)	% of Total Emissions	Emissions (tCO_2e)	% of Total Emissions	Emissions (tCO_2e)	% of Total Emissions	Emissions (tCO_2e)	% of Total Emissions
Intensity Metrics										
Emissions per Turnover (tCO_2e/£m)	214.42	-	141.84	-	185.66	-	143.34	-	204.33	-
Emissions per FTE Employee (tCO_2e/FTE)	21.92	-	25.72	-	28.84	-	18.09	-	25.04	-
Scope 1										
Natural Gas	21.17	0.32%	30.34	0.37%	21.27	0.23%	31.03	0.55%	28.93	0.31%
Transportation (Excluding Grey Fleet)	446.30	6.76%	288.18	3.53%	398.15	4.35%	392.34	6.95%	615.54	6.68%
Total Scope 1	**467.47**	**7.08%**	**318.52**	**3.91%**	**419.42**	**4.59%**	**423.37**	**7.50%**	**644.48**	**6.99%**
Scope 2										
Location-based Electricity	25.98	0.39%	77.77	0.95%	95.26	1.04%	77.86	1.38%	79.27	0.86%
Total Scope 2	**25.98**	**0.39%**	**77.77**	**0.95%**	**95.26**	**1.04%**	**77.86**	**1.38%**	**79.27**	**0.86%**
Scope 3										
1. Purchased Goods and Services	1,844.78	27.96%	2,930.74	35.94%	2,904.16	31.76%	2,293.29	40.63%	2,849.16	30.92%
2. Capital Goods	2,004.19	30.37%	1,700.94	20.86%	2,295.20	25.10%	1,251.87	22.18%	3,644.03	39.54%
3. Fuel- and Energy-Related Activities Not Included in Scope 1 or 2	122.12	1.85%	81.87	1.00%	109.09	1.19%	107.96	1.91%	157.73	1.71%
4. Upstream Transportation and Distribution	75.43	1.14%	19.81	0.24%	44.43	0.49%	209.49	3.71%	135.92	1.47%
5. Waste Generated in Operations	1.18	0.02%	7.85	0.10%	3.04	0.03%	4.02	0.07%	4.13	0.04%
6. Business Travel	242.20	3.67%	192.57	2.36%	208.09	2.28%	57.40	1.02%	163.21	1.77%
7. Employee Commuting	217.57	3.30%	243.88	2.99%	249.08	2.72%	307.78	5.45%	153.58	1.67%
9. Downstream Transportation and Distribution	0.21	0.00%	6.50	0.08%	6.36	0.07%	0.58	0.01%	0.55	0.01%
11. Use of Sold Products	1,597.35	24.21%	2,573.20	31.56%	2,809.51	30.73%	910.48	16.13%	1,383.31	15.01%
Total Scope 3	**6,105.03**	**92.52%**	**7,757.36**	**95.14%**	**8,628.96**	**94.37%**	**5,142.86**	**91.12%**	**8,491.63**	**92.15%**
Total Emissions	**6,598.48**	**100.00%**	**8,153.64**	**100.00%**	**9,143.65**	**100.00%**	**5,644.09**	**100.00%**	**9,215.37**	**100.00%**

10. Intensity Metrics

Intensity metrics are a useful tool for enabling standardised comparisons across reporting years and between organisations within a common sector. They support the evaluation of environmental performance over time, taking into account operational changes such as fluctuations in turnover or workforce size. However, it is important to recognise that as a company grows, reliance on intensity metrics alone may obscure an absolute increase in emissions. Consequently, businesses should remain focused on achieving genuine reductions in total emissions, rather than relying solely on improvements in intensity ratios.

For ParkingEye Limited, using intensity metrics enables a meaningful comparison of emissions across reporting years, accounting for changes in both turnover and employee headcount. **Figure 7** presents emissions per full-time equivalent (FTE) employee and per £ million turnover from 2019 to 2024. In FY 2024, emissions per £m turnover increased to 214.42 tCO_2e, compared to 141.84 tCO_2e in FY 2023. However, emissions per FTE employee decreased to 21.92 tCO_2e from 25.72 tCO_2e in the previous year. These trends reflect the evolving operational structure and emissions profile of the business. The notable dip in intensity metrics following 2019 reflects the operational disruption caused by the COVID-19 pandemic, which led to reduced business activity and lower associated emissions.

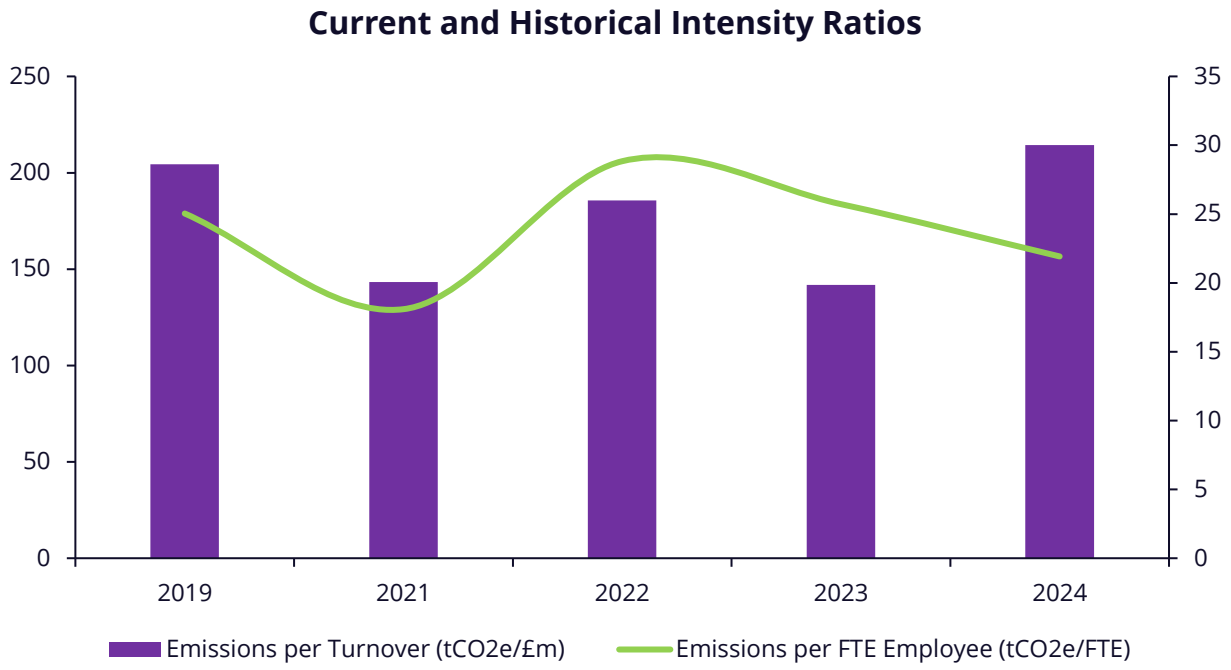

Figure 7 Intensity Ratios

11. Emissions Hotspots

The top five categories of emissions account for 92.97% of ParkingEye Limited's 2024 carbon footprint. These emissions are displayed in **Figure 8** below. It is vital that these hotspots are targeted for decarbonisation initiatives to achieve the most significant emissions savings.

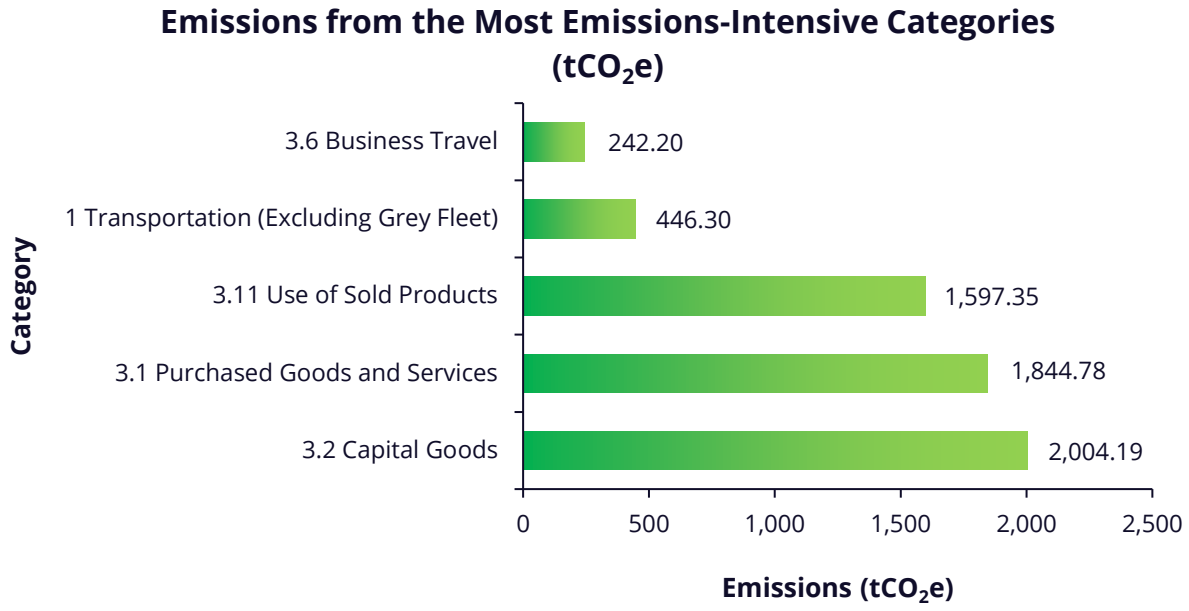

Figure 8 Emissions from ParkingEye Limited's Emissions Hotspots

As previously outlined, *Capital Goods* represents the most significant proportion of ParkingEye Limited's carbon footprint. Emissions from *Capital Goods* can vary considerably from year to year, depending on the scale and nature of capital asset acquisitions and infrastructure projects undertaken during the reporting period. In FY 2024, emissions in this category were primarily driven by the procurement and installation of ANPR infrastructure, hardware, and associated construction materials intended for long-term operational use.

The second most emissions-intensive category is *Purchased Goods and Services*, with emissions this year largely driven by the procurement of printing and recording services. This marks a shift from the previous year, when the category's emissions were predominantly associated with employment services, IT services, and consultancy.

Collaboration with suppliers is key to reducing emissions in the *Capital Goods* and *Purchased Goods and Services* categories. For ParkingEye Limited, this includes engaging suppliers on emissions performance, enhancing a Sustainable Procurement Policy, and identifying lower-carbon alternatives. Encouraging supplier Scope 1 and 2 reporting will also support joint reduction efforts.

Scope 3 emissions from the *Use of Sold Products* form the third largest category within ParkingEye Limited's carbon footprint, primarily driven by the energy consumption of servers, EV chargers, and cameras installed at client sites.

Scope 1 emissions from transportation, excluding grey fleet, in company-owned cars and vans account for 6.76% of ParkingEye Limited's total carbon footprint, making it the fourth largest emissions category. As this source is directly influenced by the company's operational decisions, it presents a clear and practical opportunity for targeted emissions reduction. One such opportunity is the potential electrification of ParkingEye Limited's company fleet. Transitioning to electric vehicles (EVs) would significantly reduce Scope 1 emissions by eliminating tailpipe emissions from fossil fuel combustion.

Scope 3 *Business Travel* represents the fifth largest source of emissions in ParkingEye Limited's carbon footprint. The majority of these emissions (approximately 73.67%) are attributable to grey fleet usage. To address this, ParkingEye Limited's ESOS Action Plan includes the implementation of a comprehensive grey fleet management policy by December 2025. This policy will establish clear guidelines to control and optimise the use of employee-owned vehicles for business travel, with the aim of reducing emissions associated with Scope 3 *Business Travel* activities.

Further detail on these initiatives, along with additional recommended actions to support ParkingEye Limited in reducing emissions and progressing towards Net Zero, is provided in the accompanying Net Zero Strategy.

12. Scope 1 Emissions

Scope 1 emissions are direct emissions arising from operations under ParkingEye Limited's direct control, comprising of emissions from natural gas usage, and fuel usage from company owned or operated vehicles. Emissions from onsite fuel combustion have been included within the transportation total; this is because the quantities combusted are minimal and cannot be separated from transportation data.

Table 5 details ParkingEye Limited's Scope 1 emissions, which accounted for 7.08% of total emissions in FY 2024.

Table 5 Overview of Scope 1 Emissions

Scope 1 Category	Emissions (tCO_2e)
Natural Gas	21.17
Transportation (Excluding Grey Fleet)	446.30
Total	**467.47**

The composition of Scope 1 emissions for FY 2023 and FY 2024 is illustrated in **Figure 9.** Within Scope 1, *Transportation (Excluding Grey Fleet)* was the dominant source in FY 2024, contributing 95.47% of emissions, while *Natural Gas* accounted for just 4.53%. In FY 2024, emissions from Scope 1 *Transportation* increased by 54.87% compared to the previous year, whereas emissions from *Natural Gas* declined by 30.22%.

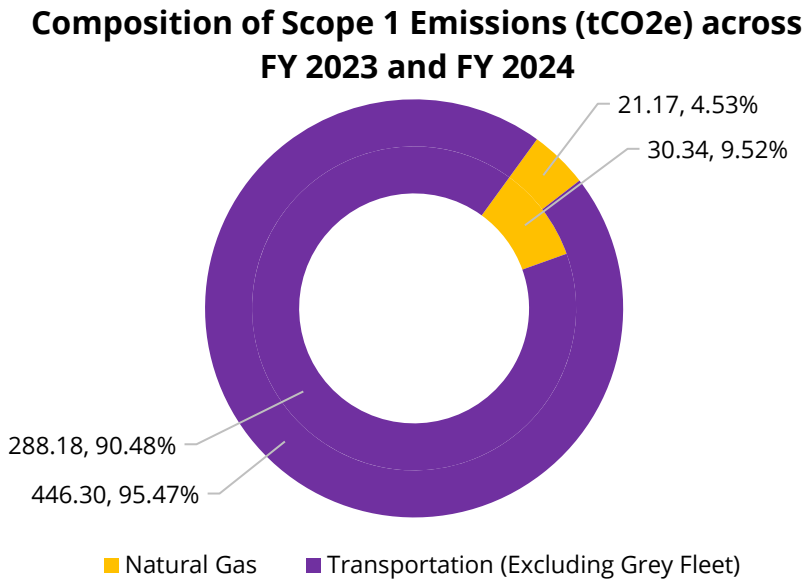

Figure 9 Breakdown of Scope 1 Emissions FY 2023 and FY 2024

Note: The outer circle represents Scope 1 emissions from FY 2024, whereas the inner ring FY 2023.

13. Scope 2 Emissions

Scope 2 emissions refer to indirect emissions resulting from the consumption of purchased electricity, heat, or steam during the reporting period. For ParkingEye Limited, these emissions are solely attributable to electricity consumed across its operational buildings. In FY 2024, Scope 2 emissions accounted for just 0.39% of the company's total carbon footprint, representing a 66.59% reduction in emissions from purchased electricity compared to FY 2023.

As outlined in **Table 6,** total electricity consumption in FY 2024 amounted to 125,459.26 kWh, resulting in 25.98 tCO_2e. All Scope 2 emissions originated from purchased electricity, which was utilised across the company's sites. The reduction in electricity consumption, and consequently in emissions, can mainly be attributed to one meter. In 2023, this meter's data was based on estimated readings due to lack of actual data. There has since been a change in supplier, and it is thought that the 2024 values are more representative of business operations.

Table 6 Summary of Scope 2 Emissions

Energy Consumption (kWh)	Emissions (tCO_2e)
Location-based Electricity	25.98
Total	**25.98**

Figure 10 presents the electricity consumption by site. In FY 2024, the site at *36 Eaton Avenue, Chorley* accounted for 38.81% of total electricity consumption and the associated Scope 2 emissions. The site at *Unit 426, Walton Summit Centre* followed as the second highest consumer, contributing 23.39%. Combined, these two sites were responsible for 62.19% of ParkingEye Limited's total electricity consumption during the reporting period.

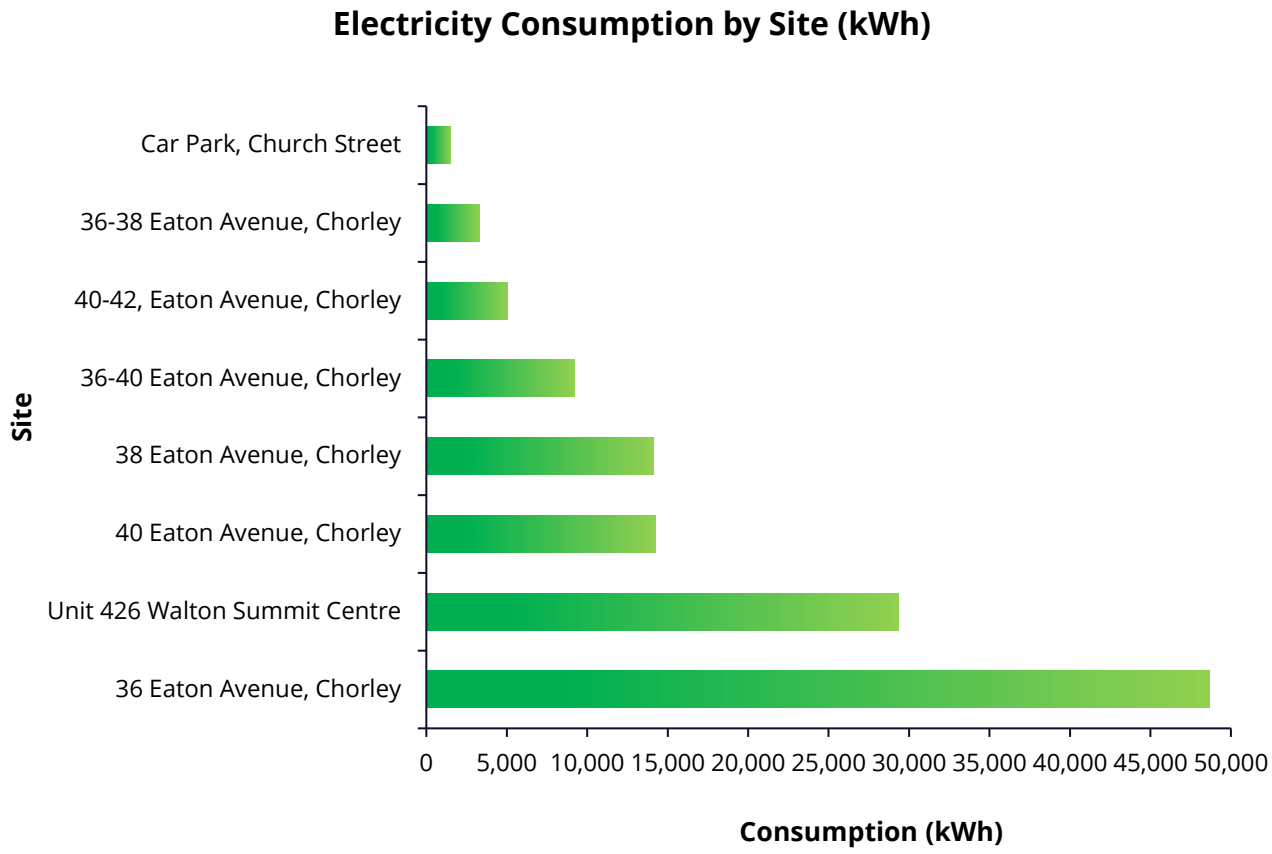

Figure 10 Electricity Consumption by Site (kWh)

14. Scope 3 Emissions

Of the 15 Scope 3 emissions categories, the following were identified as being relevant, significant, and material to ParkingEye Limited's carbon footprint:

- Category 1: Purchased Goods and Services
- Category 2: Capital Goods
- Category 3: Fuel- and Energy- Related Activities
- Category 4: Upstream Transportation and Distribution
- Category 5: Waste Generated in Operations
- Category 6: Business Travel
- Category 7: Employee Commuting
- Category 9: Downstream Transportation and Distribution
- Category 11: Use of Sold Products

A breakdown of Scope 3 emissions in FY 2023 and FY 2024 is provided in **Figure 11**, with **Figure 12** offering a visual representation of the FY 2024 breakdown alone. Each category's greenhouse gas emissions are outlined in more detail in sections **14.1** to **14.15**.

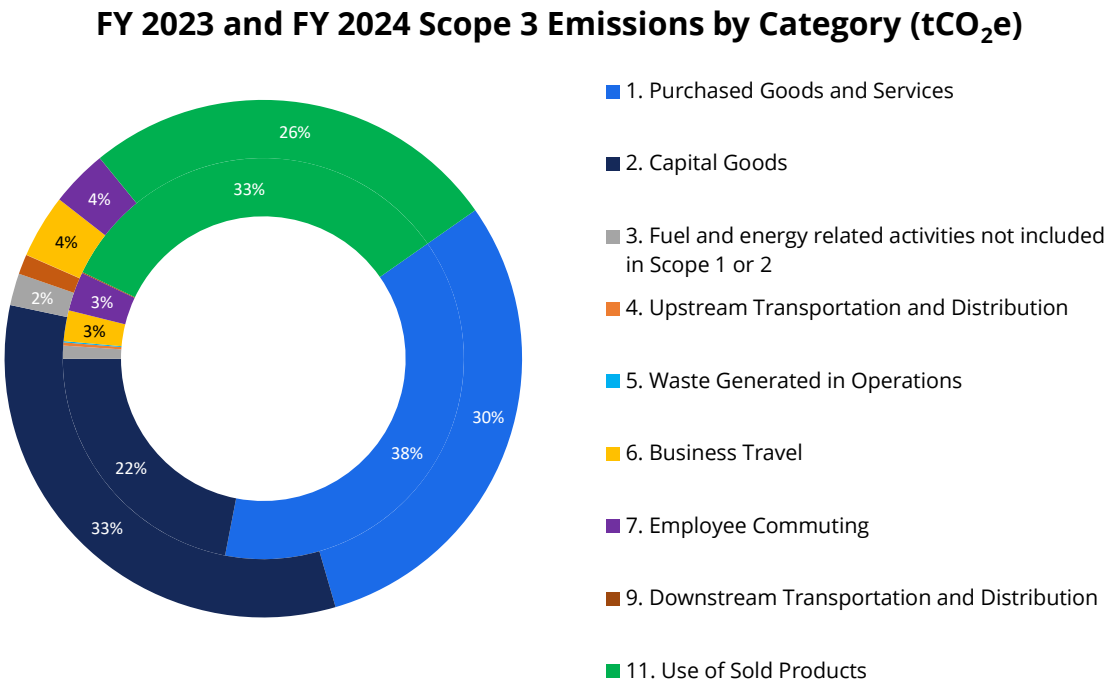

Figure 11 FY 2023 and FY 2024 Scope 3 Emissions by Category (tCO_2e)

Note: The outer ring represents emissions from Scope 3 for FY 2024, whereas the inner circle represents emissions from FY 2023.

Figure 11 compares Scope 3 emissions by category for FY 2023 (inner ring) and FY 2024 (outer ring). Overall, as mentioned before, the proportion of emissions from *Capital Goods* increased in FY 2024, rising from 22% to 33%, while the share from *Purchased Goods and Services* decreased from 38% to 30%. The contribution from the *Use of Sold Products* also declined, whereas emissions from categories such as *Upstream*

Transportation and Distribution and *Fuel- and Energy-Related Activities* saw slight proportional increases. These shifts reflect changes in procurement patterns and operational activities between the two reporting years.

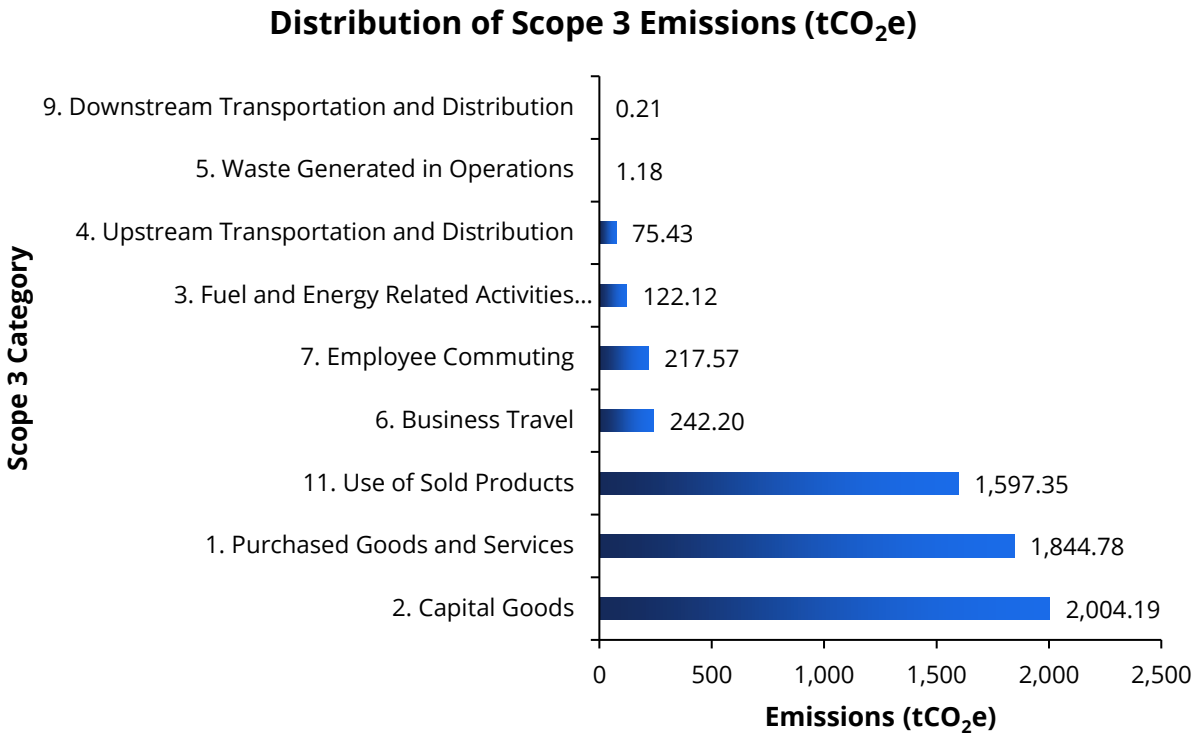

Figure 12 Distribution of Scope 3 Emissions

14.1. Purchased Goods and Services

The category *Purchased Goods and Services* includes the extraction, production, and transportation of goods and services purchased or acquired by the reporting company in the reporting year, not otherwise included in categories 2 – 8 (World Resources Institute).

In FY 2024, emissions from the *Purchased Goods and Services* category totalled 1,844.78 tCO_2e, accounting for 27.96% of ParkingEye Limited's overall carbon footprint. This represents one of the most significant contributions across all Scope 3 categories and is consistent with expectations for a service-based organisation with a reliance on external suppliers for technology, infrastructure, and support services. Emissions in this category were calculated using a hybrid methodology, with approximately half the expenditure used with a supplier-specific methodology and the remainder derived using an industry-average spend-based approach, reflecting the current availability and granularity of supplier emissions reporting.

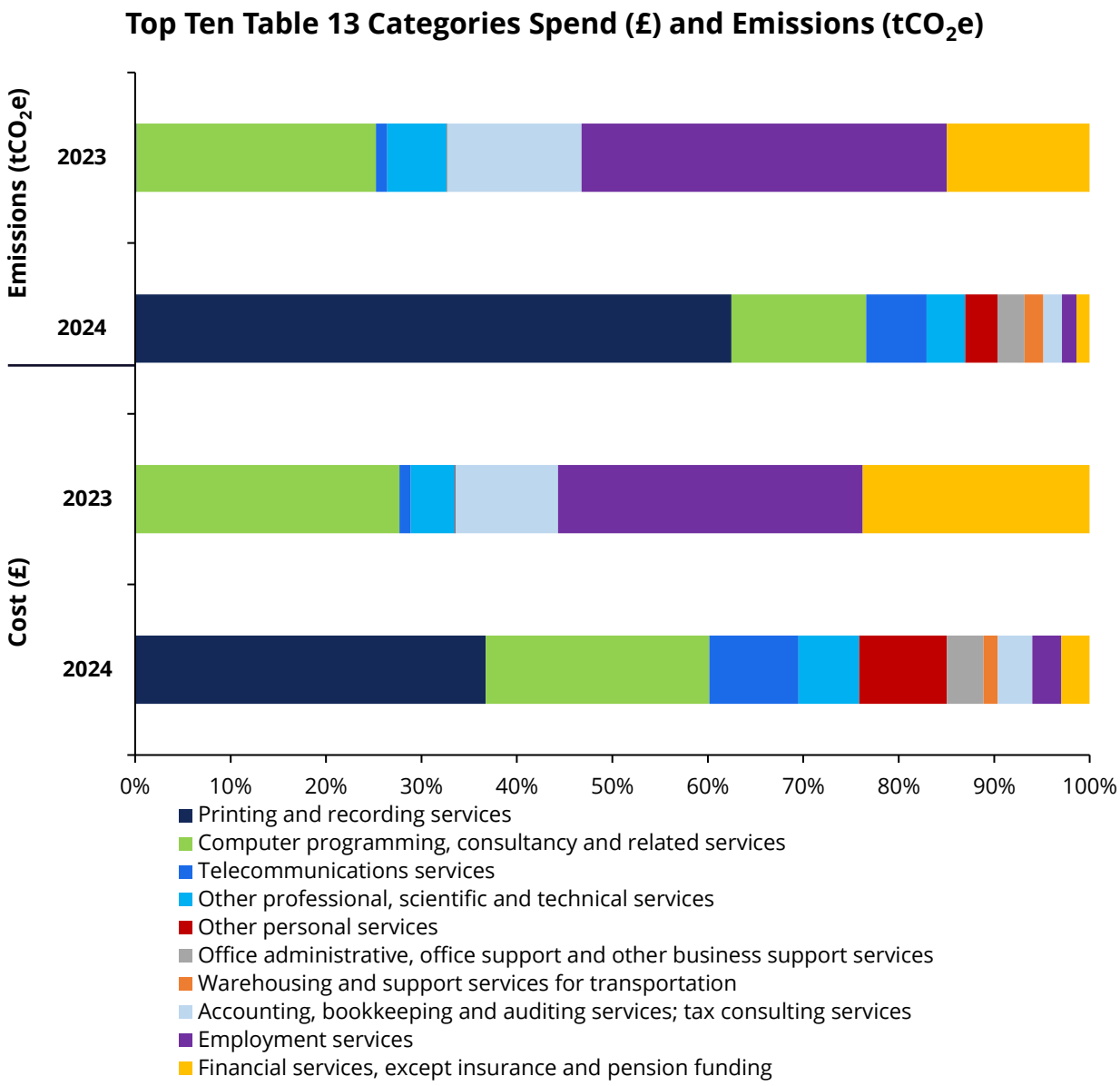

Figure 13 Comparison of the Spend and Emissions from the Top Ten Table 13 Categories

For the vendors where supplier-specific data was not obtained, their SIC code was sourced online and used to calculate emissions. **Figure 13** presents the breakdown of spend and associated emissions across the ten highest-emitting categories within *Purchased Goods and Services*, that combined represent 84.09% of the (non-supplier-specific) expenditure and 89.69% of emissions from the category. Notably, *printing and recording services* emerged as the most emissions-intensive category, contributing 56.03% of total emissions despite accounting for only 30.88% of total spend. This differed from the 2023 assessment, where *employment services* was the greatest contributor. These differences can largely be attributed to the change in methodology – using the SIC codes to assign emissions factors.

Conversely, categories such as *employment services* and *financial services* were lower in emissions intensity, contributing under 2.60% of emissions despite comparable levels of spend. These patterns underscore the value of emissions intensity analysis in identifying reduction priorities. For ParkingEye Limited, addressing high-intensity areas such as printing and recording services offers a focused opportunity to reduce Scope 3 emissions. Further actions to address these hotspots are outlined in the **Net Zero Strategy.**

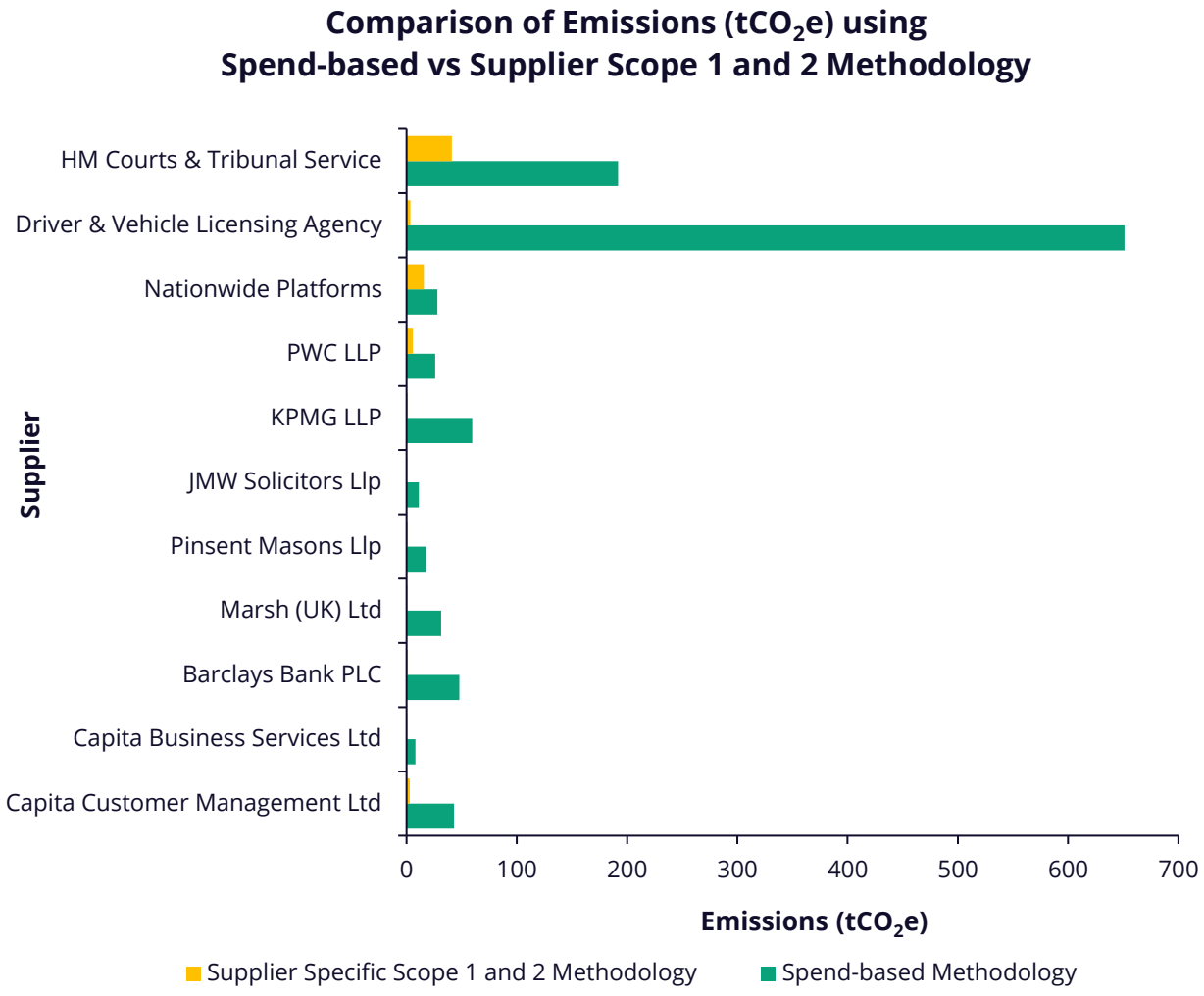

Figure 14 Comparison of Supplier Emissions Using Different Methodologies

Figure 14 depicts the emissions (shown in yellow) of the suppliers where emissions data specific to their operations were used within the calculations. The figure compares these emissions to what their emissions would be if the standard industry average methodology was used (shown in green). It highlights the variance in emissions intensity between the spend-based approach and the supplier-specific Scope 1 and 2 methodology. As shown, emissions estimated using the spend-based method are consistently higher. This is due to BEIS (2021) emissions factors, which are derived from global industry averages and do not reflect the specific practices or efficiencies of individual suppliers. Consequently, this approach tends to overestimate emissions, as demonstrated across all suppliers represented in **Figure 14**. As such,

establishing partnerships with key suppliers to obtain verified emissions data will not only enhance the accuracy of future reporting but also reduce the reported carbon footprint, as calculations will be more reflective of actual operational emissions rather than industry averages.

14.2. Capital Goods

Capital Goods emissions originate from the extraction, production, and transportation of capital goods purchased or acquired by the reporting company in the reporting year (World Resources Institute). Emissions from *Capital Goods* totalled 2,004.19 tCO_2e, accounting for 30.37% of the total, being the most emission intensive category of ParkingEye Limited's FY 2024 carbon footprint.

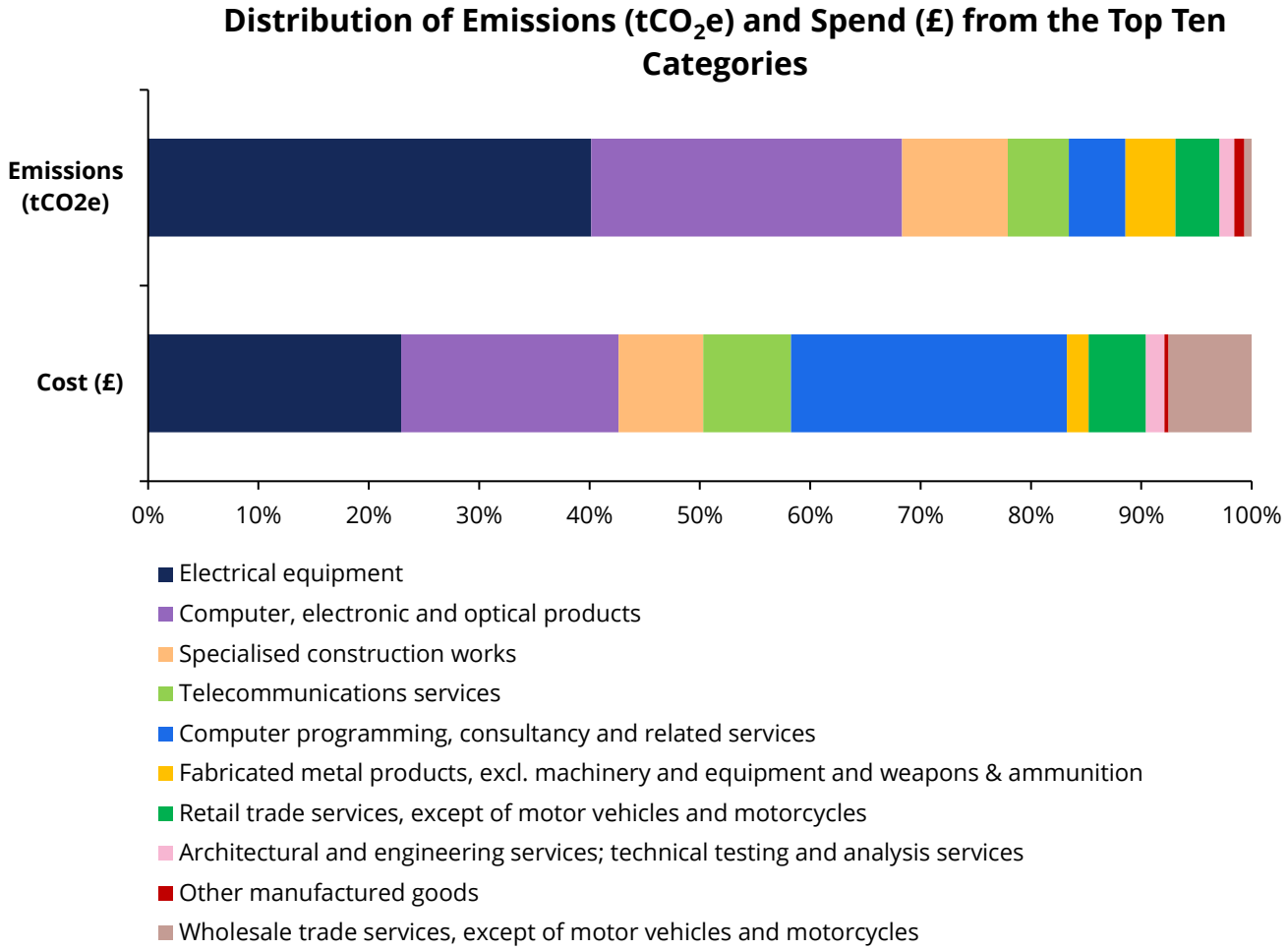

Figure 15 Distribution of Emissions and Spend from the Top Ten SIC Code Categories

Figure 15 presents the distribution of emissions and spend from the top ten SIC code categories allocated to the *Capital Goods* spends. Overall, 19 different SIC codes were used within the emissions calculations. The top ten categories account for 98.02% of the emissions from within this category and 96.83% of spend.

The majority of emissions arise from purchases of electrical as well as computer, electronic and optical products and equipment, however this accounts for a smaller proportion of spend, indicating a relatively high emissions intensity from these purchases. The same is true for:

- *Specialised construction works*
- *Fabricated metal products, excl. machinery and equipment and weapons & ammunition - 25.1-3/25.5-9*
- *Other manufactured goods*

In FY 2024, the most emissions-intensive *Capital Goods* category for ParkingEye Limited was *Glass, refractory, clay, other porcelain and ceramic, stone and abrasive products*, with an average intensity of approximately 1.09 $kgCO_2e$ per £ spent. This is significantly higher than the overall average emissions intensity for ParkingEye Limited's *Capital Goods* purchases, which stood at 0.28 $kgCO_2e$/£ spent. Despite its high intensity, this category contributed less than 0.25% to emissions due to its relatively low expenditure.

14.3. Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2

This category includes Transmission and Distribution (T&D) losses for electricity to the sites and Well to Tank (WTT) losses for fuel usage and electricity. The emissions were calculated using data from Scope 1 and 2, and DESNZ emission factors. The emissions are displayed in **Table 7**. Emissions from WTT losses accounted for most emissions in this category, that is 98.12%.

Table 7 Transmission and Distribution and Well to Tank Emissions

Category	Emissions (tCO_2e)
Transmission and distribution	2.30
Well to tank	119.83
Total	**122.12**

Figure 16 illustrates the distribution of emissions arising from transmission and distribution (T&D) losses and well-to-tank (WTT) processes. These emissions represent indirect upstream impacts associated with the generation, distribution and delivery of energy sources used by ParkingEye Limited. While these emissions are not within the organisation's direct control, they remain a key component of the overall carbon footprint and can be reduced through improvements in energy efficiency and by minimising Scope 1 and Scope 2 emissions.

The largest share of emissions in this category is attributable to WTT losses from transport fuels, specifically petrol and diesel, which account for 90.13% of the total. This reflects the significant upstream emissions embedded in the extraction, refining and transport of these fuels prior to their use. The second highest contributor is WTT losses associated with electricity generation, amounting to 5.76 tCO_2e (4.72%). This is followed by WTT emissions from natural gas at 3.50 tCO_2e (2.87%). T&D losses from the national grid

represent 2.30 tCO_2e (1.88%), and WTT emissions related to the transmission and distribution of electricity contribute a further 0.50 tCO_2e (0.41%).

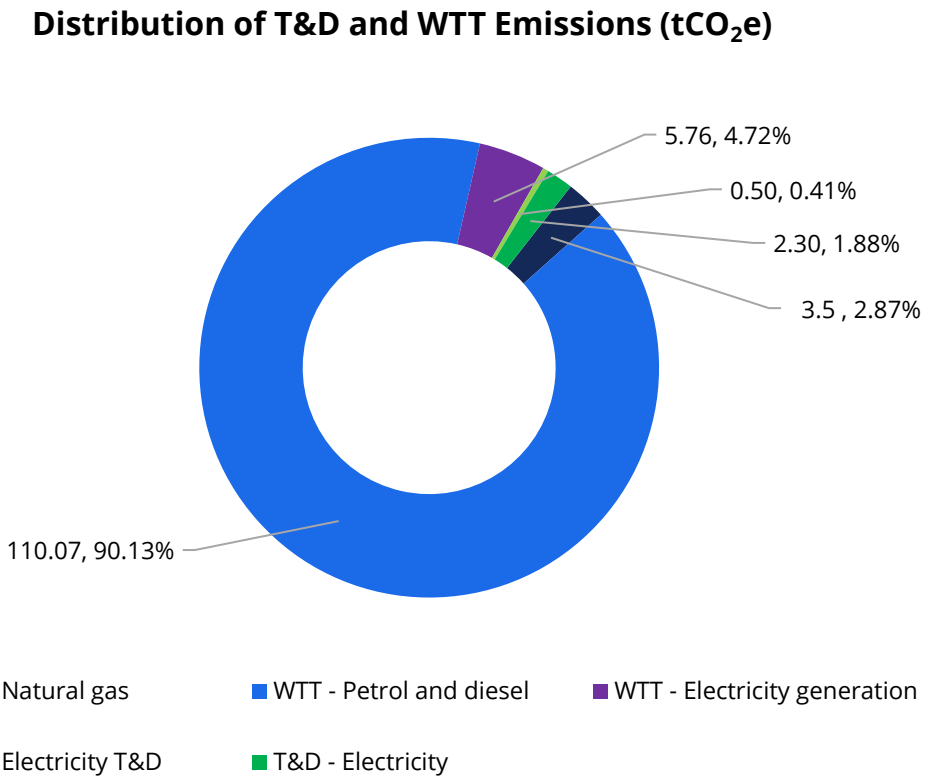

Figure 16 Distribution of T&D and WTT Emissions

14.4. Upstream Transportation and Distribution

Emissions in this category are from upstream transportation and distribution services purchased by the reporting company in the reporting year, including inbound logistics and transportation and distribution between a company's own facilities in vehicles and facilities not owned or controlled by the reporting company (World Resources Institute).

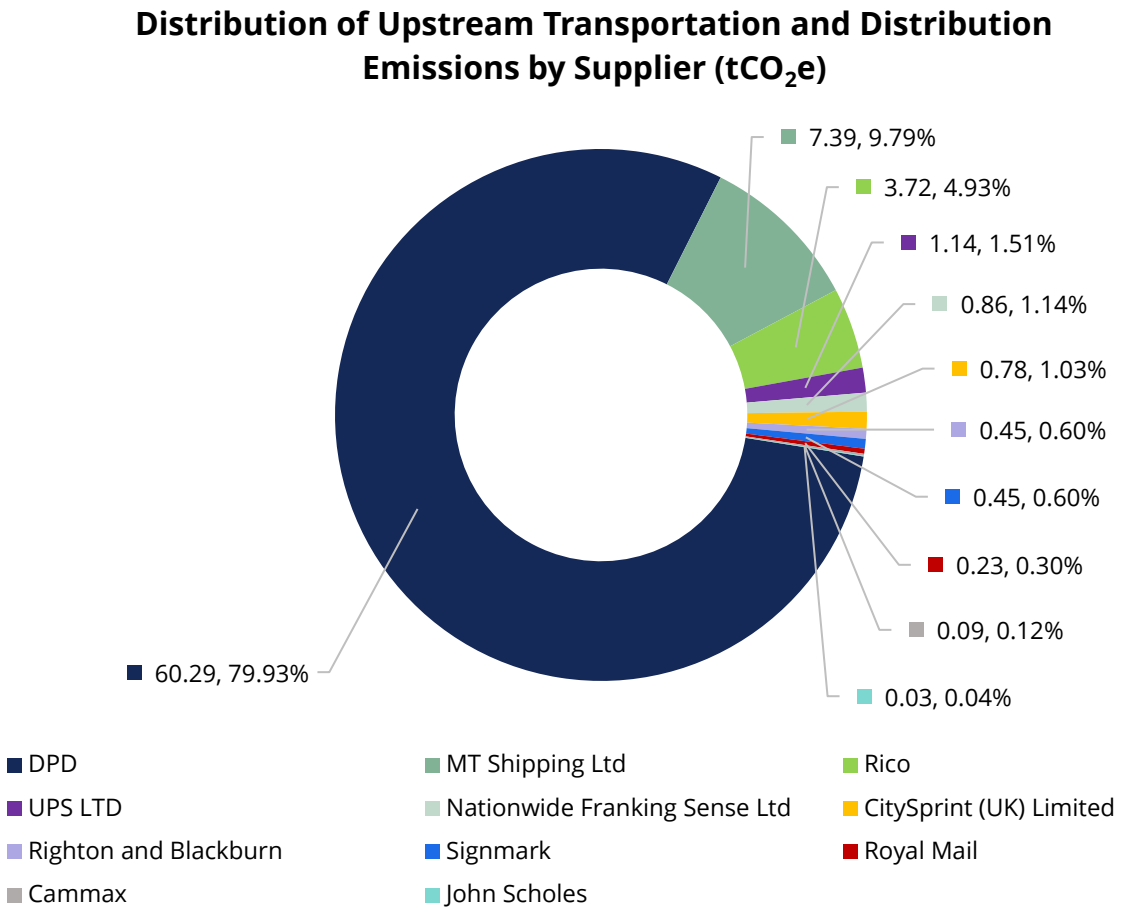

Figure 17 Distribution of Upstream T&D Emissions by Supplier

Figure 17 presents the emissions from *Upstream Transportation and Distribution* by supplier, which accounted for 1.14% of ParkingEye Limited's total carbon footprint in FY 2024, equivalent to 75.43 tCO_2e. This represents a substantial increase of 281% compared to the previous year, largely attributable to methodological refinements. This change in methodology will be further explained in **Section 15.3.4.** The majority of emissions in this category were associated with *DPD*, which contributed 79.93% of the total emissions. The second largest contributor was *MT Shipping Ltd*, responsible for 9.79%, followed by *Rico* (4.93%), *UPS Ltd* (1.51%), *Nationwide Franking Sense Ltd* (1.14%), and *CitySprint (UK) Limited* (1.03%). All other supply chain partners each accounted for less than 1% of the emissions from this category. This distribution is broadly consistent with the volume and distance of goods handled by each upstream provider.

14.5. Waste Generated in Operations

Waste Generated in Operations emissions come from the disposal and treatment (in facilities not owned or controlled by the reporting company) of waste generated in the reporting company's operations in the reporting year (World Resources Institute).

ParkingEye Limited's operations generated 149.11 tonnes of waste in FY 2024, resulting in 1.18 tCO_2e. Waste management methods included recovery, recycling, energy from waste, and landfill disposal. **Figure 18** illustrates the emissions distribution by disposal method for both FY 2024 (outer ring) and FY 2023 (inner ring). In FY 2024, landfill was the disposal method with the highest emissions, accounting for 59.11% of waste, followed by energy recovery through combustion at 30.53%. This represents a shift from FY 2023, where combustion dominated emissions at 56.65%.

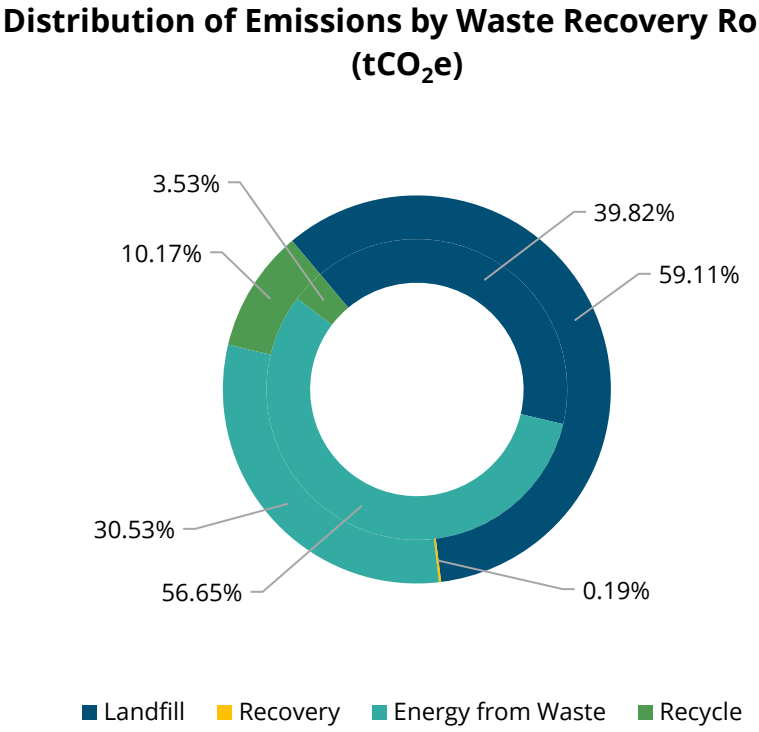

Figure 18 Distribution of Emissions by Waste Recovery Route

Note: The outer ring represents emissions from waste for FY 2024, whereas the inner circle represents emissions from FY 2023

Figure 19 presents the emissions breakdown by waste type. Similarly to above, the outer ring represents emissions from the current reporting year, whereas the inner ring from previous. In FY 2024, general construction waste represented the overwhelming majority, accounting for 97.02% of total waste and generating 1.14 tCO_2e. This was followed by paper waste, plasterboard and WEEE waste. General construction waste was also the most emission-intensive due to the predominant use of landfill disposal.

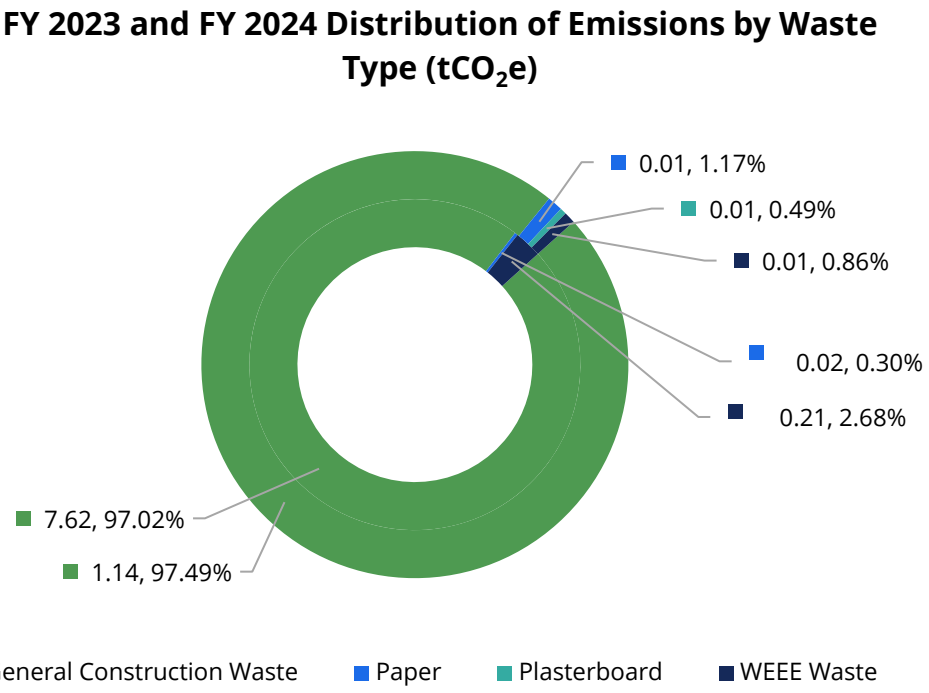

Figure 19 FY 2023 and FY 2024 Emissions by Waste Type

Note: The outer ring represents emissions from waste for FY 2024, whereas the inner circle represents emissions from FY 2023

14.6. Business Travel

Emissions from *Business Travel* are due to the transportation of employees for business-related activities during the reporting year (in vehicles not owned or operated by the reporting company) (World Resources Institute). *Business Travel* emissions represented 3.67% of ParkingEye Limited's FY 2024 carbon footprint, totalling 242.20 tCO_2e.

Figure 20 illustrates that reimbursed mileage was the largest contributor to *Business Travel* emissions in FY 2024. This was followed by hotel stays. Air travel also made a significant contribution, totalling 22.23 tCO_2e (9.18%), a substantial rise compared to 0.40 tCO_2e in FY 2023. Emissions from rail, taxi, and water travel were comparatively lower, with rail representing a lower-carbon alternative that could be further promoted for appropriate journeys. These findings point to modest but clear opportunities to refine travel policies and reduce emissions through more sustainable transport choices.

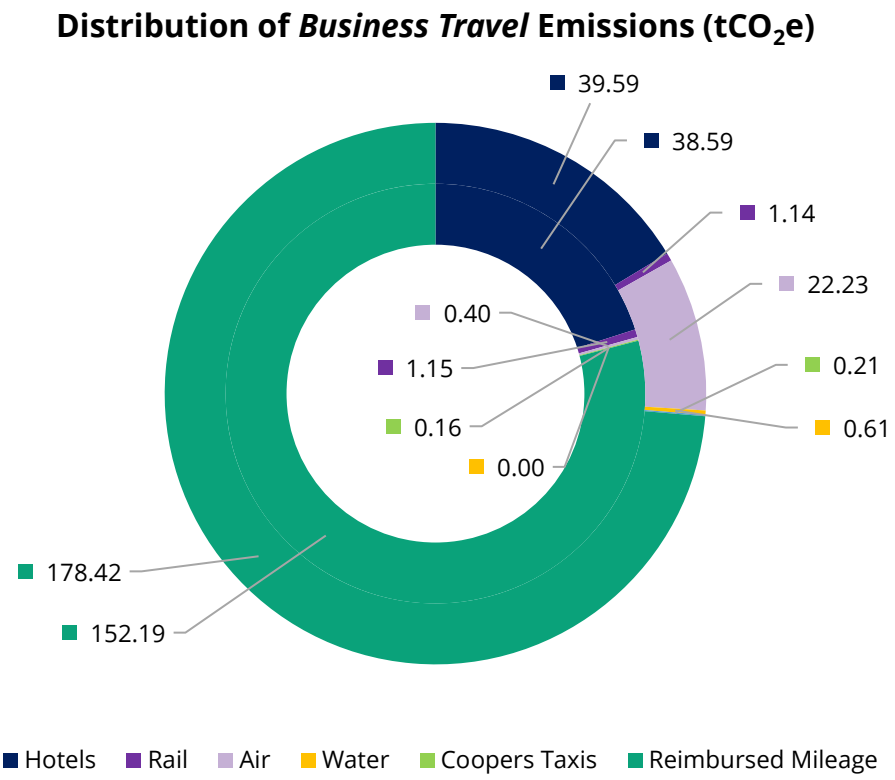

Figure 20 Distribution of Business Travel Emissions

Note: The outer ring represents emissions from Business Travel for FY 2024, whereas the inner circle represents emissions from FY 2023.

14.7. Employee Commuting

Employee Commuting involves emissions associated with the transportation of employees between their homes and their worksites during the reporting period (in vehicles not owned or operated by the reporting company) (World Resources Institute). This category also includes emissions associated with gas and electricity consumption by employees working from home.

Figure 21 presents a comparison of ParkingEye Limited's *Commuting and Homeworking* emissions for FY 2023 and FY 2024. *Employee Commuting* emissions amounted to 217.57 tCO_2e in FY 2024. In FY 2023, commuting was the dominant source, contributing 125.02 tCO_2e (51.26%), while homeworking accounted for 48.74%. By contrast, in FY 2024, homeworking emissions were slightly higher at 110.43 tCO_2e (50.76%), with commuting contributing 107.14 tCO_2e (49.24%). Both sources experienced a reduction in emissions compared to the previous year. Homeworking fell by 7.09%, while commuting saw a larger decrease of 14.30%. This distribution reflects the operational nature of the business, where the employee split between homeworking and commuting remains relatively balanced, with minor year-on-year variations in the dominant source.

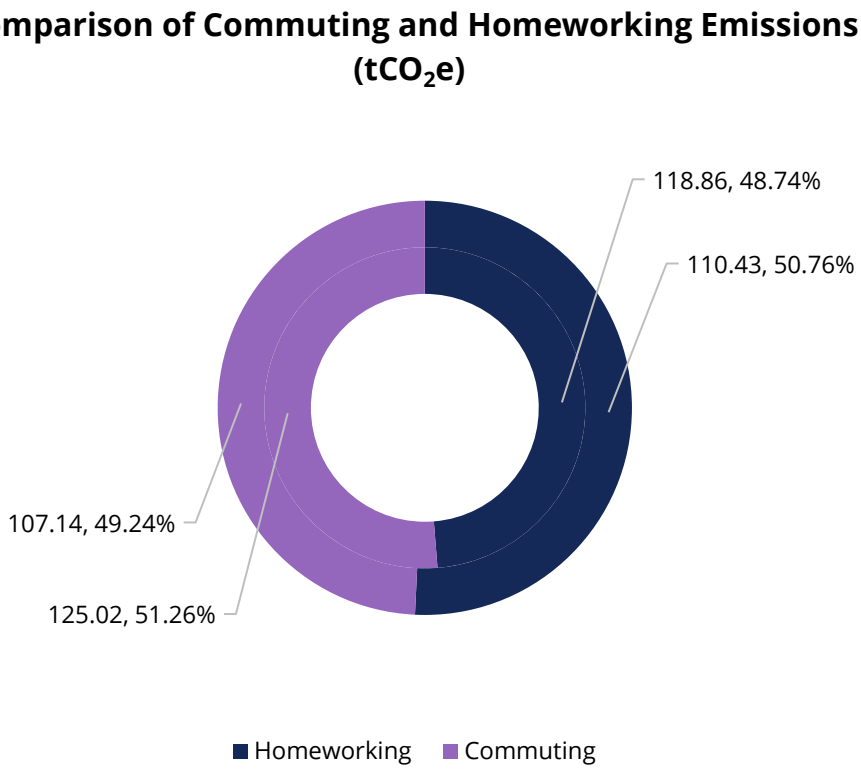

Figure 21 Comparison of Commuting and Homeworking Emissions

Note: The outer ring represents emissions from Employee Commuting for FY 2024, whereas the inner circle represents emissions from FY 2023.

Figure 22 presents the distribution of commuting emissions and total distance travelled by transport mode during the reporting period. The data shows that the vast majority of both distance travelled and associated emissions arose from the use of personal vehicles, particularly employee-owned cars. Before extrapolating for all employees, this mode accounted for approximately 351,143.83 km of travel, resulting in 55.97 tCO_2e. This was extrapolated to 99.10 tCO_2e.

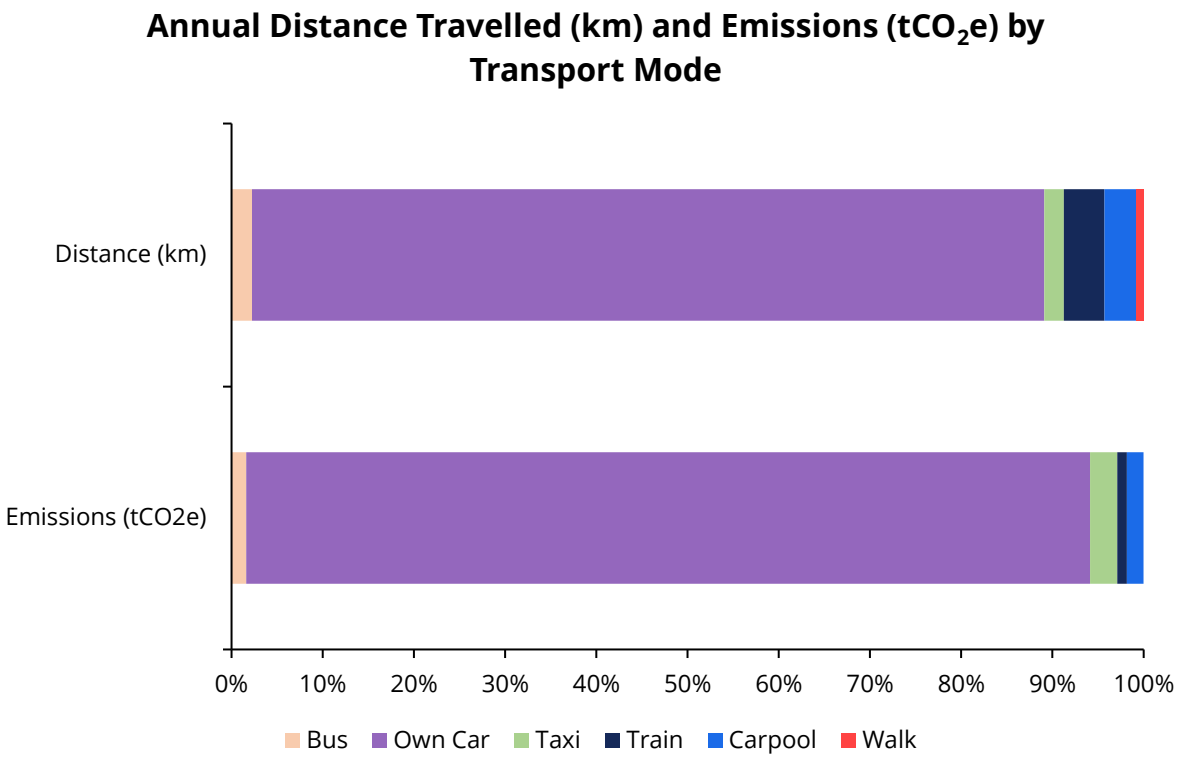

Figure 22 Annual Distance Travelled and Emissions by Transport Mode

14.8. Upstream Leased Assets

Upstream Leased Assets emissions are defined as coming from the operation of assets leased by the reporting company (lessee) in the reporting year (World Resources Institute).

Data on leased equipment provided has not been included in *Upstream Leased Assets*, as ParkingEye Limited maintains operational control and accounts for all associated fuel and electricity use under Scope 1 and Scope 2. In line with the GHG Protocol Corporate Value Chain (Scope 3) Standard, emissions from leased assets already captured in Scope 1 or 2 should not be double counted in Scope 3.

It should be noted that *Upstream Leased Assets* was included in previous assessments. However, their emissions have been retrospectively removed, due to assumed double counting, in line with new information acquired.

14.9. Downstream Transportation and Distribution

Emissions from *Downstream Transportation and Distribution* originate from the transportation and distribution of products sold by the reporting company in the reporting year between the reporting company's operations and the end consumer (if not paid for by the reporting company), including retail and

storage (in vehicles and facilities not owned or controlled by the reporting company) (World Resources Institute). This category accounted for a negligible portion of the total carbon footprint and resulted in 0.21 tCO_2e.

Figure 23 illustrates the distribution of emissions between two downstream distribution providers. Although *Signmark* was responsible for transporting a significantly higher volume of goods than *John Scholes* in FY 2024, the shorter distances travelled by *Signmark* balanced the emissions impact, resulting in a more even distribution of emissions across the category.

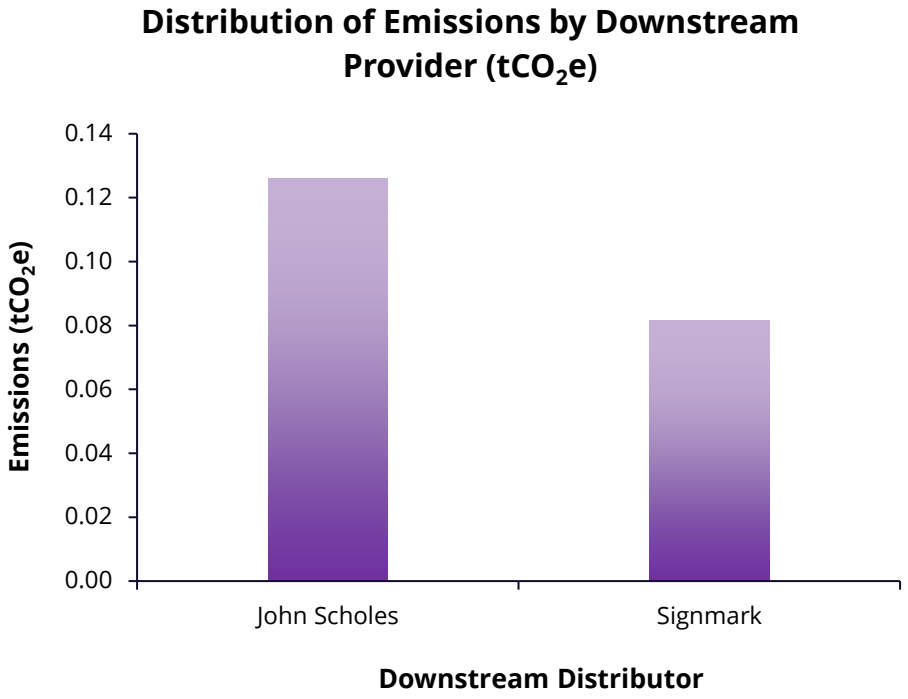

Figure 23 Distribution of Emissions by Downstream Provider

Emissions from *Downstream Distribution and Transportation* in FY 2024 decreased substantially compared to FY 2023, showing a reduction of 96.81%. This sharp decline is mainly attributed to the improved methodology applied in the current reporting period, as outlined in **Section 15.3.8**.

14.10. Processing of Sold Products

The *Processing of Sold Products* category includes emissions from the processing of intermediate products sold in the reporting year by downstream companies (e.g., manufacturers) (World Resources Institute). This category is inapplicable to ParkingEye Limited's carbon footprint due to the company's particular business operations.

14.11. Use of Sold Products

The *Use of Sold Products* category includes emissions from the end use of goods and services sold by the reporting company in the reporting year (World Resources Institute).

Figure 24 illustrates emissions from the *Use of Sold Products*, broken down by product category. In FY 2024, ParkingEye Limited's emissions from this category totalled 1,597.35 tCO_2e, accounting for 24.21% of the total carbon footprint. This represents a 37.92% reduction compared to the previous year.

The highest emissions within this category were associated with servers (583.33 tCO_2e), followed by EV chargers (506.72 tCO_2e). Cameras contributed 200.44 tCO_2e. Combined, these three product categories accounted for 80.79% of emissions from the *Use of Sold Products*. This is consistent with their typical energy consumption profiles, particularly as servers and cameras are often in continuous 24/7 operation.

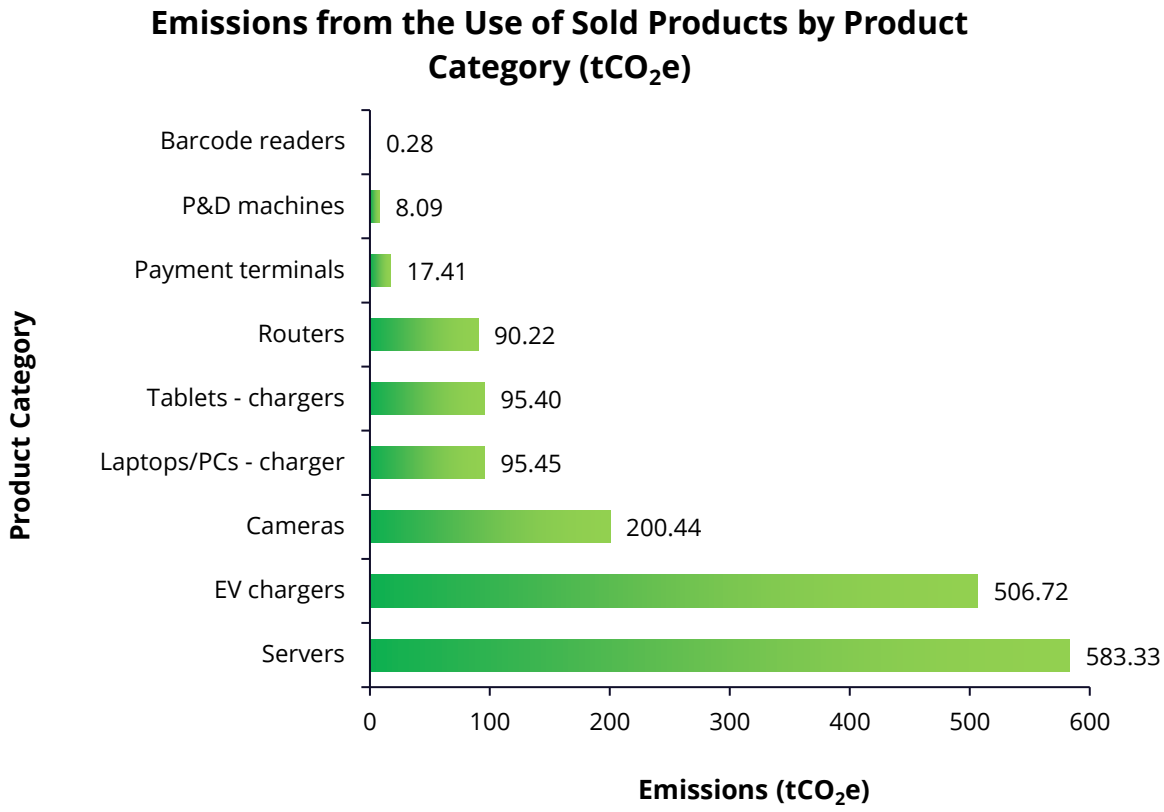

Figure 24 Distribution of Emissions from the Use of Sold Products by Product Category (tCO_2e)

14.12. End-of-Life Treatment of Sold Products

This category includes emissions from the waste disposal and treatment of products sold by the reporting company at the end of their life (World Resources Institute). Due to the nature of Parking Eye business

operations this category is inapplicable; this is because ParkingEye Limited receive all sold items at the end of their lives, and this data is captured within *Waste Generated in Operations*.

14.13. Downstream Leased Assets

Emissions from *Downstream Leased Assets* are those from the operation of assets owned by the reporting company (lessor) and leased to other entities in the reporting year, not included in Scope 1 and Scope 2 – reported by lessor (World Resources Institute). ParkingEye Limited did not lease out any assets during the 2024 reporting period, and so this Scope 3 category does not include any emissions within this carbon footprint.

14.14. Franchises

Emissions from *Franchises* originate from the operation of franchises in the reporting year, not included in Scope 1 and Scope 2 – reported by the franchisor (World Resources Institute). This category is inapplicable to ParkingEye Limited's operations as the organisation does not have any franchises.

14.15. Investments

Emissions from *Investments* come from the operation of investments (including equity and debt investments and project finance) in the reporting year, not included in Scope 1 or Scope 2 (World Resources Institute). As ParkingEye Limited holds no investments, this Scope 3 category is inapplicable to the organisation's operations.

15. Methodology and Data Quality

15.1. Scope 1

Gas consumption data for each site was obtained through supplier invoices covering the beginning and end of 2024. Meter readings from these invoices were converted into kilowatt hours (kWh) using a calorific value of 40.1, as stated on the supplier documentation. Some discrepancies were identified between the dates of the meter readings and the reporting period. In such instances, interpolation or extrapolation techniques were applied to ensure consumption was apportioned more accurately over the reporting year.

The use of fuel cards across company operations was confirmed to cover a range of vehicle types, including company vans, company cars, personal vehicles and hire cars. A complete fleet list for 2024 was provided, which enabled classification of vehicles by registration against the fuel card report. Each vehicle was then

assigned to either Scope 1 or Scope 3 depending on its use. After classification, the fuel quantities associated with Scope 1 vehicles were aggregated and used for emissions calculations.

Diesel consumption in onsite generators during 2024 was identified as a source of emissions. However, this usage was not separately itemised in the fuel card data and therefore could not be independently quantified. Internal communication suggested this represented a minor share of overall fuel consumption. As a result, no emissions have been allocated to onsite fuels. Instead, all fuel data has been attributed to transportation in Scopes 1 and 2.

All Scope 1 emissions calculations were carried out using the DESNZ 2024 emissions factors to ensure consistency with national reporting standards. Emissions were calculated in tonnes of carbon dioxide equivalent (tCO_2e).

To enhance the accuracy and completeness of future Scope 1 assessments, several data quality improvements are recommended. Aligning gas meter readings with the exact reporting period would reduce reliance on estimation methods; this could be achieved through monthly or quarterly meter submissions. For onsite fuel, ParkingEye Limited should establish and maintain records relating to diesel usage in generators. Furthermore, integrating all fuel and energy data into a centralised energy management system would facilitate automated data collection and reduce manual processing errors.

15.2. Scope 2

Electricity invoices were obtained for each site. Consumption was calculated using meter readings from the start and end of 2024, based on supplier invoices. For five sites, the difference in readings was used directly; where readings did not match the reporting period, interpolation or extrapolation was applied. At three sites, end readings were lower than start readings, likely due to meter resets. In these cases, invoices covering the full year were used instead. One site showed significantly lower usage compared to 2023, due to a supplier change; 2024 figures were considered more reliable and were used. Once electricity consumption at each site was calculated, emissions (tCO_2e) were calculated using the DESNZ 2024 UK electricity emission factor.

Monthly internal meter readings would reduce reliance on estimated data and highlight anomalies earlier.

15.3. Scope 3

15.3.1. Purchased Goods and Services

The Vendor Postings for the period 01/01/2024 to 31/12/2024 provided the spend-based data for ParkingEye Limited's *Purchased Goods and Services*. This dataset included the supplier, total spend, a description of the vendor service type, and a classification of spend as either operational or capital expenditure.

Supplier-specific methodology was applied to 11 key suppliers for which Scope 1 and 2 emissions data and total turnover were available. In these cases, emissions were estimated by apportioning supplier emissions based on ParkingEye Limited's share of total spend to vendor's revenue. This approach accounted for 43% of total *Purchased Goods and Services* spend in FY 2024. For all remaining vendors, an industry-based spend-based methodology was used. Each purchase was mapped to a Standard Industrial Classification (SIC) code and paired with a BEIS 2021 emissions factor ($kgCO_2e/£$), which was adjusted for inflation to reflect 2024 prices and applied to estimate emissions in tCO_2e.

Several spend-based items originally categorised under Scope 3 *Business Travel* were reclassified to *Purchased Goods and Services* where deemed more appropriate. These included travel administration and warehousing fees.

The following spend types were excluded from the analysis, either because they do not represent goods or services purchased from third parties, or because their emissions were accounted for in other categories:

- Vendor payments already captured under other categories, such as *Upstream Transportation and Distribution, Upstream Leased Assets* and *Waste*.
- Items outside operational control (e.g. supplier electricity consumption) or already captured in Scope 1 or Scope 2 emissions.
- Financial transactions such as rent.

While the underlying spend data was comprehensive, data quality could be further enhanced by incorporating product-level details such as material composition, weight and manufacturing processes. Additionally, greater supplier engagement to obtain Scope 1 and 2 emissions data would support broader application of supplier-specific calculations in future reporting periods.

15.3.2. Capital Goods

The same methodological approach used for *Purchased Goods and Services* was applied to *Capital Goods*. Each purchase was mapped to a Standard Industrial Classification (SIC) code and paired with a BEIS 2021 emissions factor ($kgCO_2e/£$), adjusted for inflation to reflect 2024 prices, and used to estimate emissions in tCO_2e. Capital expenditure (capex) transactions were included exclusively for this category, in contrast to the operational expenditure (opex) focus of *Purchased Goods and Services*.

Supplier-specific methodology was applied to four suppliers, representing 20% of total *Capital Goods* spend.

For detailed methodology and associated recommendations, please refer to **Section 15.3.1**. The approach and recommendations mirror those of *Purchased Goods and Services*.

15.3.3. Fuel- and Energy-Related Activities Not Included in Scope 1 or 2

Energy consumption (kWh) from natural gas, transport fuels and electricity were applied to calculate the emissions for this Scope 3 category. Well-to-tank (WTT) emissions were calculated for all three categories, utilising DESNZ 2024 emissions factors. Emissions from transmission and distribution (T&D) losses were similarly calculated for the electricity consumption.

15.3.4. Upstream Transportation and Distribution

Freight-related data for ParkingEye Limited was primarily activity-based and allowed for detailed emissions calculation across multiple suppliers. The methodology for this section slightly changed compared to previous years. Some data that was previously included in *Upstream Transportation* was moved to *Downstream Transportation*, and vice versa, where more appropriate.

For *John Scholes*, invoices included item descriptions, quantities, and destinations, with all journeys ending at ParkingEye Limited's Operations Hub at PR8 4AT. Item weights were provided separately by type. Distances were calculated appropriately and 2024 DESNZ emissions factors were applied based on vehicle data sourced from the *John Scholes* website.

For *Signmark,* total mileage, combined weights, and delivery volumes were provided. Calculations were based on the average distance of a single journey rather than total mileage, calculating tonne.km and applying the relevant 2024 DESNZ emissions factor.

Some data from the *John Scholes* dataset, particularly transport services linked to clients such as Aldi and Lidl, were reclassified under *Downstream Transportation and Distribution*, as these services were not paid for by ParkingEye Limited. Similarly, where *Signmark* undertook deliveries but ParkingEye was not financially responsible for the transport, the associated data were moved to *Downstream Transportation and Distribution.*

DPD, Rico, Righton and Blackburn, and Cammax were included in the *Upstream Transportation and Distribution* category for FY 2024, as ParkingEye Limited directly paid for these services. For each, start and end locations, item type, and weight were provided, enabling the use of emissions factors aligned with vehicle type information published by the providers. This significantly improved data allocation and accuracy compared to the previous year.

Additionally, some freight-related costs originally recorded initially under *Purchased Goods and Services* were reallocated to *Upstream Transportation and Distribution*. These included postage, carriage, and courier fees. Spend data was categorised under the 'Postal and Courier Services' SIC code, with the corresponding BEIS 2021 emissions factor adjusted for inflation to 2024 applied to estimate tCO_2e.

The dataset was robust, comprehensive, and activity-based. No further methodological enhancements are required.

15.3.5. Waste Generated in Operations

ParkingEye Limited's waste data covered the full reporting period and included waste type, disposal method, and mass. Each entry was assigned a 2024 DESNZ emissions factor based on its specific type and disposal route, which was then used to calculate emissions in tCO_2e.

The dataset was activity-based and sufficiently detailed. No further methodological improvements are recommended.

15.3.6. Business Travel

Business Travel emissions were calculated using a range of data sources. A spreadsheet was provided detailing reimbursed mileage, split into posted mileage and posted settlements. Total miles from both sheets were combined. Vehicles labelled as 'DSL-HIGH', 'DSL-LOW' and 'DSL-MED' were assigned the DESNZ factor for average diesel cars; 'PTL-HIGH', 'PTL-LOW' and 'PTL-MED' used the petrol car factor; and 'ELEC' entries used the electric vehicle factor. For records labelled 'Personal Cars' or '#N/A', the emissions factor for an average car with unknown fuel was applied.

Additional *Business Travel* data were provided by Agiito, Clarity, and Coopers Taxis. Coopers Taxis invoices included journey pick-up and drop-off points. Where distances could be determined, the 'regular taxi' (km) factor was applied. Passenger count data were unavailable, so single-passenger assumptions were used.

Agiito hotel data included arrival and departure dates, number of nights, hotel name and location, and spend. The number of nights stayed per country was calculated, with UK stays split into London and non-London. Emissions were estimated using DESNZ 2024 location-specific hotel stay factors.

Further Agiito data covered origin, destination, transport class, transport mode, and spend. Distances between origin and destination were calculated and used to estimate emissions, using the corresponding DESNZ 2024 conversion factors for each transport type.

Clarity travel data were first categorised by type (e.g. hotel, mode of transport, or goods/services). Hotel data were calculated using the same method as for Agiito. Where origins and destinations were listed, travel distances were estimated and emissions factors applied. Where these were unavailable, spend-based methods were used instead. SIC code-based factors were adjusted for inflation and applied to calculate emissions.

To enhance accuracy, it is recommended that reimbursed mileage claims include a mandatory dropdown to record vehicle fuel type and engine size. Where possible, travel bookings should be linked to a master vehicle or employee travel database to verify distances and transport modes. Invoices and booking systems should always capture standardised data fields such as origin, destination, transport class, and passenger count to reduce assumptions and improve emissions accuracy across all travel types.

15.3.7. Employee Commuting

A commuting and homeworking survey was issued to ParkingEye Limited staff by McGrady Clarke. It gathered anonymous data on work patterns, transport modes, travel distances, and vehicle details. Of the 172 responses received (57.1% response rate), two were excluded due to incomplete information, resulting in a final response rate of 56.5%, meeting the 50% minimum threshold for accurate extrapolation.

The survey captured average days worked in-office and at home, hours worked per day, commuting distances, and transport types. For ‘own car’ responses, engine size and fuel type were also collected. This data was used to calculate hours worked from home and commuting distances by transport mode, which were then extrapolated to reflect the full employee population.

DESNZ 2024 emissions factors were applied to estimate emissions in tCO_2e from homeworking and commuting, based on transport mode.

To further improve emissions calculations for *Employee Commuting*, a higher response will lead to even more accurate extrapolations, despite already reaching the standard 50% threshold.

15.3.8. Downstream Transportation and Distribution

The data used to assess emissions from *Downstream Transportation and Distribution* was predominantly activity-based. It comprised transport movements for which ParkingEye Limited was not financially responsible, but which were attributable to the distribution of its goods to third-party sites.

Transport data from providers such as *John Scholes* and *Signmark* were partially reclassified into this category where ParkingEye Limited was not the paying party. These entries included deliveries to clients such as Aldi and Lidl. For *John Scholes*, item-level descriptions, quantities, and delivery destinations were provided, and weights were obtained separately. As the point of origin was consistently ParkingEye Limited's Operations Hub (PR8 8AT), distances were calculated accordingly. Emissions were calculated using 2024 DESNZ emissions factors based on the vehicle specifications provided on the supplier's website.

For *Signmark*, summary-level data was available, including total mileage, number of deliveries, and overall consignment weight. Tonne-kilometre values were derived using representative single-trip distances and applied to the relevant 2024 DESNZ emissions factor to estimate emissions.

The dataset was sufficiently detailed and no material data gaps were identified. No further methodological improvements are currently recommended.

15.3.9. Use of Sold Products

ParkingEye Limited provided data on products sold during the reporting year, including product name, electricity usage, number of despatches, returns, disposals, and rated power consumption in kilowatts (kW). Total sales per product were calculated.

Estimated daily usage hours were applied to each product category to calculate total electricity consumption (kWh) over the product's lifespan. It was estimated that the lifespan of each product was 5 years. The DESNZ 2024 UK electricity emissions factor was used to calculate the resulting emissions (tCO_2e).

Collecting actual usage data from customers, including operating hours and lifespan, would improve accuracy. Standardising the recording of product power ratings and return data in sales systems would also strengthen emissions estimates.

16. Net Zero Strategy

ParkingEye Limited has committed to achieving Net Zero emissions by 2050. This section outlines the emissions reduction actions previously recommended to support this target and introduces a couple of newly identified opportunities. Sustained and systematic implementation of these measures will be essential to successfully progress towards, and maintain, Net Zero status.

16.1. Introduction to Carbon Reduction Measures

The carbon reduction actions identified for ParkingEye Limited are categorised into two primary groups: internal actions, which are to be implemented directly by the organisation, and external actions, which require delivery by third parties.

To support structured planning and prioritisation, these actions have been further divided into three implementation phases, projected from the FY 2019 baseline year:

- Short: 0 – 5 years
- Mid: 5 – 10 years
- Long: 10 – 20 years

16.2. Carbon Reduction Projection

The carbon reduction plan (CRP) implementation trajectory (solid green line) in **Figure 25** shows that ParkingEye Limited should reach their lowest potential emissions by 2040 by implementing all short-, medium- and long-term CRP actions. Once they have reached their residual emissions, ParkingEye Limited will be required to offset the remaining emissions to achieve Net Zero status. ParkingEye Limited's 2050 target date shows commitment to sustainability across all three scopes, whilst being a realistic target for the organisation.

An explanation of each aspect of the graph is as follows:

- Actual emissions (solid dark blue line) – ParkingEye Limited's actual emissions.

- Business-as-usual (BAU) projected emissions (dotted red line) – represents the projected carbon-equivalent emissions if only company turnover changes in the future, predicted using a business growth factor. It does not consider changes in external environment, conditions, or infrastructure nor any sustainability changes within the company.

- Organic projection (solid purple line) – represents the projected GHG emissions with no changes made within the company, but does include changes to the external environment, conditions, and infrastructure such as:

    - *Capital Goods* suppliers carrying out their own carbon reduction measures
    - Reduction in carbon emissions of public transport (*Business Travel* and *Commuting*)
    - Reduction in carbon content of national grid electricity

- Glideslope target emissions (dotted green line) – represents a linear reduction in emissions to reach Net Zero carbon emissions by 2050.

- Corporate CRP implementation projection (solid green line) – represents the predicted effects of full implementation of the carbon reduction plan (CRP) included in this report against the organic projection.

- Overall performance post offsetting (dotted blue line) – represents the path to achieving Net Zero emissions by offsetting all residual emissions. In this case, it has been assumed that ParkingEye Limited would implement full offsetting of residual emissions in 2039.

As shown in **Figure 25**, the Business-as-usual (BAU) emissions projection for five years from the base year (2019) was estimated at 9,721.67 tCO_2e. In comparison, the actual emissions in the current reporting year are 32.1% lower than the projected BAU scenario, indicating that ParkingEye Limited is significantly ahead of its emissions reduction trajectory.

It is important to note that when working on an internal Net Zero Strategy, it is appropriate to incorporate BAU growth projections. This ensures that decarbonisation plans are realistic and account for anticipated expansion, allowing for ParkingEye Limited to set emissions reduction trajectories that align with their expected operational scale.

However, when reporting absolute emissions reduction targets for compliance, it is more appropriate to base reported values on historic and current emissions data rather than BAU-influenced projections. This provides transparency, consistency, and credibility, allowing stakeholders to clearly assess progress against fixed baselines without the distortion of internal growth assumptions.

Please see **Appendix 1** for absolute reduction targets per scope, and a separate carbon reduction trajectory figure.

There are currently no intensity-based emissions reduction targets in place. ParkingEye Limited may wish to adopt intensity-based emissions reduction targets to complement its long-term Net Zero commitment. These targets could serve as a flexible and practical mechanism to monitor decarbonisation progress over time, particularly in dynamic or growing operational environments. Adoption of such targets would also support enhanced transparency and help demonstrate measurable progress towards the company's Net Zero ambition by 2050.

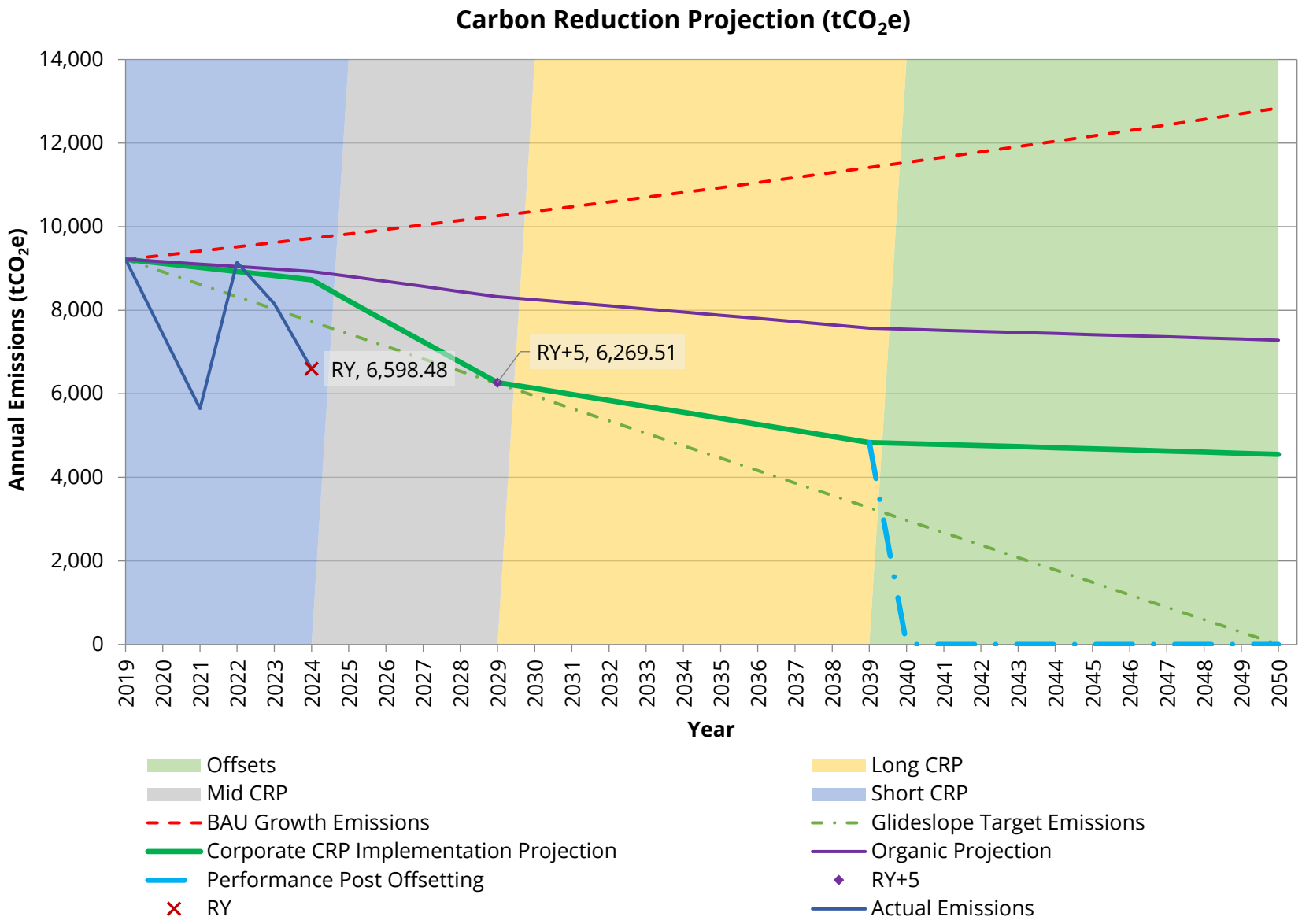

Figure 25 Carbon Reduction Trajectory

16.3. Overview of Carbon Reduction Actions

Mitigation actions to reduce greenhouse gas emissions are shown below in **Table 8** (corporate actions) and **Table 9 (**external actions). These tables show the delivery classification (corporate or external) and the time horizon of the reduction actions, as well as the forecasted percentage reductions in emissions per applicable scope and in the total reporting year emissions.

In the following sections, the reduction actions identified as part of the carbon footprint assessment are described in more detail. The sections are categorised based on whether the action is corporate or external, and which time horizon estimated completion of the action falls under.

Table 8 Summary of Recommended Corporate Actions

Activity	Affecting Category	Time Horizon	Category Reduction (%)
Decarbonise all heating assets using opportunities suggested as part of ESOS Phase 3	S1: Natural Gas	Mid	62%
Off-peak transport policies for all vehicular activity - Company Vehicles	S1: Transport Fuels	Short Mid	10% 8%
Reduction of company car usage by granting car allowances	S1: Transport Fuels	Mid	10%
Green driving policies for staff driving company vehicles	S1: Transport Fuels	Mid	10%
Implement eco-driving training, as recommended as part of ESOS Phase 3	S1: Transport Fuels	Mid	6%
Conversion of fleet to EV	S1: Transport Fuels	Long	40%
Implement eco-driving training, as recommended as part of ESOS Phase 3	S2: Purchased Electricity	Mid	6%
Conversion of majority of fleet to EV	S2: Purchased Electricity	Long	-76%
Carbon reduction partnerships with key suppliers	S3.1: Purchased Goods and Services	Mid	5%
Supply chain "greening" to identify lower carbon suppliers	S3.1: Purchased Goods and Services	Mid	10%
Supply chain deep-dive to identify market perversions in production and delivery or goods or services	S3.1: Purchased Goods and Services	Mid	5%
Circular economy approach to purchased goods	S3.1: Purchased Goods and Services	Mid Long	5% 10%
Circular economy approach to all capital goods purchases	S3.2: Capital Goods	Mid Long	5% 10%
Carbon reduction partnerships with key suppliers	S3.2: Capital Goods	Mid	5%

Activity	Affecting Category	Time Horizon	Category Reduction (%)
Carry out further delivery consolidation actions on all items delivered to site	S3.4: Upstream Transportation and Distribution	Mid	20%
Increase recycling of equipment removed from site for spares and parts	S3.5: Waste Generated in Operations	Short Mid	<1% <1%
Reduce purchases with plastic wrapping (no plastic waste FY 2024)	S3.5: Waste Generated in Operations	Short	100%
Reduce the use of paper across entire business	S3.5: Waste Generated in Operations	Short Mid	<1% <1%
Reduce waste sent to landfill	S3.5: Waste Generated in Operations	Short Mid	15% 15%
Setup of a recycling station at Head Office	S3.5: Waste Generated in Operations	Short Mid	15% 15%
Reduction of business flights through e-meetings and other collaborative solutions	S3.6: Business Travel (air)	Mid	70%
A reduction in business travel emissions by not using own car but cycling/walking/carpooling	S3.6: Business Travel (car)	Short Mid	15% 10%
A reduction in business travel emissions by use of public transport instead of taxis / cars or by switching to electric	S3.6: Business Travel (car)	Short	25%
Implement a grey fleet management system as recommended as part of ESOS Phase 3	S3.6: Business Travel (car)	Mid	10%
Reduction in hotel stays due to utilising online video conferencing where possible	S3.6: Business Travel (hotel)	Mid	25%
Reduction of business train travel	S3.6: Business Travel (rail)	Mid	25%
Off-peak transport policies for all vehicular activity - Employee Commuting	S3.7: Employee Commuting	Short Mid	10% 10%
Green commuting policies including car share programmes, working from home, awareness training etc.	S3.7: Employee Commuting	Short Mid	15% 15%
Domestic energy efficiency behavioural change	S3.7: Employee Homeworking	Mid Long	15% 20%
More sustainable use of 24/7 products	S3.11: Use of Sold Products	Mid	15%
Improvement of energy efficiency in produced goods	S3.11: Use of Sold Products	Mid	15%

Table 9 Summary of External Actions

Activity	Affecting Category	Short Term Reduction (%)	Mid Term Reduction (%)	Long Term Reduction (%)	Offset Period to 2050 Reduction (%)	Total Reduction to 2050 (%)
Increase the biofuel blend proportion in fuel	S1: Transport fuels	19.0%	18.9%	30.1%	32.0%	100%
Reduction in carbon content of National Grid electricity	S2: Purchased Electricity	5.0%	5.0%	10.0%	10.0%	30%
Suppliers implement their own carbon reduction actions	S3.1: Purchased Goods and Services	5.0%	10.0%	15.0%	8.0%	38%
Suppliers implement their own carbon reduction actions	S3.2: Capital Goods	5.0%	10.0%	15.0%	8.0%	38%
T&D losses will decrease over time as operations become more efficient and as carbon content of the National Grid declines	S3.3: Fuel and Energy - Transmission and Distribution	15.7%	9.9%	8.4%	5.6%	40%
WTT losses will decrease over time as operations become more efficient	S3.3: Fuel and Energy - Well to Tank Losses	-2.8%	10.7%	6.7%	7.4%	22%
Haulage and delivery companies move towards zero-emission vehicles	S3.4: Upstream Transportation and Distribution	12.4%	4.8%	18.0%	19.8%	55%
UK waste disposal system is undergoing improvements to reduce emissions and promote a more circular economy	S3.5: Waste Generated in Operations	5.0%	15.0%	20.0%	10.0%	50%
Air travel will become more sustainable over time	S3.6: Business Travel (air)	5.0%	5.0%	10.0%	10.0%	30%

Activity	Affecting Category	Short Term Reduction (%)	Mid Term Reduction (%)	Long Term Reduction (%)	Offset Period to 2050 Reduction (%)	Total Reduction to 2050 (%)
Increase in market share of electric vehicles	S3.6: Business Travel (car)	5.8%	5.6%	10.9%	12.0%	34%
Hotel stays will become more sustainable over time	S3.6: Business Travel (hotels)	15.7%	7.1%	8.4%	5.6%	37%
Reduction in carbon emissions of public transport (business travel)	S3.6: Business Travel (rail)	13.8%	7.9%	6.6%	4.4%	33%
Haulage and delivery companies move towards zero-emission vehicles	S3.9: Downstream Transportation and Distribution	12.4%	4.8%	18.0%	19.8%	55%
Increase in market share of electric vehicles	S3.7: Employee Commuting	5.8%	5.6%	10.9%	12.0%	34%
Increase the biofuel blend proportion in fuel	S3.7: Employee Commuting	3.1%	2.8%	5.1%	5.6%	17%
Homeworking emissions reduce and Grid electricity gets greener, gas elements are replaced, and computer equipment becomes more efficient	S3.7: Employee Homeworking	2.0%	3.5%	6.1%	6.7%	18%
Reduction in carbon content of National Grid electricity	S3.11: Use of Sold Products	19.0%	18.9%	30.1%	32.0%	100%

16.4. Short-Term Corporate Actions

The following actions have been partially or fully implemented since the base year FY 2019:

- Off-peak transport policies for all vehicular activity
- A reduction in *Business Travel* emissions by not using own car but cycling/walking/carpooling
- A reduction in *Business Travel* emissions by use of public transport instead of taxis / cars or by switching to electric
- Green commuting policies including car share programmes, working from home, awareness training etc.
- Setup of a recycling station at Head Office
- Reduce waste sent to landfill
- Reduce the use of paper across entire business
- Reduce purchases with plastic wrapping
- Increase recycling of equipment removed from site for spares and parts

16.5. Mid-Term Corporate Actions

The actions that can be implemented internally by ParkingEye Limited, with completion within 5 to 10 years (mid-term) from the baseline year FY 2019 are classified under this section.

16.5.1. Decarbonisation of Heating Assets Using ESOS-Identified Opportunities

ParkingEye Limited should pursue the decarbonisation of all heating assets, informed by opportunities identified through ESOS Phase 3. Measures include replacing gas-fired boilers with electric thermal fluid systems and upgrading warehouse heating to high-efficiency electric infrared technology. Collectively, these actions target a significant reduction in Scope 1 emissions by transitioning away from fossil-fuel-based heating systems. Each measure is designed to support long-term carbon reduction while maintaining operational performance and aligning with the organisation's Net Zero strategy.

16.5.2. Reduction of Company Car Usage via Car Allowance Incentives

Offering car allowances in place of company-owned vehicles provides greater flexibility for employees and encourages the selection of lower-emission or electric models. This shift is expected to reduce Scope 1 emissions associated with fleet operations and supports the transition toward more sustainable business travel practices.

16.5.3. Introduction of a Green Driving Policy for Company Vehicles.

A formal low-emission 'green' driving policy could be implemented to embed sustainable transport behaviours across all company vehicle use. Core elements would include limiting engine idling, encouraging route optimisation through navigation systems, moderating speed where safe and appropriate, and conducting monthly reviews of driving performance. Incentivising employees who consistently demonstrate fuel-efficient driving and reinforcing behavioural expectations through internal communications would support long-term culture change. These measures are expected to reduce Scope 1 *Transport Fuels* emissions and align operational transport with ParkingEye Limited's wider Net Zero commitments.

16.5.4. Implementation of Eco-Driving Training Programme

As recommended in ESOS Phase 3, a structured eco-driving training programme could be introduced to support improved driving efficiency across the organisation. The training would cover practical techniques such as optimising gear changes, limiting air conditioning usage, maintaining consistent speeds within the 50–60 mph efficiency range, and reducing idling. These sessions could be complemented using telematics data to identify patterns and support targeted interventions. Similarly to above, this programme would contribute to Scope 1 *Transport Fuels* emissions reductions from company vehicles and forms a key enabler within the broader fleet decarbonisation strategy.

16.5.5. Business Travel Policy Advocating Virtual Meetings

It is recommended that ParkingEye Limited develops and adopts a formal Business Travel Policy to ensure that all travel is necessary, justified, and aligned with sustainability objectives. The policy should promote the use of virtual meetings where appropriate, reducing the need for both travel and overnight accommodation. Encouraging more efficient travel planning in combination with these measures would support reductions in *Business Travel* emissions, including associated categories such as flights, rail, grey fleet, taxis, and hotel stays.

16.5.6. Develop a Grey Fleet Management Policy

As recommended under ESOS Phase 3, establishing a Grey Fleet Management Policy would enable greater control over emissions arising from employee-owned vehicles used for business travel. ParkingEye Limited have committed to achieving this objective in their ESOS Action Plan by December 2025.

16.5.7. Carbon Reduction Partnerships with Key Suppliers

Following supplier engagement activities, ParkingEye Limited could explore the formation of targeted carbon reduction partnerships with strategically significant suppliers. These partnerships would focus on setting joint emissions reduction objectives, underpinned by clear action plans and aligned with Scope 3

categories such as *Purchased Goods and Services* and *Capital Goods*. Collaborative initiatives may include the adoption of lower-carbon materials, investment in cleaner technologies, and optimisation of logistics to reduce fuel consumption and associated emissions.

Regular performance monitoring and transparent reporting would support accountability and enable continuous refinement of decarbonisation strategies. By embedding sustainability into supplier relationships, this approach is expected to drive measurable emissions reductions across the value chain and reinforce shared progress towards long-term Net Zero goals.

16.5.8. Domestic Energy Efficiency Behavioural Change

Encouraging behavioural change among employees in relation to domestic energy use represents a practical opportunity to reduce emissions from *Employee Homeworking.* By providing awareness campaigns, energy-saving guidance, or targeted communications, ParkingEye Limited can help staff adopt lower-carbon habits at home. Guidance may include efficient heating management, reducing standby power consumption, and using appliances during off-peak times which all stand as both Mid- and Long- term reduction actions. These interventions are typically low-cost and scalable, and they support wider corporate sustainability objectives while fostering a culture of shared responsibility for decarbonisation beyond the workplace.

16.5.9. Supply Chain Greening Through Lower-Carbon Supplier Identification

Embedding carbon considerations into supplier selection supports a more sustainable procurement approach and can lead to measurable reductions in upstream emissions. By identifying and engaging suppliers with stronger environmental credentials, ParkingEye Limited can reduce the overall footprint associated with *Purchased Goods and Services*, while reinforcing sustainability standards across the value chain.

16.5.10. Circular Economy Approach to Purchased and Capital Goods

Adopting a circular economy approach to goods procurement will involve selecting products designed for longevity, repairability and recyclability, while exploring leasing or supplier take-back schemes where appropriate. This strategy will support reductions in *Purchased Goods and Services* and *Capital Goods* by minimising waste and lowering embedded emissions throughout the product lifecycle, aligning with ParkingEye Limited's broader Net Zero ambition.

16.5.11. Carry Out Delivery Consolidation Actions on All Items Delivered to Site

Delivery consolidation involves coordinating shipments from multiple suppliers or distribution points to arrive together in a single consignment. This can be enabled through improved scheduling practices, the

use of intermediate consolidation hubs, or by aligning order cycles across departments to reduce the number of trips required.

For ParkingEye, where goods are regularly received across operational sites, streamlining deliveries can lead to measurable decreases in fuel usage and associated *Upstream Transportation and Distribution* emissions. Consolidation will also support better inventory control and reduce costs tied to multiple smaller consignments, while reinforcing the company's commitment to environmentally responsible procurement practices.

16.5.12. Improvement of Energy Efficiency in Produced Goods

Enhancing the energy efficiency of sold goods represent a key mid-term opportunity within ParkingEye's Net Zero transition, particularly for electricity-consuming products such as cameras, servers and EV chargers. Suppliers with a clear focus on sustainable design and low-energy technologies should be prioritised wherever possible. Engaging with these suppliers to understand lifecycle consumption data and product innovations will allow ParkingEye to make informed decisions that reduce environmental impact across the product lifespan.

16.5.13. Optimise Energy Use of Continuously Powered Equipment

ParkingEye should review equipment currently operating 24/7 or at generally long hours, such as cameras, routers and servers, to identify devices that can be powered down or shifted to low-energy modes during periods of inactivity. Where continuous operation is unnecessary, intelligent controls or scheduling should be investigated and implemented to reduce electricity use.

16.6. Long-Term Corporate Actions

The actions that can be implemented internally by ParkingEye Limited, with completion within 10 to 20 years (long-term) from the FY 2019 baseline are classified under this section.

16.6.1. Conversion of Fleet to Electric Vehicles

To reduce transport-related emissions over the long term, a phased transition to electric vehicles (EVs) could be prioritised for company fleet operations. While public transport remains the preferred low-carbon option where feasible, electrification presents a viable alternative for journeys where mass transit is impractical. Over time, legacy petrol and diesel vehicles should be replaced with EVs, aligned with replacement cycles and budgetary constraints.

To support this transition, ParkingEye Limited may consider further investment in on-site EV charging infrastructure at its head office and other key locations, enabling more consistent and convenient access to

low-emission transport options. This measure is expected to contribute to sustained reductions in Scope 1 emissions, while also reinforcing the organisation's commitment to low-carbon mobility solutions.

As a result of increased electricity demand from EV charging, a rise in Scope 2 emissions is expected. However, this shift from direct fuel combustion to lower-carbon electricity remains favourable, given the declining carbon intensity of the UK grid. Overall, the transition supports a net reduction in emissions and aligns with ParkingEye Limited's long-term Net Zero objectives.

16.7. External Factors

External actions that are likely to affect ParkingEye Limited's emissions are classified under this section. They are likely to occur within all three time horizons. If they are not, this is stated within the description.

16.7.1. Increase of the Biofuel Blend Proportion in Fuel

The progressive increase in biofuel blend proportion within the UK transport fuel mix is expected to reduce the carbon intensity per litre of conventional fuels. As a result, ParkingEye Limited's Scope 1 and 3 emissions associated with vehicle use are anticipated to decline over time, without necessitating any operational intervention by the company.

16.7.2. Decarbonisation of UK Grid Electricity

The ongoing decarbonisation of the UK electricity grid is expected to result in a steady decline in Scope 2 emissions. As the national energy mix continues to transition towards renewable sources, the emissions associated with each kWh of electricity consumed will reduce, contributing to lower indirect emissions without requiring changes to on-site operations. This reduction in grid carbon intensity will also lower *Use of Sold Products* emissions, where electricity consumption forms part of the downstream impact. Additionally, *Transmission and Distribution* losses are expected to decrease over time as network efficiency improves, and the carbon intensity of grid-supplied electricity continues to fall.

16.7.3. Gradual Reduction in the Emissions Intensity of Air Travel

Advancements in sustainable aviation technologies and increased uptake of lower-carbon fuels are expected to gradually reduce the emissions intensity of air travel. As the aviation sector adopts more efficient aircrafts and sustainable aviation fuels (SAF), the carbon impact per passenger kilometre will decline, contributing to a reduction in Scope 3 emissions for organisations.

16.7.4. Decarbonisation of the Hospitality Sector

Ongoing improvements in energy efficiency and operational sustainability within the hospitality sector are expected to lower the emissions intensity of hotel stays over time. As hotels invest in renewable energy, building retrofits and environmental certification schemes, the associated emissions will decrease.

16.7.5. Emissions Reductions from Public Transport Improvements

The continued electrification of public transport and increased use of low-carbon fuels across rail and bus networks are expected to reduce their emissions intensity. As public transport operators transition to cleaner energy sources, emissions associated with employee use of trains, trams and buses will decrease over time, even where travel demand remains constant.

16.7.6. Logistics Sector Transition to Zero-Emission Fleets

Haulage and courier companies are increasingly adopting zero-emission vehicles, including electric and hydrogen-powered models. This transition is expected to reduce emissions associated with the transportation of goods, leading to a decline in emissions linked to ParkingEye Limited's operations.

16.7.7. Growth in Electric Vehicle Market Share

The ongoing transition towards electric vehicles across the UK transport sector is expected to reduce the carbon intensity of business-related travel and goods movement. As EVs gradually replace internal combustion engine vehicles, Scope 3 transport emissions associated with ParkingEye Limited's operations are expected to decline over time, independent of any immediate operational changes.

16.7.8. Homeworking Emissions Reduce

Emissions associated with employee homeworking are expected to decline over time due to multiple systemic improvements. These include the decarbonisation of grid electricity, reduced reliance on domestic gas heating, and the increasing energy efficiency of consumer IT equipment.

16.7.9. Sector-Wide Improvements in Waste Management and Circular Economy

Enhancements to the UK's waste management system, such as higher recycling rates, declining reliance on landfill, and wider adoption of circular economy principles are expected to reduce emissions associated with Scope 3 categories specifically, *Waste Generated in Operations*.

16.7.10. Declining Well-to-Tank Emissions from Fuel Supply Chains

Improvements in fuel production, refining, and distribution processes are expected to reduce well-to-tank losses over time. As these upstream activities become more efficient, associated emissions from fuel processing and transport will decline, contributing to lower overall emissions for all fuel users, including ParkingEye Limited.

16.7.11. Supplier-Led Carbon Reduction Initiatives

As suppliers implement their own carbon reduction measures such as energy efficiency improvements, low-carbon materials, and cleaner production technologies associated emissions within Scope 3 categories *Purchased Goods and Services* and *Capital Goods* are expected to decline. These upstream actions contribute to the decarbonisation of ParkingEye Limited's supply chain, supporting broader value chain emissions reductions.

16.8. Offsetting

It is anticipated that ParkingEye Limited will only begin offsetting once all reasonable mitigation activities have been implemented and are being maintained. In the short and mid-term, it is recommended that capital is invested in implementation of carbon reduction measures rather than offsets, reducing emissions at source rather than negating them with offsets.

McGrady Clarke works alongside a range of offsetting providers who cover projects within the UK and international offsetting landscapes. Quotes and brochures can be provided for offsetting against a range of verified carbon projects, such as forestry, renewable energy and more.

17. Next Steps and Conclusion

ParkingEye Limited has now completed five Carbon Footprint Assessments for the years 2019, 2021, 2022, 2023, and 2024. This consistent reporting demonstrates a strong and growing commitment to environmental transparency, supported through an ongoing partnership with McGrady Clarke. The relationship is set to continue, with a further two annual assessments already commissioned, ensuring continuity in emissions tracking and long-term alignment with the company's Net Zero ambition.

As ParkingEye progresses on its Net Zero journey, the focus is shifting from measurement to action. While robust data remains essential, the next stage will increasingly involve the implementation of targeted emissions reduction measures. Encouraging progress is already under way, with the development of carbon reduction partnerships with suppliers as well as a strong drive to improve operational efficiency across sites.

To support continued momentum, the adoption of a comprehensive energy monitoring platform should be considered. This would enable greater visibility of site-level energy performance, helping to identify inefficiencies and support both carbon and cost savings. In parallel, the introduction of tailored staff training could enhance sustainability awareness and promote energy-conscious behaviours across operational teams. McGrady Clarke can support the successful implementation of both measures, further strengthening ParkingEye's capacity to reduce emissions and embed sustainability at the core of its operations.

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Appendix 1

The following estimated absolute reduction targets are based on historic and current emissions data. These targets do not incorporate any business-as-usual (BAU) projected growth. This approach ensures that emissions performance is assessed transparently and consistently against fixed baseline values, without the influence of internal operational growth assumptions.

Table 10 Reduction Targets

Scope	Absolute Reduction Targets
Scope 1 (tCO_2e)	523.81
Scope 2 (tCO_2e)	19.42
Scope 3 (tCO_2e)	4,905.50
Total Emissions Reductions (tCO_2e)	**5,448.73**

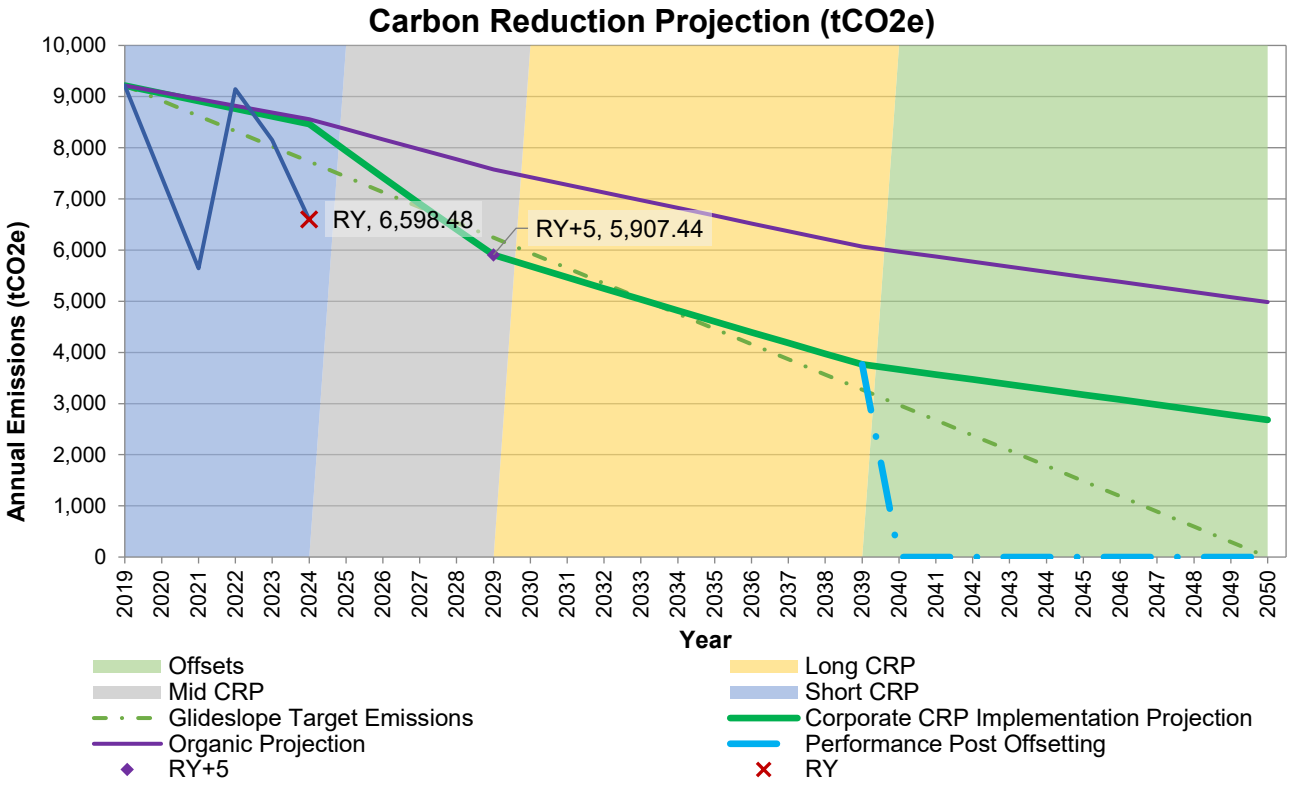

Figure 26 Reduction Trajectory Without Internal BAU Projection

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