

SUSTAINABILITY

IMPACT REPORT

APRIL 2023- MARCH 2024



EXECUTIVE SUMMARY

The purpose of this report is to disclose the impacts Arcus FM have on key elements of the environment and society, and its overall contribution – both positive and negative – towards the goal of sustainable development.

As identified in the report, Arcus is powering its progress in line with the UN 2030 Agenda for Sustainable Development by reflecting and acting upon seven Sustainable Development Goals (SDGs). Those identified have been assessed by Arcus as being most material to Arcus' operations:

- SDG 1 – No Poverty;
- SDG 3 – Good Health & Wellbeing;
- SDG 4 – Quality Education;
- SDG 5 – Gender Equality;
- SDG 7 – Affordable & Clean Energy;
- SDG 12 – Responsible Consumption & Production; and
- SDG 13 – Climate Action.

Those impacts relative to energy, water, emissions, waste, supplier assessment, occupational health and safety, diversity and equal opportunity, information security and compliance have been disclosed throughout the report, coupled with general disclosures and a supporting statement from our Chief Executive Officer detailing his commitment to sustainability.

Where relevant, other key Arcus produced resources, detailing important sustainability information, have been referenced. Arcus is fully committed to embedding sustainability practices into the management and operation of the business, with adoption of environmental, social and governance (ESG) considerations and activities.

Arcus continues to take actions that result in improved, and wherever possible, positive, social, economic, and environmental impacts.

Arcus's sustainability targets are our Science Based Targets which are currently undergoing a detailed validation exercise with SBTi:

- Arcus FM has committed to reducing absolute scope 1 and 2 GHG emissions 42% by FY2030 from a FY2022 base year. Arcus FM has also committed to reduce absolute scope 3 GHG emissions 42% within the same timeframe.
- In addition to this, Arcus FM has also committed to reducing absolute scopes 1 and 2 GHG emissions 90% by FY2040 from a FY2022 base year. Furthermore, Arcus FM commits to reduce absolute scope 3 GHG emissions 90% within the same timeframe.

This target is supported by several other commitments, goals, and initiatives, both current and in development. Current performance against the aligned targets, and details of the supporting mechanisms, are disclosed within the main body of the report.

EXECUTIVE SUMMARY KEY HIGHLIGHTS/OUTPUTS FOR THE YEAR INCLUDE:

- 71% of our waste generated was recycled or re-used
- Placing an order for 50 Electric Vehicles to further electrify our van fleet, we are expecting to receive the vehicles in 24/25.
- A 125% increase of grey fleet mileage driven in battery electric cars
- Maintaining the 'CO₂e Assessed Organisation' & 'CO₂e Assessed Supply Chain' Carbon Footprint Ltd standards
- This year Arcus will submit its third climate change submission for the Carbon Disclosure Project (CDP) questionnaire
- Accident Frequency Rates (AFR) have risen from 13.47 to 20.06, and in addition RIDDOR Frequency Rates have also risen from 0.9 to 2.02 since last year. In response to this Arcus has put into place an Incident Reduction Plan with key actions to be delivered including those which adopt a 'visible' leadership approach, extensive use of data to identify themes and trends which in turn inform our communications and campaigns to drive the reduction in accidents and incidents.
- Our 'cycle to work' benefit scheme has 27 colleagues actively involved in the scheme, increasing from 20 colleagues in 22/23
- Maintenance of Cyber Essentials certification

Arcus is proud to be a Sustainable FM Index (SFMI) partner and achieved the coveted Gold Award in 2023. Arcus continues its strong and consistent partnership with the SFMI to ensure that well-informed, experts can provide us with guidance, external benchmarking and industry collaborations, which in turn can be used to move us further forward with our sustainability efforts.

Several Global Reporting Initiative (GRI) standards, and parts of their content, have been selected and referenced when compiling this report to disclose specific sustainability related information, however a full report has not been prepared in accordance with all GRI standards.

The reporting period is from 1 April 2023 to 31 March 2024. The report scope is consistent with the themes and commitments identified in the Arcus Sustainability Policy.

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A MESSAGE FROM CHRIS GREEN CEO

I am pleased to present Arcus' fourth annual Sustainability Impact Report.

At Arcus, we are deeply committed to sustainable development, embedding sustainability principles into every facet of our business operations. This approach enhances resource and energy efficiency—leading to reduced operational costs and supporting growth—and reflects our belief in doing what is right.

We take great pride in adding value to our customer's operations and the communities they serve.

Our senior leadership team is fully engaged and eager to implement sustainability initiatives, regularly collaborating with stakeholders to share successes, challenges, and strategies. Our transparent, data-driven, and people-first approach ensures we stay ahead in the facilities management sector. We collaborate with Acclaro Advisory and other external partners to benchmark our sustainability efforts, providing valuable insights into how we compare with industry peers.

Our business continues to grow, and our commitment to sustainability is integral to that growth. We've always aimed to go beyond mere legal compliance, aspiring to lead in sustainability within our industry – and use our strong and long-term relationships with our customers to support and influence them to do the same: openly sharing our successes and challenges as we navigate the journey we must all take.

Respecting nature is a key component of our progress. We recognise that biodiversity loss and climate change are interconnected challenges that must be addressed together. Arcus is actively working with suppliers to improve biodiversity, both within our operations and by influencing our customers through ongoing stakeholder engagement. Our focus on biodiversity, water, circular economy, waste, and air quality underlines our commitment to respecting nature.

In waste management, we are striving to reduce workplace waste through close collaboration with suppliers and our supply chain team. Throughout the year, we have implemented several impactful sustainability initiatives, delivering real value for both our business and our customers as they pursue their sustainability goals.

In October 2023, we were thrilled to have receive the coveted Gold SFMI award, with improved scores across all elements compared to the previous year. We have now set an ambitious goal to achieve Platinum SFMI status by 2030. With 50 more electric vehicles ordered for delivery in 2024/25, we are methodically integrating this sustainable mode of transport into our operations, ensuring it meets our business needs and those of our customers.

It gives me great pleasure to sign this report, marking another significant step in our sustainability journey. This report not only highlights our progress but also assures our stakeholders that we are committed to a rigorous and transparent approach to enhancing our sustainability performance.



ABOUT US

Arcus is an award-winning facilities management company primarily operating in the retail, food retail, hospitality, corporate offices, and distribution/logistics sectors. Our services include mechanical, electrical, HVAC, refrigeration, drainage, building fabric, helpdesk, soft services, energy auditing and management, connected building management, project management and deployment of IoT platforms.

OUR VALUES



DO IT
SIMPLY

We strive to minimise complexity, delivering efficient and effective processes to our customers.



DO IT
WELL

We are committed to the well-being and care of Arcus, our colleagues, our customers, and the communities we serve.



DO IT
WITH PASSION

We are committed to focusing on safety, service, the environment, and our results.

Our commitment to sustainability is integral to the five pillars that underpin our vision to provide outstanding FM services – technology led, people driven.

These pillars are People, Customers, Technology, Innovation, and Social Value.

We place particular focus on customer service, using it to deliver great value and sustainable solutions. This emphasis, combined with our dedication to technology and innovation, supports our customers in achieving their net zero and broader sustainability goals.

THE SCOPE OF THIS REPORT RELATES TO:

- Arcus FM Limited
- Arcus Solutions (Holdings) Limited – group company.

At the end of the reporting year, Arcus solely occupied five office/training centre locations alongside two office spaces that were shared with other tenants. As part of the acquisition of Trios in August 2023, Arcus acquired its two office spaces in Cirencester and Erdington which are solely occupied. All sites are leased. Herein referred to as Arcus Estate sites.

The headcount figure at the end of the financial year was 3,694 colleagues.

Please refer to the relevant annual reports and financial statements on the Companies House website for further information.

The reporting period is from 1 April 2023 to 31 March 2024 inclusive – in line with the Arcus 2023/24 financial year (hereafter referred to as 2023/24). We continue to report publicly on our sustainability performance, and progress against relevant UN Sustainable Development Goals, via our website (arcusfm.com).

The data (quantitative information), and statements relating to the data, contained within this report have been externally validated for this reporting period against a limited assurance level by Acclaro Advisory in line with ISAE 3000 (International Standard on Assurance Engagements Other than Audits of Historical Financial information).

CERTIFICATIONS & ACCREDITATIONS



OUR COMMITMENTS & TARGETS

OUR SUSTAINABILITY POLICY & ISO CERTIFICATIONS

Our Sustainability Policy can be viewed [here](#).

ISO 45001: 2018 Occupational Health and Safety Management System Certification can be viewed [here](#).

ISO 14001: 2015 Environmental Management System Certification can be viewed [here](#).

ISO 9001: 2015 Quality Management Certification can be viewed [here](#).

STAKEHOLDER EXPECTATIONS & ENGAGEMENT





Sustainability commitments have been prioritised in line with stakeholder expectations, our client sustainability focus areas towards which Arcus can have a positive impact, and industry / market trends, direction, and best practice. We have engaged with the major stakeholders as follows:




- Our senior leadership team via UN SDG materiality assessments and Health, Safety, Quality & Environment (HSQE) and Sustainability Committees, as well as sustainability policy, strategy and initiative development and ratification.
- Colleagues via conversations, HSQE/risk forums, operational focus groups and feedback surveys.
- Supply chain partners via conversations and review meetings; notably in line with our detailed review of Waste Management Processes across the business being reviewed and improved to serve our growing business
- Investors during Board meetings.
- Select clients via sustainability materiality assessments.



UN SUSTAINABLE DEVELOPMENT GOALS

Arcus is playing its part in the UN 2030 Agenda for Sustainable Development. Arcus has completed a materiality and impact assessment for the UN SDGs and has identified that the following seven SDGs fall most significantly within our scope of influence. Although the information covered in this report will also support several other UN SDGs.

SDG	Snapshot of Arcus Activities in relation to SDG		Link to Sustainability Theme(s)
 <p>1 NO POVERTY</p>	<ul style="list-style-type: none"> • Social value is one of the five Arcus pillars. • Clear strategy on Social Value. • Modern Slavery statement and controls. • Supply Chain due diligence. 	<ul style="list-style-type: none"> • Annual sustainability audits where 'sustainable communities' is part of the criteria. 	<p>OUR PEOPLE AND THE COMMUNITY + OUR SUPPLY CHAIN</p>
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<ul style="list-style-type: none"> • Getting Everyone Home Safely is one of Arcus' core competencies. • ISO 45001:2018 Certified Health & Safety Management System supported by a dedicated HSQE Team. • Mental Health First Aiders & Employee Assistance Programme (EAP). 	<ul style="list-style-type: none"> • The introduction of our 'People Pages'. • Range of safety, health and wellbeing resources on our Learning platform. • Focus on air quality via energy use reduction and fleet decarbonisation. 	<p>OUR PEOPLE AND THE COMMUNITY + OUR PLANET AND ENVIRONMENTAL PROTECTION + OUR SUPPLY CHAIN</p>
 <p>4 QUALITY EDUCATION</p>	<ul style="list-style-type: none"> • Training is a core focus for the business and every year we invest heavily in our people. • Award-winning digital learning platform, The Learning Space. • External qualification via course sponsorship programmes. • HSQE ROSPA approved training. 	<ul style="list-style-type: none"> • Technical training & career progression pathways. • Technical & non-technical apprenticeships. • Leadership development programmes. • External sustainability audits where 'employee development' is part of the criteria. 	<p>OUR PEOPLE AND THE COMMUNITY</p>
 <p>5 GENDER EQUALITY</p>	<ul style="list-style-type: none"> • Equality, diversity & inclusion agenda. • Flexible working policy (formal requests). • Ways of working policy (hybrid/blended working). • Enhanced maternity and paternity pay. 	<ul style="list-style-type: none"> • Talent programmes to widen and promote opportunity for development. • Sponsorship programmes. • External sustainability audits where 'diversity' is part of the criteria. 	<p>OUR PEOPLE AND THE COMMUNITY</p>

SDG	Snapshot of Arcus Activities in relation to SDG		Link to Sustainability Theme(s)
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<ul style="list-style-type: none"> • ISO 14001:2015 Certified Environmental Management System supported by a competent, multi-skilled HSQE Team. • Internal energy and carbon monitoring and reporting process. • External energy and carbon verification audits and certification. 	<ul style="list-style-type: none"> • Internal sustainability target and supporting initiatives. • Delivering energy monitoring and reduction services for clients. • Annual sustainability audits where 'energy' is part of the criteria. 	<p>OUR PLANET AND ENVIRONMENTAL PROTECTION + OUR SUPPLY CHAIN</p>
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<ul style="list-style-type: none"> • Certified Environmental Management System supported by a dedicated and passionate HSQE Team. • Waste management, monitoring, and reporting processes. • Duty of care processes. 	<ul style="list-style-type: none"> • Supply chain on-boarding and annual review process. • Internal and external supply chain collaboration. • External sustainability audits where 'circular economy' implementation is assessed. 	<p>OUR PLANET AND ENVIRONMENTAL PROTECTION + OUR SUPPLY CHAIN</p>
 <p>13 CLIMATE ACTION</p>	<ul style="list-style-type: none"> • Certified Environmental Management System supported by a dedicated and passionate HSQE Team. • Electric van trial & electric car benefit scheme. • Established scope 3 emissions baseline. 	<ul style="list-style-type: none"> • Climate change risk management. • These are in addition to the activities outlined for SDG 7. • Annual sustainability audits where 'transport' is part of the criteria. 	<p>OUR PLANET AND ENVIRONMENTAL PROTECTION + OUR SUPPLY CHAIN</p>



OUR TARGETS & PERFORMANCE

Arcus' main sustainability targets set in the 23/24 financial year are our Science Based Targets which are undergoing validation with SBTi currently:

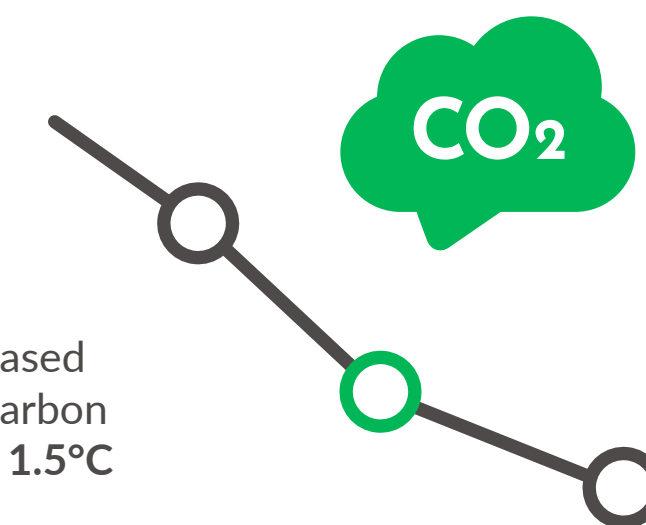
- Arcus FM commits to reduce absolute scopes 1 and 2 GHG emissions 42% by FY2030 from a FY2022 base year. Arcus FM commits to reduce absolute scope 3 GHG emissions 42% within the same timeframe.
- Arcus FM commits to reduce absolute scopes 1 and 2 GHG emissions 90% by FY2040 from a FY2022 base year. Arcus FM commits to reduce absolute scope 3 GHG emissions 90% within the same timeframe.

The HSQE team continue to be responsible for the target monitoring and reporting processes, however the achievement of the target is the responsibility of every Arcus colleague, driven by the Board and relevant departmental leaders.

- **Scope 1 (Direct Emissions):** 6.9% (375.87 tCO₂e) above our emission target for 23/24 required to remain on track with achieving our near-term carbon reduction target. .
- **Scope 2 (Energy Indirect Emissions):** 128.8% (72.6 tCO₂e) above our emission target for 23/24 required to remain on track with achieving our near-term carbon reduction target.
- **Scope 3 (Other Indirect Emissions):** 63.6% (4,056 tCO₂e) above our emissions target for 23/24 required to remain on track with achieving our near-term carbon reduction target.

SETTING OF FUTURE TARGETS

Arcus is currently undergoing the validation of its science-based carbon reduction targets. These targets will align with our carbon reduction efforts and **limiting rising global temperatures to 1.5°C** to prevent the worst effects of climate change.



OUR PLANET & ENVIRONMENTAL PROTECTION

Arcus continues to successfully demonstrate continual improvement and maintains its operation of an ISO 14001:2015 certified environmental management system.

We strive to remain compliant, ensuring that our colleagues understand their impact on our planet and are equipped with the information and resources required to protect our planet beyond the legal minimum. We ensure that climate risks and opportunities are reflected within our enterprise-wide risk management approach and these feature within our Corporate Risk Register enabling us to monitor progress, ensuring effective control of such risks and opportunities.



SUSTAINABILITY THEMES

WATER

Although not explicitly covered by the commitments in our Sustainability Policy nor identified as a material SDG, water use and pollution prevention forms part of our environmental management system (EMS) controls, our scope 3 emissions, and is material for many of our clients.

However, water used while on client sites for landscaping, cleaning and overall maintenance services cannot be distinguished from water used by the client therefore we have only reported water used directly by Arcus Estate sites (used predominantly for sanitary and kitchen facilities).

Water usage data at Arcus Estate sites is collated and reviewed annually. As part of our aspects and impacts under the EMS, suitable risk-based controls are in place colleagues are trained on the impacts of water use, and how to reduce them.

Where water usage is paid for by the landlord and actual usage figures cannot be obtained, water consumption has been estimated using recent benchmarks from Better Buildings Partnership.

Water Consumption	Megalitre (ML)
Total water consumption	1.88
Total water consumption from all areas with water stress	0.95

Areas with water stress have been identified using the Water Stress Indicator of the World Resources Institute Aqueduct Water Risk Atlas. Areas with a water stress rating of 'High (40-80%)' or above were included in the calculation.



WASTE REDUCTION & CIRCULAR ECONOMY

2023/24 HIGHLIGHTS

- Achieving a recycling rate of 71%, and again exceeding our target recycling rate
- All new Soft Services Uniform continues to be manufactured using 100% recycled materials
- In 23/24 there was a reduction in the total waste produced overall from 2022/23
- We also achieved a reduction in waste sent to landfill against 2022/3, with only 3.86% of our waste being sent to landfill.

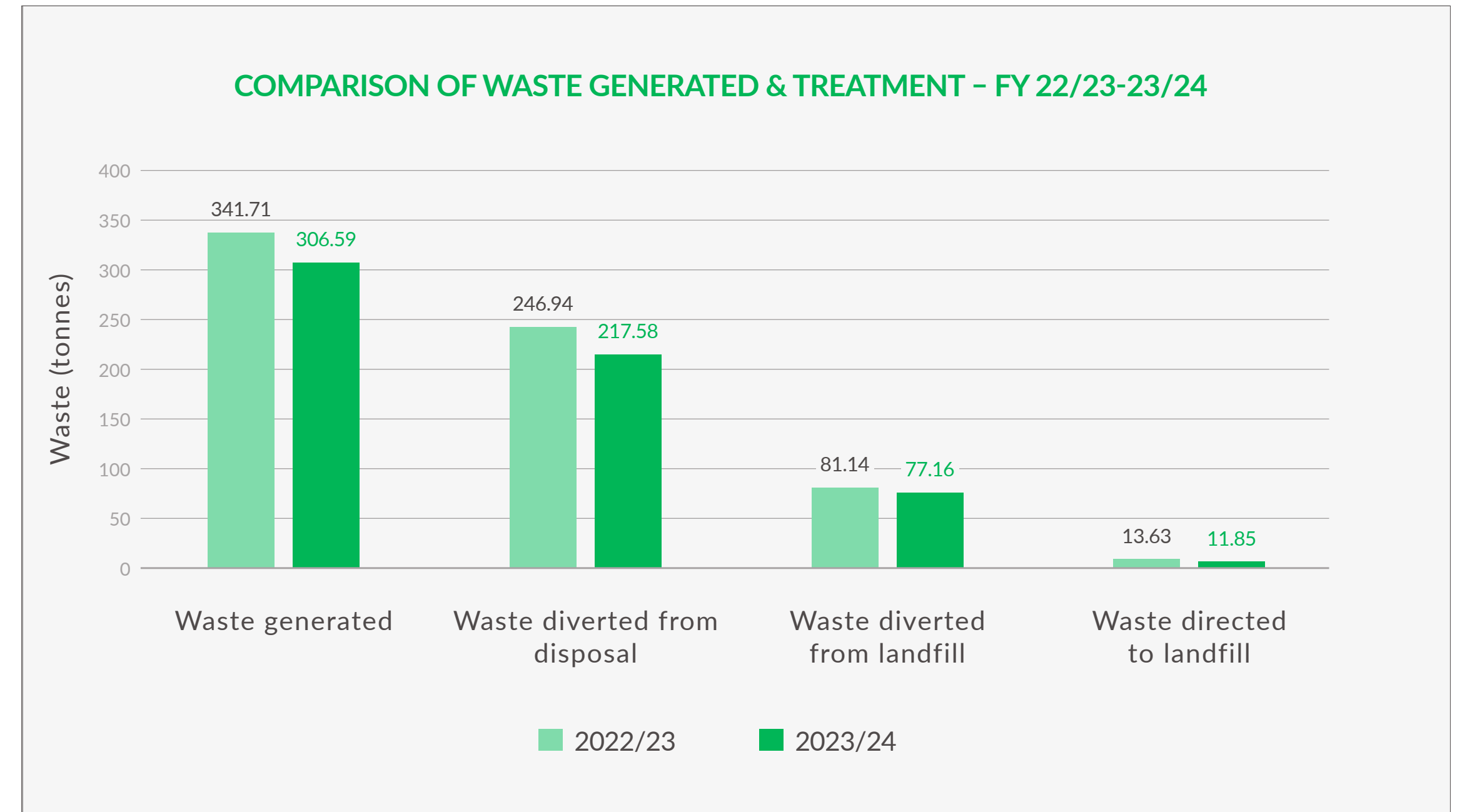
Within our Sustainability Policy, waste reduction and circular economy is a key theme and commitment identified. Waste data is received from our key suppliers at least monthly, largely via reports and waste supplier online portals. We also ask our suppliers to provide data on the proportions of waste, which is recycled, re-used/repurposed, diverted from landfill (i.e. energy recovery through incineration) or sent to landfill. Monthly monitoring of data allows for the identification of trends, spikes, improvement opportunities and circular economy implementation opportunities.

Most of the waste we produce is due to the service we provide to our clients, and the purchase of goods from our supply chain to deliver those services. A smaller amount of waste is produced because of the activities undertaken at our Arcus Estate sites.

We have a duty of care process in place, ensuring annual checks on suppliers are completed to make sure our third-party waste management suppliers are operating in line with contractual and legislative obligations

Where waste management of Arcus estates is paid for by the landlord and actual waste data cannot be obtained, for 2023/24 estimations have been calculated based off usage at other Arcus offices.

Simultaneously, we believe these collaborations with waste management suppliers, and colleagues being more aware of the waste hierarchy and maximising use before disposal has led to the amount of waste being produced reducing in comparison to last year.



We are continuously encouraging colleagues to recycle as much as possible and to reduce their consumption of single-use items.

To support reducing waste in our field-based activities, we are working closely with suppliers and looking for new opportunities embed circular economy principles within our practices. This involves engaging in schemes to repair, replaced or return items to reduce waste.

In 2023/24 71% of waste was recycled or re-used, reducing from 72.3% in 2022/23. We continue to work with a zero to landfill waste contractor, and as part of a review of our waste process currently being undertaken, we look to improve our recycling rate in 24/25. We also are continuing to extend the circular economy opportunities we are engaging in, with refurbishment schemes set up for some of our most used items like PRVs, compressors, Carel Controllers, inverters, harness and lanyards, condenser fan motors and RDM data manager panels.

NET ZERO ENERGY & AIR QUALITY

2023/24 HIGHLIGHTS

- We expect to receive the further 50 electric vehicles that we ordered in during the reporting period in 2024/25 financial year
- A 125% increase of grey fleet mileage driven in battery electric cars compared to 22/23
- A full scope 3 emissions baseline has now been in place for the last three reporting periods.
- Continued to maintain the achievements of 'CO₂e Assessed Organisation' & 'CO₂e Assessed Supply Chain' standards via our preferred partner Carbon Footprint Ltd.

In September 2024 we are due to submit our completed Carbon Disclosure Project (CDP) questionnaire for the third year, for which we are expecting our score from CDP for our climate change submission in 2025.

Information on CDP responses can be found [here](#).

Net zero, energy and air quality are key sustainability themes due to the current climate emergency, air pollution crisis, and the strengthening regulatory stance in this area.

These are key themes and commitments identified within the Sustainability Policy. The biggest direct impact Arcus has in this space is because of the fuel consumption associated with the use of transport.

At the end of the reporting period, Arcus operates a diesel van fleet of over 850 vehicles (scope 1), and in addition to this there is a grey fleet operation involving colleagues who use their own vehicles for business use (scope 3).

Electricity and natural gas consumption at Arcus Estate sites minimally contribute to our energy consumption and emissions figures.

A reliance on diesel and petrol vehicles exposes Arcus to price volatilities, supply and production uncertainties, and ever-increasing regulatory controls related to net zero.

Arcus are placing a significant focus on trialling and rolling out zero emission vehicles across its fleet. As well as the twenty electric vans already in place within our fleet, a further 50 electric vans have been ordered and we are due to receive these in the 2024/25 financial year.

Energy consumption from fuel, electricity, and heating, and all scope 1, scope 2 and scope 3 emissions are calculated and reported on an annual basis.

Arcus' greenhouse gas Corporate Accounting and Reporting Methodology uses 'ISO 14064-1:2018 - Greenhouse gases – Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals' along with the Greenhouse Gas Protocol as a guideline, and the SECR guidance in the 'DEFRA Environmental Reporting Guidelines March 2019'.

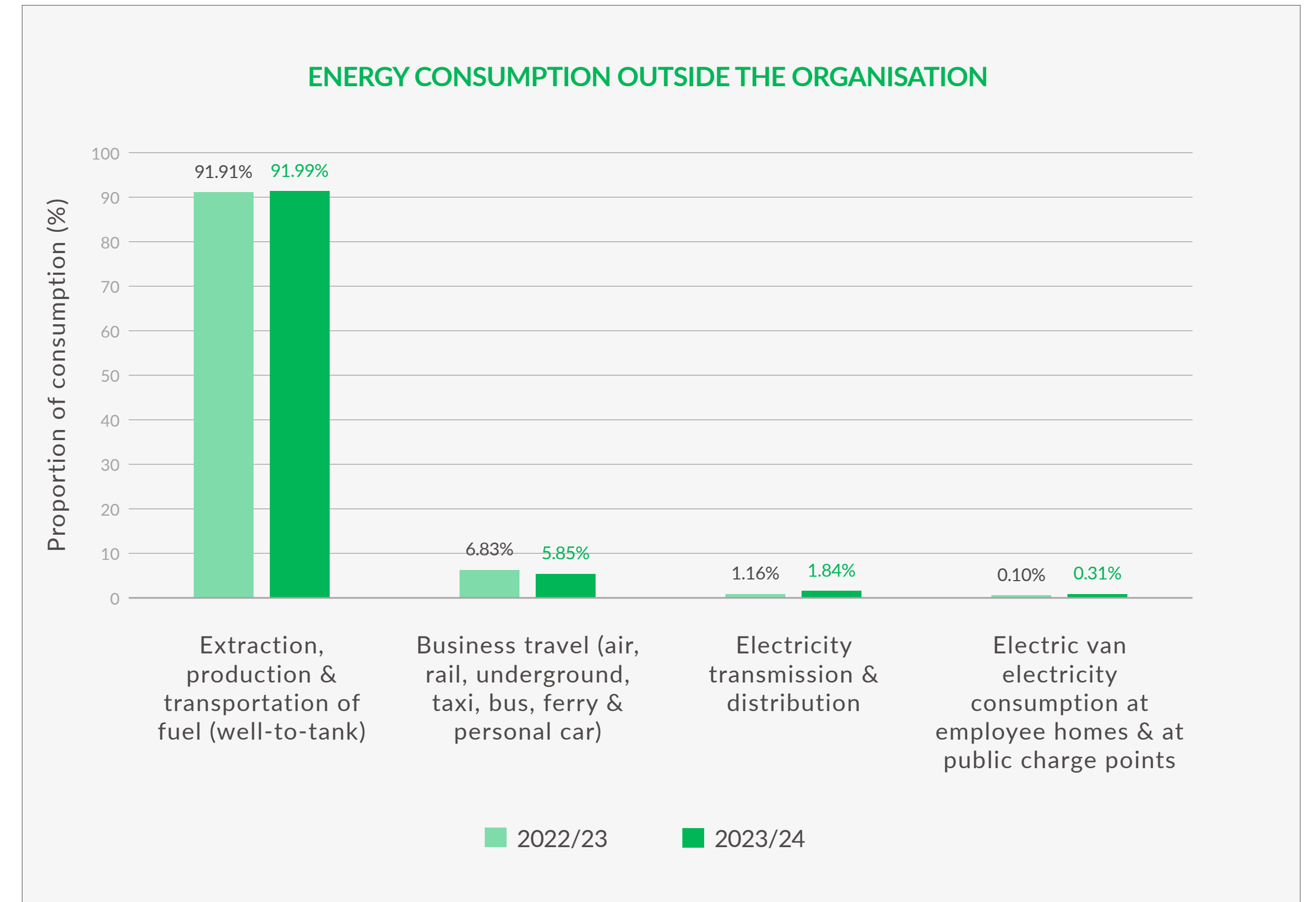
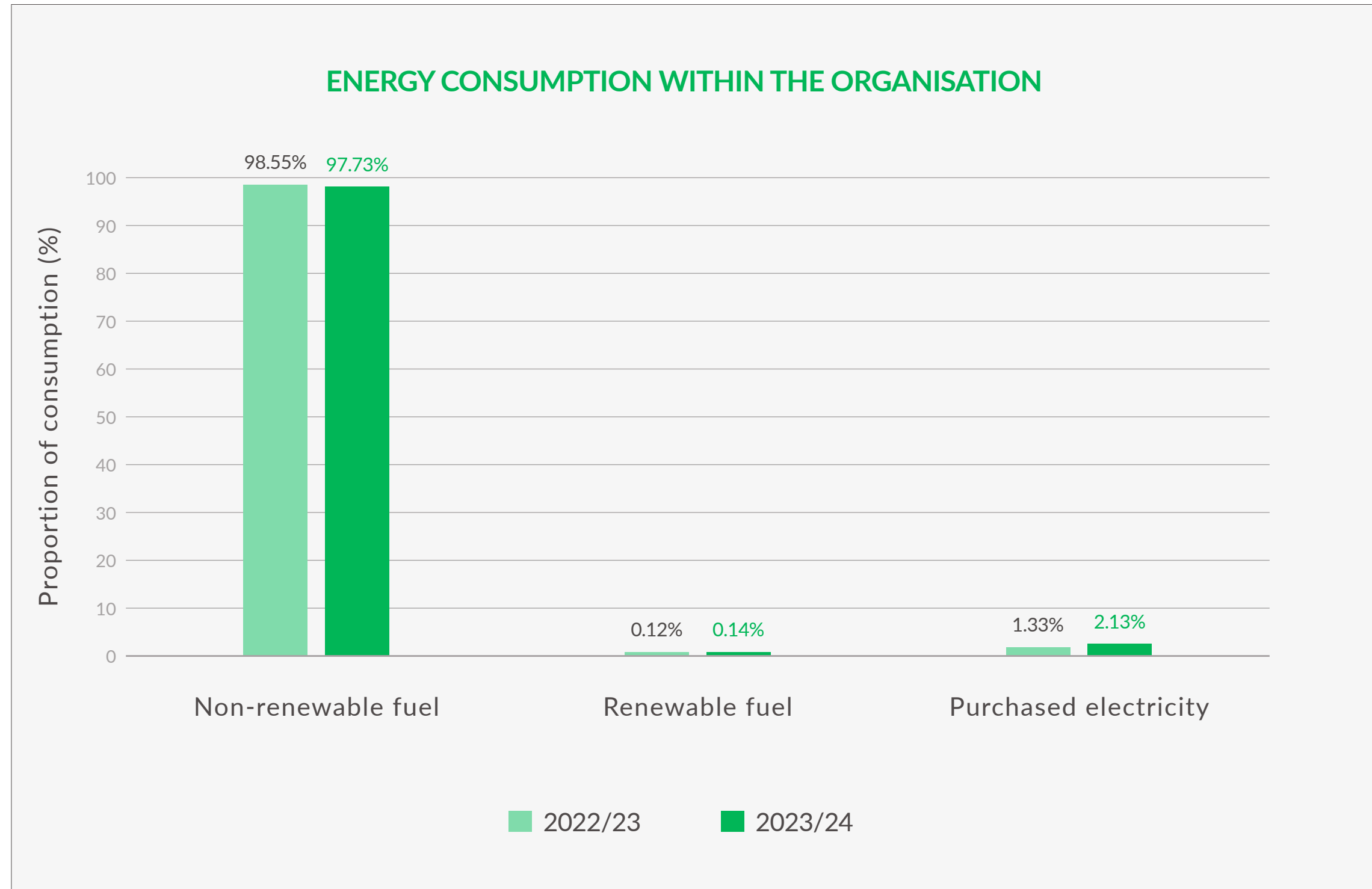
Data is collated from our travel expense systems, utility providers invoices/online portals and landlords. In cases where actual data is not available, estimations are estimated.

The HSQE team monitor data monthly, identifying themes and trends, as well as spikes and opportunities for improvement. This ensures regulatory compliance as well as helping us to drive our reduction beyond compliance.



ENERGY CONSUMPTION

In 2023/24, Arcus consumed 90,275 (GJ) of energy within the organisation (443.2GJ/£m revenue) and 104,066 (GJ) of energy outside of the organisation (510.9GJ/£m revenue). The total energy consumption, based on the intensity ratio figures, has decreased by 18.5% compared to the 2022/23.



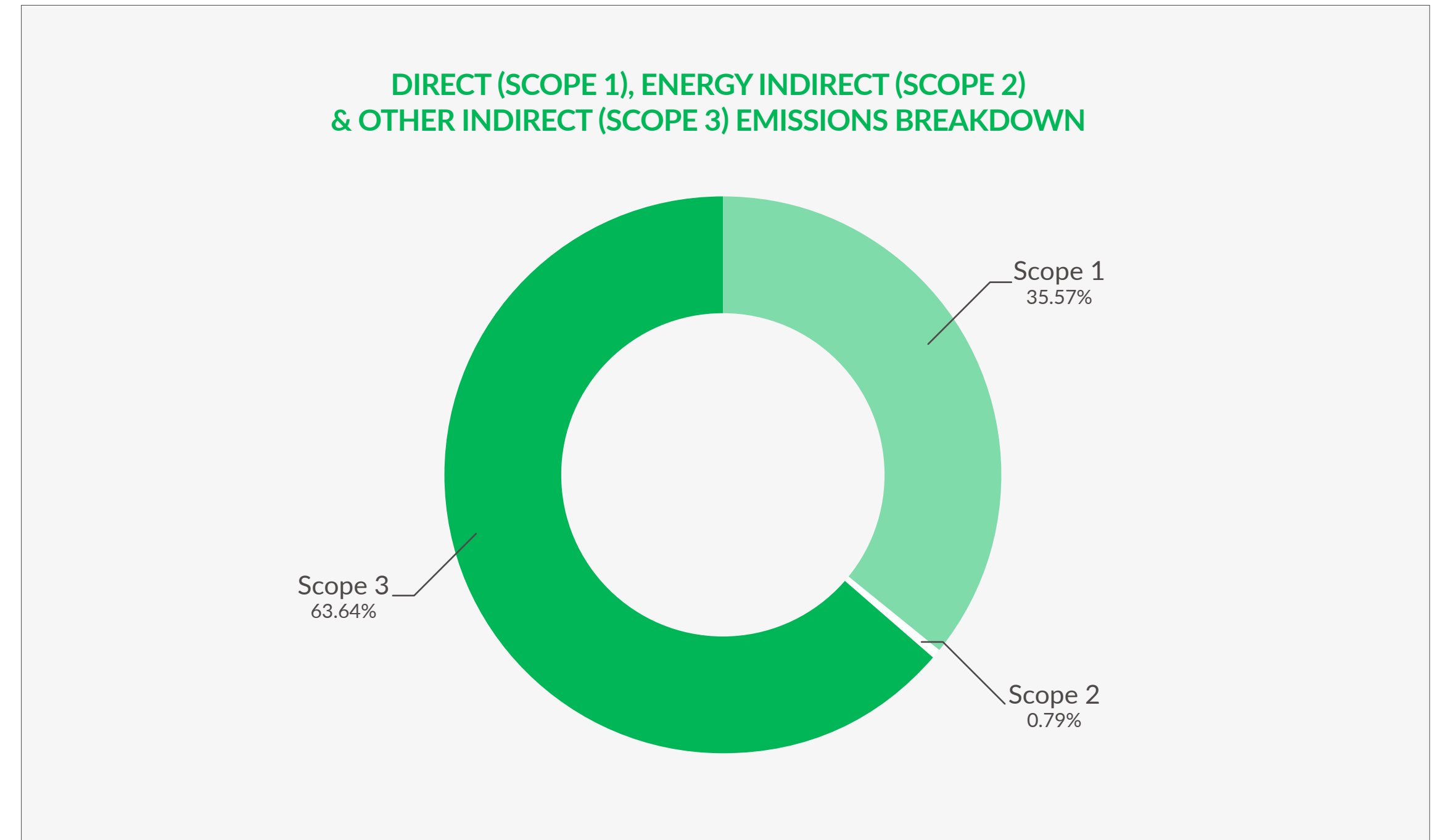
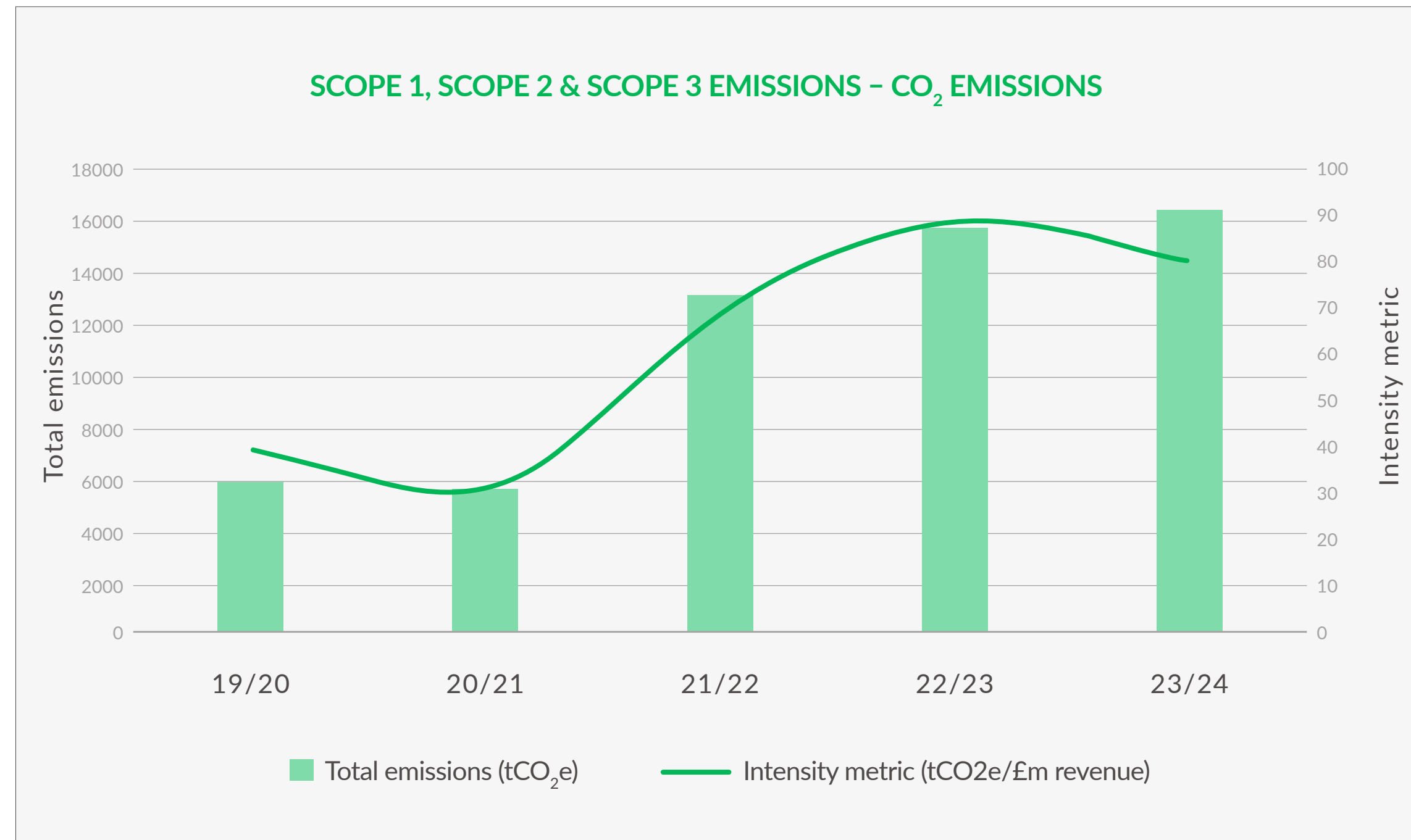
EMISSIONS

Arcus's scope 3 emissions baseline remains 2021/22 and accounts for 7,122 tCO₂e, and the total calculated emission for our baseline year equals 13,279 tCO₂e.

The scope 3 baseline set in 2021/22 is an integral milestone towards net zero, which has been used to implement targeted scope 3 emission reduction strategies. This baseline ensures all scope 3 emissions are included in the base year and will be used when setting targets going forward. Some of the emissions accounting methods rely heavily on estimation, particularly Supply Chain and employee commuting emissions and this should be considered.

This year our total calculated emissions equals 16,389 tCO₂e.

When comparing to our 21/22 base year, total emissions have increased by 23% (3,110 tCO₂e). Total scope 1 emissions have decreased by 4.3% and scope 2 emissions have increased by 104.7%. Total scope 3 emissions have increased by 46.45%.

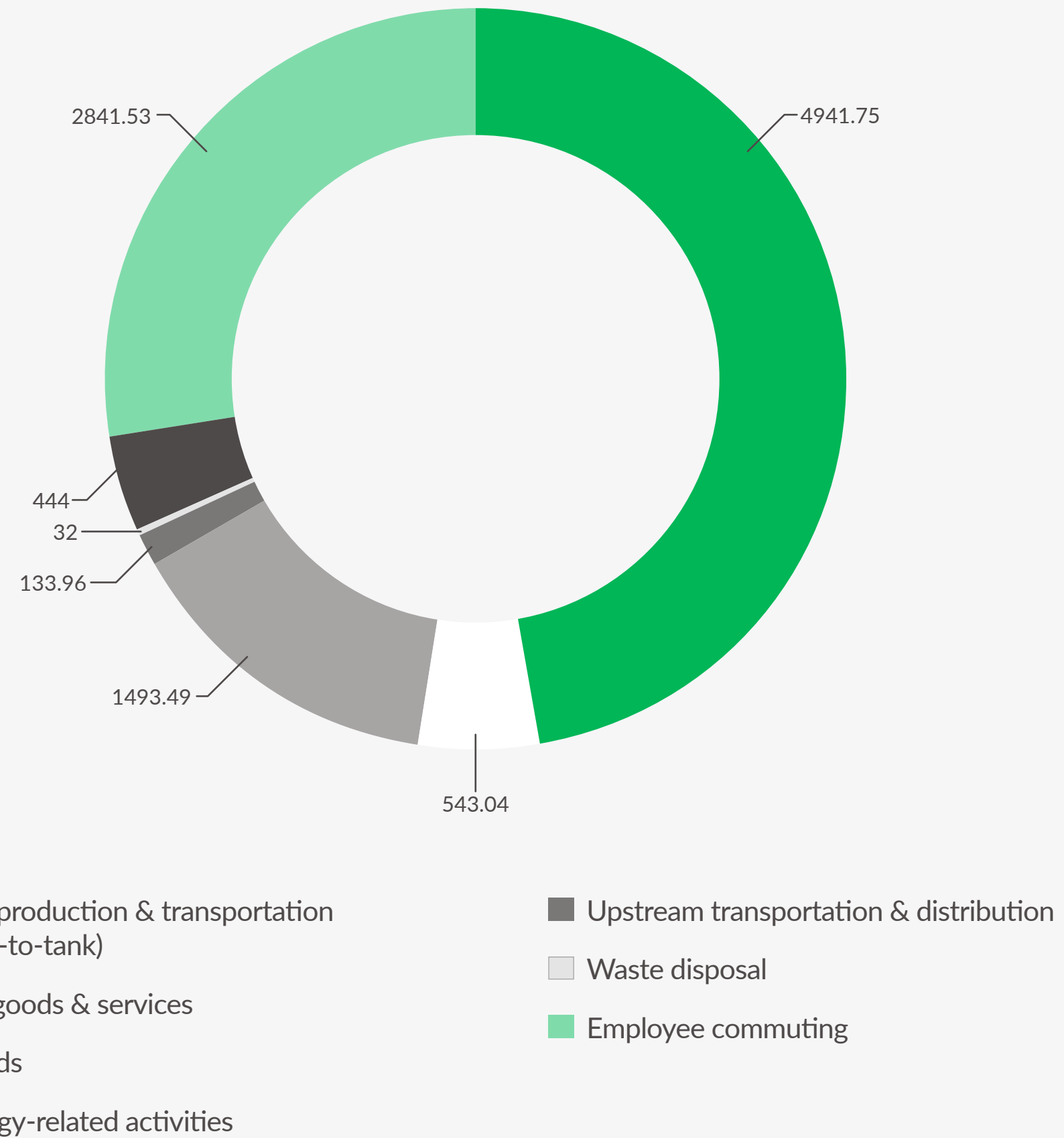


Scope 1 emissions for 2023/24 were 5,830 tCO₂e (previous year 2022/23: 6,145 tCO₂e). The GHG accounted are based on direct measurement of activity data and conversion to CO₂e.

Scope 2 emissions were calculated based on the GHG Protocol scope 2 Guidance for a location-based and market-based method.

- Location based emissions= 129 tCO₂e (previous year 2022/23: 67 tCO₂e)
- Market-based emissions = 115 tCO₂e (previous year 2022/23: 28 TCO₂e)

OTHER INDIRECT (SCOPE 3) EMISSIONS BREAKDOWN



Arcus have received third-party verification of scope 1, scope 2 and partial scope 3 emissions. Within scope 3 our Business Travel, Fuel and Energy Related Activities and Waste Disposal emissions are verified.

While Arcus' scope 3 emissions are known, those for Trios before the acquisition are unavailable; this unknown related to Trios might be a significant amount, and cannot be said yet to be decidedly immaterial. We are currently keeping our baseline year the same as Trios scope 1 and 2 emissions are less than 5% of the Arcus baseline year.

ENERGY CONSUMPTION, EMISSIONS EFFICIENCY & REDUCTION MEASURES

EXAMPLES OF INITIATIVES CURRENTLY IN PLACE

Electric Car Benefit Scheme – The voluntary electric vehicle salary sacrifice scheme, which allows eligible colleagues to lease an electric vehicle at a lower cost when compared to a conventional internal combustion engine private lease, remained available. At the end of the reporting period, we have 24 employees enrolled on the scheme.

Grey Fleet Mileage Reduction – for this reporting period a 987,526 mile (61%) reduction was achieved against the 2019/2020 baseline year. The aim of this initiative is to help reduce the carbon emissions resulting from our business travel undertaken in private vehicles. This is a trend and culture that Arcus aims to continue via our ‘Drive Down CO2 by Dialling in’ initiative which was launched back in May 2021 to support in the delivery of our million (business) mile reduction target. In 2022/23 this initiative resulted in the reduction of 607,730 miles (23%) from the 2019/20 baseline year, therefore we are looking to boost this initiative in 2024/25 to achieve our million-mile reduction target. Further to this in the reporting period there has been a 125.3% increase in grey fleet mileage that is driven in electric cars.

Project Merlin has proven to reduce engineers’ mileage and time spent in the company vehicle by optimising work order allocation and routes taken during any working day. It does this by applying a weighting/scoring measure to key metrics, such as mileage and distance to home. The algorithm runs repeatedly until it’s reached the best possible scenario of job allocation and mileage reduction for all engineers across a geographical zone, all, whilst still achieving the attendance required based on Service Level Agreements.

Three of our Arcus Estates – Upminster, Stevenage and Redditch have continued to be backed by 100% renewable electricity contracts (supported by renewable electricity Guarantee of Origin certificates) and we have a guaranteed this will continue until February 2025 when we will look to renew our certificate.

Similarly, 10% of the gas supply in Upminster, Redditch and Stevenage Arcus Estates is backed by Renewable Gas Guarantee of Origin certificates and 90% backed by carbon credits from qualified and registered projects, which guarantees us green gas until February 2025 when we will look to renew the certificates.

REDUCTIONS IN ENERGY REQUIREMENTS OF PRODUCTS & SERVICES

Based on energy efficiency operational interventions and projects that are tracked, and the resulting reductions verified, by the Arcus Energy Team, a 132,978 GJ reduction in energy consumption for services provided was achieved.

Arcus utilises several energy saving strategies implementing condition-based maintenance interventions for its clients’ facilities. Within Arcus’ Smarter Maintenance and Real-time Technology (SMaRT) Hub, energy baselines are calculated to measure variation in energy consumption that may have an adverse effect on client’s consumption. These baselines are incorporated with high temporal and spatial resolution energy, weather, and operational data to achieve the greatest accuracy.

The SMaRT hub team in the reporting period have increased the use of the Arcus IoT platform (Helix) and the associated database (BILL). There is a facility within the Helix/BILL called Node-Red., which allows the team to set up rules and alerting based on a wide range of energy and telemetry data to help identify inefficiency much quicker.

OUR PEOPLE & THE COMMUNITY

Our Social Value Strategy and action plan focus our work on two action areas:

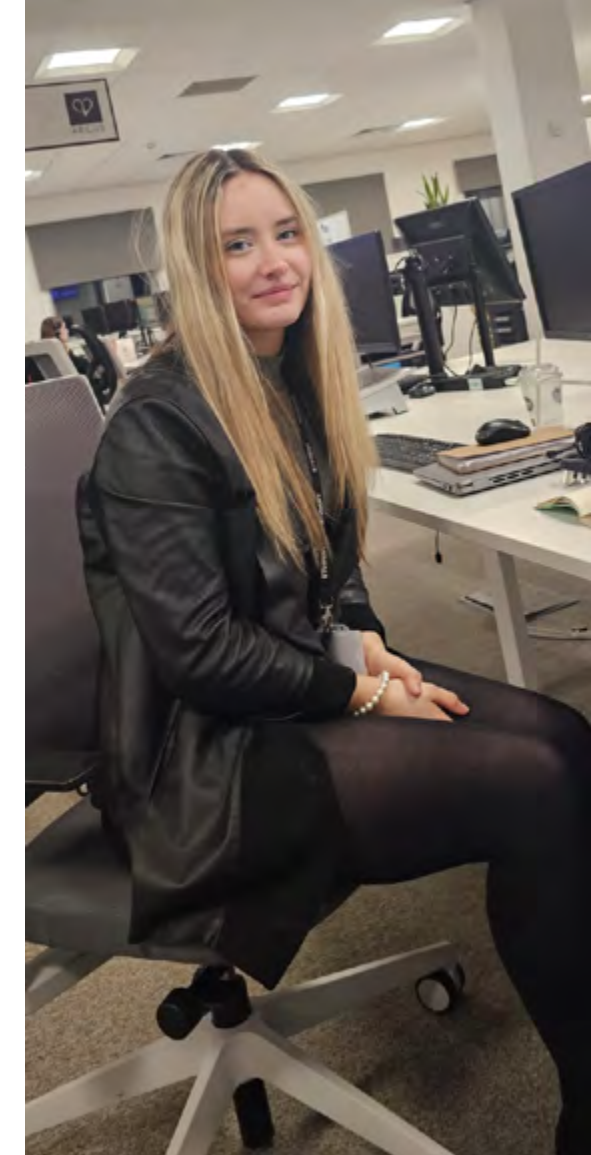
1. Employability and;
2. Community Work.

As an inclusive employer we aim to offer employment to individuals in our four priority groups i.e., young people with a focus on care leavers, individuals in touch with the justice sector, veterans and individuals with health conditions. We recognise this is a life changing intervention Arcus has the power to make and that every job offer made will have a positive ripple effect on that individual's life, prospects, and the lives of their family.

We grew our number of Social Value partners to twenty and offered 73 people employment in 2023/2024, exceeding our target of 43, thirty of whom had been unemployed for 12 months or longer, three were returning citizens, one was a veteran, six had a disability, three were NEETs (Not in Employment Education or Training) and one a care leaver. We also recruited an additional 23 individuals with disabilities and 14 ex-services personnel not via our Social Value partners. Therefore, the total number of colleagues recruited via Social Value partners as well as colleagues recruited who fall into one of our four priority groups and were not recruited via a Social Value partner is $x73 + x23 + x14 = 110$

We offered 10 individuals work experience and supported 19 career fairs including five in-prison events helping prepare participants re-enter the workforce upon release, and one Department for Work and Pensions employers' event in support of Black History Month.

Through our Arcus in the Community scheme, we donated £9,173 to local causes, exceeding our target of £4K. Our annual Christmas Raffle raised a further £9,349.00 for Whizz Kids, a charity that supports young wheelchair users by providing them with specialised wheelchairs to help them live their lives. We exceeded our target two charitable DIY projects by carrying out three charitable projects, one of which was a [garden refurbishment project](#) at a children's community centre for Birmingham Children Trust.



HEALTH SAFETY & WELLBEING

Accident Frequency Rates (AFR) have risen from 13.47 to 20.06, and in addition RIDDOR Frequency Rates have also risen from 0.9 to 2.02 since last year. In response to this the HSQE team in conjunction with its operational stakeholders have implemented a plan to reduce accidents/incidents.

Arcus' commitment to Health & Safety is reflected in business values and in one of the supporting enablers 'Getting Everyone Home Safely'.

Arcus has a HSQE Functional Strategy covering (2021-2024) with a key focus on all colleagues taking personal responsibility.

There is a dedicated HSQE function whose team members' roles are to lead, guide, support, and advise business functions in taking responsibility and ownership of theirs and others' health and safety. Within this team we also have embedded specialist roles that pertain to Risk and Sustainability.

Performance continues to be monitored and reported into senior teams through the quarterly HSQE Committee, Evaluation of Corporate Risk Management Meetings and Board Meetings. In addition any emerging risk items that are relevant to Health and Safety continue to be identified at our Horizon Group meeting with line management from all settings/remits within the business and furthermore any significant risks pertaining to health and safety can also be documented, managed and monitored for within the Corporate Risk Register and reviewed at the Evaluation of Corporate Risk Management meetings with our senior leadership team

Data trend analysis methods are used to identify common themes and trends pertaining to accidents, near misses, hazard spots and audit results. This enables the team to home in on where further support or preventative actions are required in line with our Incident Reduction Plan. These can be delivered via local engagement as well as campaigns including examples such as the roadshows conducted in the Soft Services arena. Such initiatives focus on continual improvement and demonstrate the clear commitment and efforts that the company has in ensuring a positive health and safety culture prevails. Arcus operates and continues to improve and maintain a ISO 45001:2018 certified occupational health and safety system.

The scope is the provision of facilities managing agent, maintenance services, technical maintenance services, cleaning activities, and training services. Workers within scope as of March 2024: Circa 3600 - 11% managers; 9% Support staff; 78% Operatives. Activities out of scope include; BEMs Ltd (acquisition of Arcus Holdings Solutions Ltd), Design, and outsourced activities.

HAZARD IDENTIFICATION RISK ASSESSMENT & INCIDENT INVESTIGATION

Arcus adopts a robust risk assessment process whereby all scopes of work, activities and environments are considered to ensure hazards are identified, assessed and that a suitable and sufficient hierarchy of controls is applied.

An electronic point of work Dynamic Risk Assessment supports this process, and this ensures any additional hazards are identified at point of work.

Colleagues are encouraged and empowered to report and act on the management of hazards and where required will seek further support where required from our skilled teams. Where business regions or divisions are identified as having a higher number of accidents a more detailed analysis ensues which considers root cause analysis, and this can be clashed against more holistic data sets which identify specific themes and trends as they arise.

We have an Accident/Incident Reporting and Investigation Policy in place with initial investigations completed by Line Managers, supported by online resources and the HSQE team.

RIDDOR or formal investigations are led by the HSQE team.

Causes are considered to identify any immediate actions required, as well as opportunities for wider learnings and improvements to our controls and processes.

Through the above-mentioned processes, it is deemed that significant work-related hazards are:

- Exposure to Substances (COSHH)
- Legionella
- Fire
- Lone working
- Working at Height
- Electrical
- Tools/Equipment/Plant
- Contractors
- Slips, Trips & Falls
- and Driving

Hazards which pose a risk of ill-health from workplace exposure are Musculoskeletal Disorders (mainly from Manual Handling or DSE), potential exposure to Asbestos from work activities, noise & vibration from use of tools/equipment and mental health.

COLLEAGUE PARTICIPATION, CONSULTATION & COMMUNICATION ON HEALTH & SAFETY

Arcus completed bi-annual Focus Groups throughout 2023/24, which involved a spread of nominated HSQE Champions from various disciplines and levels throughout the business.

All Champions are engaged and encouraged to provide input and feedback from their respective business areas. The outputs of the Focus Groups are fed into the HSQE Committee meeting.

As an Arcus pillar, Technology is championed, and electronic access and equipment is available to all employees.

This utilises Yammer forums, dedicated HSQE groups, weekly Arcus Essentials email communications / newsletters, monthly Toolbox Talks etc.

The provision of such technology provides immediate access to fresh HSQE related communications and relevant information.

RIDDOR STATISTICS & INFORMATION

- There were 10 no. RIDDORs in 2023/2024, which represented an increase of five RIDDORS against the previous fiscal year.
- Six related to over 7-day incapacitation of a worker, and the remaining four RIDDOR related to a specified injury.
- This is an increase from specified injuries the previous year.
- Manual Handling was the top cause, followed by Fall from Height, struck against an object and Slips, Trips, Falls on the Same Level.

ACCIDENT STATISTICS & INFORMATION, INCLUDING RIDDORS

Throughout 2023-24 there were 10 RIDDORS, 90 accident/injury, 74 near misses and 5255 hazard spots incidents reported. The RIDDOR occurrences increased by 100% and accident/injury incident figures also increased by 28.6% from the previous year. In response to this an accident/incident reduction initiative has been implemented. The business has increased in its volume of reported hazards by 107%. Additionally, there has been a 61% increase in the near miss figures. It has been recognised that further improvement is required to encourage the business to identify and report near miss events. This has already commenced with a near miss campaign, first communicated to the business on Tuesday 25 April as part of World Health and Safety at Work Day, 2023.

SAFE EFFECTIVE QUALITY OCCUPATIONAL HEALTH SERVICE (SEQOHS)

Arcus has developed a wellbeing strategy which sets out our vision, aims and objectives and responsibilities. Our colleague's wellbeing is integrated into day-to-day practices and activities.

A SEQOHS accredited occupational health (OH) provider is utilised to help colleagues stay in work, or to transition back into work following physical or mental ill-health, including identifying any reasonable adjustments. Arcus liaises as appropriate with our OH provider and other medical professionals to support colleagues to maintain good physical and mental health and wellbeing.

This year, our People team launched an internal web page which provides our colleagues with direct and self-service access to information about the wellbeing support they can receive through Arcus. For health and wellbeing issues or concerns, Arcus offer support and counselling via our Employee Assistance Programme as well as time off for appointments and our fully trained Arcus Mental Health First Aiders can provide confidential personal support. Stress risk assessments are undertaken where required to identify causes and action plans to alleviate. The Arcus HR team provide anonymised management information relating to the reasons for ill-health and absence to inform our actions plans.

Arcus works with several health benefit providers to offer colleagues access to a variety of health support. This includes; health and wellbeing support apps; support to receive second medical opinions on diagnostics and treatment recommendations; free and remote access to dental and GP services; and guidance on bereavement and probate processes. Positive psychology and wellbeing e-learning pathways are available to all colleagues.

PEOPLE-RELATED DATA APPENDIX

Following recent acquisition and changes to clients' contracts, we have drawn down data that identifies how our colleague head counts were affected and how our company landscape changed i.e. through TUPE transfers and head count changes due to contractual change this caused our figures to fluctuate over this reporting period, which in turn brings challenges when trying to identify themes and trends in data as the data presented was continually changing. We have provided this supporting data in the People-Related Data Appendix of this document, which can be found [here](#).

The data and graphics identified there covers elements comprising:

- **Whole company:** Hard and Soft Services turnover including gender detail, total number of starters/leavers/Tupe out FY23, starters by month FY23, starters by gender FY23 and starters/leavers by age range FY 23.
- **Hard services:** Total starters and leavers FY23, annual rolling vol/involuntary turnover % FY 23, headcount/ leavers/net hires by month FY 23, headcount and net hires by month, starters/leavers/ tupe out by department FY 23 and turnover by geographical region.
- **Soft services:** Annual vol/invol turnover % FY23, headcount/ leavers/net hires by month FY 23, headcount and net hires by month, starters/leavers by region and starters/leavers by store numbers.



OCCUPATIONAL HEALTH REFERRALS

Health Partners Group were implemented to help manage risk in accordance with management system standards and guidelines; they provide a full occupational health management system for Arcus. For this reporting period (1 April 2023-31 March 2024) a total number of 322 no. referrals occurred, which comprised 220 Pre-Placement Questionnaires, 98 Management Referrals (only 34 of these were directly related to or aggravated by work) and 4 Health Surveillance Escalations. Health Partners Group can also provide Risk Management Services and Records Management services which are part of our package.

- The occupational health professionals that support us comprise a community of medical professionals (GPs, first responders, psychologists and psychiatrists) and offer a holistic health solution across the spectrum.
- We utilise a CMO Telephone Support Line, Online Portal services

They also provide Arcus with wellbeing and health coaching programmes, factoring in people's communities, lifestyles and workplaces; the holistic approach results in bespoke packages helping our colleagues to successfully manage life events and returns to health following illness and reaching personal goals. Our People Services Team collaborate via a dedicated Relationship Manager to develop the management system, ensuring continual improvement.

To promote positive health, safety and wellbeing referrals to Health Partners are recommended and raised in the following instances (once consent is obtained):

- During/following period of long-term sickness
- Where medical condition is disclosed by employee
- Where there is a pattern of recurring sickness

Reports enable Arcus to work closely with colleagues to facilitate short or long-term support at work, including return-to-work assistance where required. Various support options may be utilised which may include things such as phased return to work, alternative work placements, adjustments to the working environment, changes to working arrangements, consideration of specialist equipment/personal risk assessments if required.

Ensuring colleague participation, consultation, and communication on occupational health and safety, employees are invited to participate/contribute at HSQE Committees. Other methods utilised include hazard spotting/risk assessments.

To promote employee/worker training on occupation health and safety, we use several learning tools:

- E-learning platform 'The Learning Space'
- Toolbox Talks
- 'We Are Arcus' Induction Programme
- In-House Training using our National Training Centre (Stevenage)
- Bi-annual/Annual Training Alerts utilized
- Lone Working App/MyPlace (app/systems-based guides on workplace/occupational health)

The Arcus quality of occupational health services is ensured where the services are provided by competent individuals with recognized qualifications and accreditations that complies with legal requirements and/or recognized standards/guidelines.

CONFIDENTIALITY

Personal data collected during the absence management process is in accordance with Data Protection requirements for processing special categories of personal data. Information about how a colleague's data is used and the basis for processing the data is provided in the organisation's privacy notice. Colleague participation is not utilised in services/programs, or the health data derived, as criteria for their decisions regarding the employment or engagement of colleagues, including termination, demotion, promotion or offering of prospects, compensation, or any other favourable/unfavourable treatment. For long-term sickness, OH reports are shared first with the affected colleague and consent is gathered before the information is shared with HR or the colleague's direct line manager.

OCCUPATIONAL HEALTH EFFECTIVENESS

Arcus facilitates workers' access to occupational health services in the following ways:

- Provides Occupational Health services at the workplace during working hours; (usually via telephone);
- Arcus don't usually provide transport to health clinics as the OHA will request access to medical records from their GP/Consultant;
- Arcus do provide guide documents for managers and employees on the company intranet and colleagues get access to a portal where they can find the information. We also email the employees with the information they require in a language that is understandable to them.

Metrics evaluating effectiveness of services/approaches used (raising awareness/encouraging participation):

- Mental Health Guidance
- Colleague and Managers Guide to Occupational Health

MI provided by Arcus Client Relationship Associate/Annual Report (April 2023 – March 2024):

- Highest resource used = OHA (Nurse) - 70% of appointments
- Followed by OHP (Doctor) - 25% of appointments
- Most common reasons for Management Referrals - back pain, stress, 'other', upper limb disorder and cancer/malignancy.
- Cancelled appointments = 16%, costing Arcus a total of £6,850.44 in avoidable costs.
- Musculoskeletal conditions accounted for 28% of management referrals
- Mental ill health accounted for 24%



MANAGING EMPLOYEE ABSENCE

Health Partners Group provide Arcus with a wide range of preventative, proactive and reactive services to help support its colleagues in return to health and remaining well and in work. Its national network of psychologists, psychiatrists, CBT therapists, counsellors and counselling psychologists aid our colleagues through any mental health challenge. Integrated treatment models incorporate physical health and wellbeing into its mental health services, providing us with a holistic view of the health/wellbeing of our colleagues. The network of clinicians and healthcare teams provide us with integrated, accessible primary care services covering immunisations, vaccinations, screening, treatment, medication, GP services (online/virtual), first response, emergency care and preventive care.

Clinical experts provide a suite of services designed to help colleagues remain in work or return to work safely with an approach encompassing tailored support, advice and assessment services including ergonomics, physiotherapy, guided exercises and training.

DISABILITY & NEURODIVERSITY

Having hidden disabilities, e.g. hearing/vision loss, or neurodivergence, e.g. ADHD, autism, dyslexia and dyspraxia, shouldn't be a barrier to work. Through extensive offerings from Health Partners Group, we're aided in the development of our understanding/appreciation of workplace diversity and equality; utilizing holistic packages of assessments, training/guidance, including workplace needs assessments, neurodiversity screening/diagnostics, fitting of specialist equipment and management awareness training. We've worked closely with Health Partners' Neurodiversity Team in creating personalised programmes helping transform us as one of the UK's leading inclusive employers.

OCCUPATIONAL HYGIENE

Good occupational hygiene is vital in reducing workplace health risks and to encourage healthy lifestyles. Hygiene Partners Ltd (Health Partners Group) specialise in identification, prevention, treatment and control of workplace health risks, via consultancy and holistic services.

HEALTH RISK MANAGEMENT

Clinicians at Health Partners Group provide us with expert advice on planning and delivery of health surveillance, fitness-to-work assessment programmes and associated health risk management services. Delivering a wide range of online and face-to-face services, e.g. occupational health advice, new starter/workplace assessments, travel health, immunisations/vaccinations, drug/alcohol testing, overseas medical support, biological monitoring, laboratory services etc. providing us with services in a sustainable, responsible way and creating 'value with a purpose.'

MANAGING STRESS

Arcus is committed to looking after the health and well-being of its colleagues. Colleagues are encouraged to contact Line Managers as soon as possible if experiencing stress, to ensure early support. Line managers usually arrange meetings to discuss and understand what is being experienced so correct support can be provided; they may complete "Work Impact Checklists" to help identify any workplace factors that may be contributing. If time off work is required due to stress their manager will follow guidelines in the relevant absence policy. For absences over 7 days, colleagues will have to provide a GP fitness to work note. If further support is required, colleagues are referred to the "We Care" programme or encouraged to contact a Mental Health First Aider within the business.

INTRODUCTION OF ARCUS LIVE WEBINARS

For this report period we introduced a new monthly webinar, “Arcus Live,” featuring guest speakers from one of our benefits providers with sessions explaining benefits available and how colleagues can make the most of them.

ENHANCED INDUCTION PROCESS

Arcus enhanced the induction process for managers (new hires and for employees transitioning into management roles), ensuring that managers can effectively understand and communicate the benefits to their direct reports using a top-down approach.

WEEKLY DROP-IN SESSIONS

Arcus’ HR Advice team has started hosting weekly drop-in sessions for colleagues with questions about HR-related matters, including available benefits which has proven effective in enhancing employees’ understanding of the benefits available. Arcus is committed to continually improving and regularly monitors colleague engagement with benefits (tracked via the statistics page on our company intranet, via MI from benefits providers, and our annual engagement survey, which includes a section dedicated to employee benefits, knowledge and satisfaction).

PROMOTING PHYSICAL & MENTAL WELL-BEING

Arcus recognises there are several other initiatives which are in place that serve to promote greater levels of physical activity and can help to reduce stress and manage a better work life balance e.g. Cycle to Work Scheme (see earlier table). The initiative not only helps colleagues save money but also promotes physical activity in providing high-quality cycling gear.

Arcus partners with Nuffield Health/Hussle Gyms (see earlier table) offering colleagues significant discounts on gym memberships. Colleagues purely present employment proof at their local gym.

Arcus encourages colleagues in support teams, who occupy desk-based roles, to take 30 minutes out of their day for a walk, helping combat sedentary lifestyles at work. Arcus strives to reduce colleague sickness absence and through the introduction and continued offering of and improvement of existing benefits offerings which support positive physical and mental health we hope to reduce our sickness absence rates in forthcoming years.

Age	Total days sickness	Total HC for FY	Average sickness days
17-29	2,436	837	2.91
30-50	9,337	2,131	4.28
51-86	11,174	1,670	6.69
Total	22,948	4,638	4.95



HEALTH PARTNERS GROUP IMPACT

(FOR THE REPORTING PERIOD)

DIVERSITY

Recognising the challenge last year with incomplete EDI data, we introduced the 'I Am Arcus' EDI campaign to improve disclosure rates; offering £1 donations to EDI related charities for each completed record, gaining a clearer picture of statistics surrounding Diversity & Equal Opportunity. There are always improvements to be made, so we will continue our campaign to push towards shaping a fully inclusive environment, increasing diversity at all levels, widening our appeal to potential new customers and becoming an employer of choice.

In Appendix 1, EDI tables (1st April 2023-31st March 2024) against disclosures of age, gender, ethnic group, nationality, sexual orientation and religion, including comparisons against C Suite and high-salaried positions can be found. Provision of such data assists us in enabling us to address disparity which may give rise to and provide indications of potential/actual bias and barriers faced by colleagues. The data also lends itself well to understanding our current position and helps us determine where we want to be in the future.

TRAINING

Arcus is passionate about its people and their development; recognising that every colleague performing at their best every day is key to continued success, therefore we provide a comprehensive range of learning/development opportunities. Every colleague undergoes a Performance & Development Review and PDR conversation twice-yearly. The conversation includes mandatory development planning as part of the PDR. Additionally, managers hold separate career development conversations with those colleagues who wish to progress their careers which includes completing a career development form, helping colleagues plan for and work towards future career aspirations.

All learning and development opportunities are detailed on our People Pages which all colleagues can access. This includes a link to our annual Learning and Development (L&D) Programme detailing a wide range of internal training courses delivered by the L&D team and categorised into mandatory, professional development and technical training. It also gives access to the wide variety of learning content on our online learning platform, and details on other development options available:

- **Apprenticeships** – We offer a wide range of apprenticeships to support colleagues' development, (open to existing colleagues to learn alongside their existing job).
- **Technical Traineeships** – We offer internal Refrigeration Traineeships, (for both internal/external applicants. The programme supports with "converting" electrically experienced engineers into Refrigeration Engineers and is delivered via a combination of virtual, face to face and in-field training with support from dedicated mentors. We invite colleagues to apply for sponsorship funding for external training relevant to their job roles.
- **Talent programmes** – Arcus works with its most talented colleagues ensuring we retain their skills and develop successors for key areas company-wide. Our two active talent programmes are Explore (for colleagues who aspire to be a line manager) and Accelerate (for mid-senior managers who demonstrate potential to progress further in their career.)

- **Technical training** – this covers refrigeration, M&E, and building fabric colleagues - series of technical development pathways explaining the training required to progress.
- **Leadership/Management Development** – we recognise the vital role managers play in helping Arcus be a great place to work and supporting teams to be their very best. We provide a comprehensive range of development opportunities for managers, from a mandatory New Arcus Manager (NAM) workshop to Level 7 Leadership and MBA qualifications.

SAFETY TRAINING

Arcus offers a comprehensive suite of Health and Safety training courses, provided dependant on job role/specific needs identified for development, ranging from virtual, internal face-to-face using Arcus' internal trainers or via external provision. Line Management/Directors have access to their team's overall mandatory training compliance data so completion gaps can be addressed.

SAFETY E-LEARNING

2-yearly colleagues complete a suite of RoSPA approved e-learning awareness courses (via Learning Space). All colleagues receive mandatory safety awareness courses including Personal Health & Safety, Manual Handling and DSE. Environment and Sustainability training is also delivered on a mandatory basis. Colleagues in technical field-based roles e.g. Engineers/Technicians also receive a further 5 courses including Asbestos, Legionella, Working at Height etc.

INTERNAL SAFETY TRAINING

Arcus trainers deliver several internal safety courses, including Ladder User, Fire Door Awareness, Safe Isolation, Rooftop Safety, IPAF 3a&3b and Abrasive Wheels, some are City & Guilds Assured. Further courses are planned for in-house delivery in 2024/25.

Sustainability, and how it relates to the training subject matter and subsequent activities being undertaken, is also discussed as part of the overall training delivery.

EXTERNAL SAFETY TRAINING

External safety training is provided where not delivered internally, e.g. UKPIA SPA, PASMA, and Racking Inspection/Maintenance. Although historically provided by external specialists, we were recently approved to deliver IPAF 3a/3b and Rooftop Safety internally. The National Training Centre is now an IPAF Approved Centre, further demonstrating Arcus' commitment to safety, the development of our colleagues and the quality and competence of our internal trainers.

ARCUS BENEFITS

All our benefits are conveniently located on our company intranet page, "People Pages". The platform is accessible to all employees, clearly outlining which benefits are available, how to sign up and access them, and who to contact with any questions.

Benefit Provider	Benefit Category	UN SDG Reflected	Stakeholder Engagement – 1 Apr 2023 - 31 Mar 2024
AXA Private Medical Insurance Scheme (PMI) - after probation period, Arcus Managers are eligible (taxable benefit). Subject to medical history. Can choose to add levels of cover to suit needs.	Health and Wellbeing	3 – Good Health and Well-Being 4 – Quality Education	Benefits Campaigns Online Resources At the height of this period, we had 4702 no. colleagues with healthcare schemes. This figure was reduced by 1317 no. in this period due to TUPE.
Health Shield – Cash Plan: available to colleagues not meeting criteria for PMI. Covers everyday needs e.g. dental, optical, hospital stays, physio, prescriptions, and more, depending on chosen cover	Health and Wellbeing	3 – Good Health and Well-Being	Benefits Campaigns
Second Medical Opinion - free second medical opinion from consultant on a diagnosis, treatment, need for surgery	Health and Wellbeing	3 – Good Health and Well-Being	Benefits Campaigns Online Resources No. Of Registrations = N/A Usage: 1 no. colleague – est. Value = £3k
Early Intervention Service	Health and Wellbeing	3 – Good Health and Well-Being	Engagement this period = 0
Tooth Fairy App (Canada Life)	Dental Care	3 – Good Health and Well-Being	Benefits Campaigns Online Live Webinars promoting the Tooth Fairy App instantly connects our colleagues with UK dentists; a highly valuable benefit helping to tackle the UK NHS dentistry shortage.
Specsavers - eye test voucher entitling employees to a full eye examination/£45 pair of glasses or contribution towards glasses when for computer screen use. Voucher gives employees added benefit of receiving a £20 discount from the £99 + range.	Optical Care	3 – Good Health and Well-Being	Benefits Campaigns
My Strength App – access to various health and wellbeing activities to support colleagues.	Health and Wellbeing	3 – Good Health and Well-Being 4 – Quality Education	Benefits Campaigns promoting Arcus MyStrength, a wellbeing app designed to help colleagues overcome life's challenges. Using evidence-based activities, from guided meditation to improving sleep, helping colleagues to make simple everyday changes to improve mental wellbeing.

Benefit Provider	Benefit Category	UN SDG Reflected	Stakeholder Engagement – 1 Apr 2023 - 31 Mar 2024
WeCare Employee Assistance Programme (Canada Life)	Virtual Health / Wellbeing/ Financial Well Being Service	1 – No Poverty 3 – Good Health and Well-Being	Benefits Campaigns Online/Other Resources: healthy living and smoking cessation support, healthy diet guidance and exercise programmes. 24/7 access to GP via phone/ video call; 24/7 mental health support (up to 10 telephone counselling sessions), private prescriptions, delivered to home. Advice/ guidance on stress reduction/coping mechanisms/ techniques to help prevent burn-out. Life-event counselling. No. Of Registrations = 25 Usage = 33 no. colleagues Est. Value = £7.5k
Mental Health First Aiders (in-house) - to support our colleagues mental health and wellbeing.	Mental Health support	3 – Good Health and Well-Being	Online Resources and Communications 30+ Arcus colleagues are engaged/trained as Mental Health First Aiders taking on the role alongside current responsibilities and promote positive mental health across the business, helping reduce stigma and discrimination as a mental health ambassador. They support Arcus in improving the mental health and wellbeing culture.
Nuffield Health Hussle Gym	Gym Membership Discount	3 – Good Health and Well-Being	Membership discounts to help promote positive physical and mental health benefits. Nuffield Health – 20% membership discount as standard, but increases to 40% for AXA PMI members Hussle Gym – 33% membership discount as standard but increases to 40% for AXA PMI members.
Managing Stress – access to resources in- house/ externally to support colleagues	Mental Health support	3 – Good Health and Well-Being	Health and Wellbeing Campaigns, Communications and Online Resources
Salary Finance Scheme/Loans/ Advances/Savings and Financial Education	Financial	1 – No Poverty 4 – Quality Education	Salary Finance: support tools ensuring actions taken = sustainable, affordable and provide long term support. Loans: 83 loans issued (total value issued circa £80k with avg. loan value = £966 with avg. saving per loan = £239. Majority of loans issued = debt consolidation. Advances: 6413 no. totalling £817k Savings Scheme: 3 active accounts Financial Education: Webinars (financial wellbeing themes)
Cycle 2 Work Scheme/Electric Vehicle Scheme – Tusker Scheme	Financial	1 – No Poverty 3 – Good Health and Well-Being 13 – Climate Action	Benefits Campaigns EV Scheme - delivered via Hub Communications Cycle 2 Work uptake: 27 no. colleagues had opted-in to the scheme at the date of this report being compiled. EV Scheme uptake: 27 no. colleagues at the date of this report being compiled.

Benefit Provider	Benefit Category	UN SDG Reflected	Stakeholder Engagement – 1 Apr 2023 - 31 Mar 2024
Pensions/Life Assurance Cover	Financial	1 – No Poverty	<p>Benefits Campaigns</p> <p>Q&A Webinars (in-house)</p> <p>Pensions: at the height of this period, we had 2202 no. colleagues signed up to a Pension Scheme, of which during this period 1317 no. underwent the TUPE process leaving 885 no. colleagues that had in place a pension scheme.</p> <p>Life Assurance: 3385 no. colleagues with Life Assurance policy in place – majority holding £5k fixed sum option (circa. 2500 colleagues) or 1 x Basic Salary option (circa. 1500 colleagues) A further circa. 300 colleagues held a 4 x Basic Salary option. Other salary option multiples were held by a smaller no. of colleagues.</p>
Bonus Scheme	Financial	1 – No Poverty	Rewards/Benefits Campaigns/Related Communications
Expenses Services (Concur)/ Company Credit Cards	Financial	1 – No Poverty	Online Resources (Concur)
Private Van Use/Fuel Cards	Financial	1 – No Poverty	Benefits
Probate Helpline	Legal – support/advice	1 – No Poverty 3 – Good Health and Well-Being	Helpline Resource – Legal Support
James McKenzie	Will Writing Services via external partner/ online	1 – No Poverty 3 – Good Health and Well-Being	Online Resources/Campaigns – for a benefit providing personalised, bespoke will writing services, tailored to individuals’ needs, paid via salary deduction over 12 months.
Bereavement Support	Mental Health support	3 – Good Health and Well-Being	<p>Online Resources</p> <p>Mental Health First Aider (in-house). The Bereavement Counselling service provides colleagues and their families with expert bereavement counselling support to help with the loss of a loved one.</p>
GEMs (in-house reward scheme)	Employee Recognition	N/A	Online in-House Scheme – via SharePoint
Flexible Working Scheme	Flexible Working	3 – Good Health and Well-Being	Flexible Working Benefit
Colleague Rewards Offers/Discounts	Financial	1 – No Poverty	Rewards/Benefits Campaigns delivered

EQUALITY, DIVERSITY & INCLUSION

We understand and will always comply with our statutory obligations which are to eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by Equality Act 2010. We recognise that each of us brings our whole selves to work, we don't leave our sexual orientation, marital status or our religious beliefs at home when we come to work, we bring ALL of ourselves.

This is why Arcus' EDI vision, as described in our recently revised and relaunched EDI Strategy, goes beyond the legislative minimum requirements. Our EDI vision is 'to create a diverse workforce and an inclusive workplace culture where every Arcus colleague feels included, that they can be themselves and they can achieve their full potential.'

It's important each of us feels free to show up as our true selves to work and that we can be the best version of ourselves every day without the need to hide anything that is different about ourselves. Our EDI Strategy includes the following four action areas which we use to manage diversity and equal opportunity, alongside our EDI action plan:

- Understand our EDI improvement areas
- Review policy and procedure
- Ensure an inclusive environment
- Increase workplace diversity

COMMUNICATION AND AWARENESS

Our EDI Action Plan 2023-24 details our planned EDI interventions for the year, and our EDI Report 2023-24 summarises the actions undertaken. This includes several communications to all colleagues through our I Am Arcus campaign including telling colleagues about small updates made to the EDI data response questions, asking them to check and update their EDI data and offered a £1 payment per fully completed profile to Arcus' charity of the year Whizz Kidz. We ran a large communication piece as part of National Inclusion Week 2023 when we released our revised EDI Strategy and shared both internally and externally our aspirations and why. Other EDI related interventions and communications to all colleagues include:

- A female engineer took part in the [STEMazing Inspiration Academy](#) programme aimed at bringing more women and girls into STEM careers.
- Another female engineer interviewed in celebration of [International Women in Engineering Day 2023](#).
- July 2023 Arcus Nick Swords Apprentice of the Year winner was one of our first female Mechanical and Electrical apprentices, [Steph Hitch Nick Swords Apprentice of the Year 2023](#).
- International Women's Day 2024 we hosted our inaugural 'Women at Arcus' network event, attended by over forty guests where we shared stories and engaged in debate and discussion on how we might become a more inclusive employer [International Women's Day at Arcus FM](#).
- Several other EDI related initiatives were supported: in recognition of the fact that Arcus' demographic is two thirds male and the health and wellbeing of our colleagues is a priority we continue to support Movember, colleagues donated to women's employment charity Smart Works who support women who have been referred from safe houses, homeless shelters, mental health charities back into employment; we raised annual event; etc.

LEARNING AND DEVELOPMENT

Every colleague completes mandatory EDI training covering our strategy; the 9 protected characteristics; discrimination harassment and bullying; and unconscious bias in stereotyping and prejudice. This training is completed as part of onboarding and is then re-done every 2 years.

As well as this, our People team and Marketing team members attended specialist EDI themed training delivered by our EDI advisers Inclusive Employers, and use the knowledge gained to help shape our communications, our policies and our approach to managing employee relations. This is the summary of Inclusive Employers training attendances in financial year April 2023 – April 2024:

Inclusive Employer	No. of Learners
Inclusive Employers – Combatting Homophobia, Biphobia, Interphobia and Transphobia	1
Inclusive Employers – Diversity Data – Collecting, Managing and Evaluating	3
Inclusive Employers – How to Support and Grieving Colleague	1
Inclusive Employers – Inclusive Leadership Conversations	1
Inclusive Employers – Intergenerational Working	2
Inclusive Employers – International Women's Day: #inspireinclusion	3
Inclusive Employers – Non-visible Disabilities	1
Inclusive Employers – Positive Action in Recruitment	2
Inclusive Employers – Putting a Stop to Microaggressions and Banter	2
Inclusive Employers – Supporting Colleagues with Learning Disabilities	1
Inclusive Employers – Supporting Your Team's Mental Health	1
Inclusive Employers – Taking Action to Support Employees During the Cost of Living Crisis	2
Inclusive Employers – Making Recruitment Fairer for Those with Criminal Records	1
Inclusive Employers Standard – A Broad Framework for Inclusion	2
Grand Total	23

EXTERNAL PARTNERSHIPS

Inclusive Employers are the UK's first and leading membership organisation for employers looking to build inclusive workplaces. Through our Inclusive Employers' membership, we access support and advice tailored to our needs e.g., they are supporting us as we prepare to undertake the Inclusive Employers Standard assessment later in 2024, we are aiming for Bronze.

Arcus FM has proudly had Level 2 Disability Confident Employer status since July 2021.

Two Arcus colleagues attended a live event launching our customer The Co-Op's Endless Inclusion hub, a platform that will host EDI resources and tools. Arcus will be able to engage with the hub, both to use and to contribute to, to support us in progressing our inclusion plans.

DATA AND MONITORING

Good quality data allows us to address issues of underrepresentation in certain areas or roles. It gives an indication to potential or actual bias and barriers facing our employees. The use of the data will also give us an understanding of where we are currently and where we want to be in the future.

Unfortunately, our EDI data disclosure rates remained low throughout the last year, despite our efforts to increase these through the I Am Arcus campaign as referenced above. In May 2024 we therefore implemented Part 2 of the I Am Arcus campaign; this provides our senior leadership team with EDI disclosure data in the form of 'league tables' for every team across Arcus and enlists their help in asking their teams to check and complete their EDI data. This campaign will continue until we reach a 50% disclosure rate (currently 7%).

Despite all this positive work, we recognise there is a lot still to be done and we continue making progress towards becoming an inclusive employer as detailed in our EDI Action Plan 2024-25 and our Inclusive Employers Standard Activities Planner.

The below EDI tables report (as of August 2023) against GRI Disclosure 405-1 a and b i.e. Gender and Age diversity data for Arcus' C-Suite and All Employees.

C-Suite		
Male vs Female	Number	Percentage
Male	6	75%
Female	2	25%
Age Groups		
Under 30	0	0%
30-50	4	50%
Over 50	4	50%

All Other Employees		
Male vs Female		
Male	2157	67%
Female	1047	33%
Total	3204	
Age Groups		
Under 30	513	16%
30-50	1474	46%
Over 50	1217	38%
Total	3204	

OUR BUSINESS

GOVERNANCE & GROWTH

ETHICS & INTEGRITY

Arcus has numerous policies which outline the ethical principles that govern the business and apply to all colleagues regarding compliance, ethical business operation, reporting wrongdoing, and anti-bribery. Honesty and transparency are also valued, which are principles that are embedded into Arcus' competencies.

COMPLIANCE

2023/24 Highlights

Arcus continues to achieve and maintain its Cyber Essentials certification (has done so since 2020). Cyber Essentials is the recognised baseline standard for cyber security, developed by HM Government. The scheme demonstrates the company's clear statement of our controls to demonstrate internally, to our customers and other stakeholders a robust approach to mitigating the risks from common cyber threats.

Arcus is not aware of any non-compliance with laws and/or regulations. Arcus' commitment to compliance is demonstrated in the HSQE Strategy 2021-2024 where 'Demonstrating effective legal compliance' is outlined as one of the nine HSQE strategic objectives. It is also evidenced via our externally certified integrated management system (ISO 14001:2015, ISO 9001:2015 and ISO 45001:2018) which requires the identification of legal, policy and other requirements, maintenance of a compliance obligations register, implementing operational planning and control, evaluation of compliance processes, internal auditing, and external review.

INFORMATION SECURITY & CUSTOMER PRIVACY

Customer privacy, data protection and information security remain a significant focus for Arcus as by the nature of our business we will often collect and hold sensitive and confidential information relating to our colleagues and customers. It is critical that we comply with the requirements of legislative standards in the way that we collect and process such data and be able to demonstrate this to stakeholders. To support this for sensitive projects, we now require DBS checks to be included for all colleagues involved.

Arcus have achieved the internationally recognised standard ISO/IEC 27001:2022 certification and continue to undergo maintenance audits to ensure compliance to demonstrate continual improvement against the requirements of the standard.

Within the current legislation there are general principles that give overarching guidance to the provision of information security and data privacy, and these key points have been used to enable Arcus's management of information security across the business through an effective information security management system.

Arcus monitor activity and the involvement in breaches of the legislations identified by maintaining registers of indirect and direct breaches, as well as having a robust security incident response process and plan. Our information security management system is embedded with a series of approved and communicated policies and procedures.

Our information security management system is overseen with a rolling 3-year internal audit programme and an annual external surveillance audit to ensure our system remains suitable, effective and compliant.

The system is managed by our IT Director and wider team with overall accountability being held with the Chief Executive Officer and Chief Technology Officer. This ensures security and privacy is embedded and supported from the top and included in all key functions that we do.

Arcus have demonstrated commitment to privacy by ensuring that the DPO and where required that members of the IT team have gone through CIPP/E training and ISO 27701 Lead Implementation training, where required, to support the privacy management approaches. Furthermore, in any developments, security and privacy by design is embedded within our secure software development lifecycle to ensure it is given a key priority in the application work we undertake.

Also, Information Security Champions have been assigned in each department to keep information secure and to report any potential breaches of data. All Arcus colleagues are mandated to carry out annual Information Security Awareness and GDPR e-learning and we have embedded specific courses around phishing awareness and ISO 27001. This is also supported with monthly phishing simulation tests to ensure our approach is effective and colleagues are kept aware of the risks. However, some colleagues have also received ISO 27001 Internal Auditor training to ensure that internal audits are conducted effectively.

Any findings from audits that are conducted either externally or internally are thoroughly investigated to locate the root cause and provide preventative measures to prevent reoccurrence.

SUSTAINABILITY APPROACH EVALUATION

ARCUS EVALUATES OUR APPROACH TO SUSTAINABILITY THROUGH:

- External integrated management system audits.
- Internal audit programmes across all business functions (which review compliance with ISO 45001:2018, ISO 14001:2015, ISO 9001:2015 and ISO 27001:2013).
- Monitoring and reporting of performance against targets
- Relevant meetings and committees including the HSQE Committee, Sustainability Committee, Evaluation of Corporate Risk Management Meeting, Horizon Group Risk meeting, Business Continuity meetings and Information Security Meeting.
- Benchmarking
- Evaluation of Compliance Obligations programme
- Internal reviews and testing including information security penetration tests
- External verification via audits, assessments and reviews including clients, SFMI, CDP. Results from evaluation are used to determine any additional actions required for continuous improvement and are reported at a senior level within the business.

OUR SUPPLY CHAIN

Sustainability risk management in our supply chain is key because we are heavily reliant on suppliers to deliver our service effectively.

We therefore want to ensure that our supply chain is operating in line with legislation and sustainability good practice.

In the context of this report, we will focus on the HSQE screening of suppliers who are engaged to deliver subcontracting activities on the behalf of Arcus.

In 2023/24, we continued to strengthen our environmental, social and governance reviews of our suppliers of goods and have started to develop engagement frameworks and collaborative relationships with key suppliers to drive sustainability improvements throughout our value chain.

Arcus ensures that every sub-contractor utilised is screened in accordance with strict and relevant HSQE criteria. Sub-contractors are also required to answer wider sustainability questions. Arcus continues to partner with Alcumus Safe Contractor who offer a Contractor Management System Portal. Annual audits provide compliance, HSQE and sustainability assurances.

THESE AUDITS INCLUDE QUESTIONS ON:

- Environmental Management
- Equality, Diversity and Inclusion
- GDPR / Data Protection
- Anti-Bribery and Corruption
- Modern Slavery.

An internal On-Boarding HSQE Questionnaire is released for sub-contractors who are of a smaller and more niche market and do not hold Safe Contractor certification.



CONCLUSION

The purpose of this report is to disclose the impacts Arcus has on key elements of the environment and society, and hence its contribution – positive and negative – towards the goal of sustainable development.

As detailed within the report, Arcus is playing its part in the UN 2030 Agenda for Sustainable Development by acting on seven SDGs that Arcus has assessed as most material to its operations.

Arcus continues to strive in becoming a sustainability leader within the FM industry and is committed to sustainable development.

The commitments to our planet, our people, and to the wider community are enshrined in our Sustainability Policy, which will only strengthen as our sustainability journey continues.

Substantial progress continues to be made in areas such as climate action, social value, health and wellbeing, equality, diversity and inclusion, information security and we continue to strengthen and uphold our robust corporate governance and risk management processes. Arcus has ambitious plans to ensure that it continues to make significant and positive impacts in these areas and to drive focus where required for other aspects to demonstrate its culture of continual improvement.

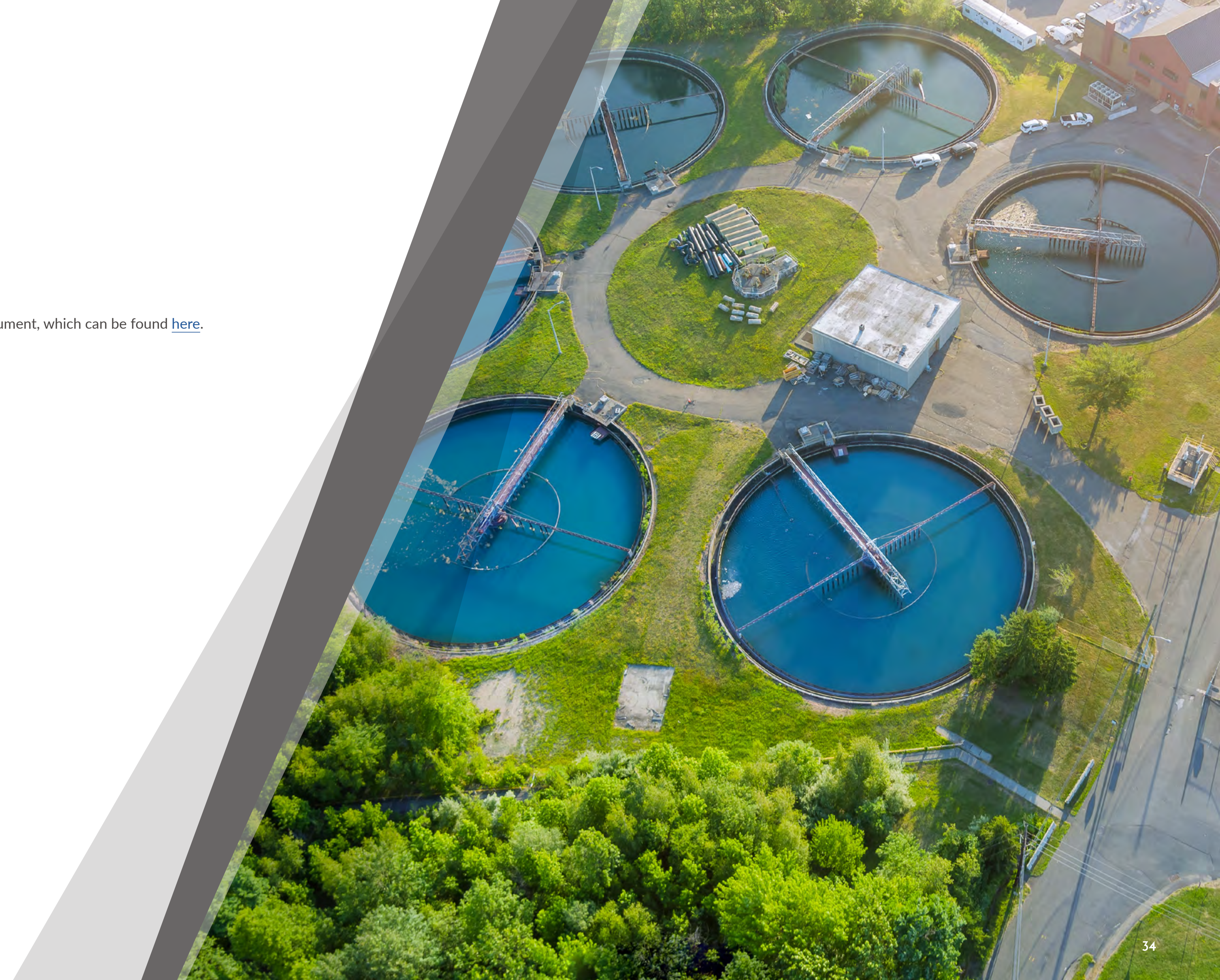
Arcus looks forward to sharing further progress made in this space in next year's report.

DATA APPENDIX

The data and graphics identified there covers elements comprising:

- Waste: waste by composition and waste diverted from landfill
- Air Quality
- Health and Safety: RIDDORs, Accidents, AFRs and RFRs
- GRI Data Appendix

We have provided this supporting data in the Data Appendix of this document, which can be found [here](#).





ARCUS

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