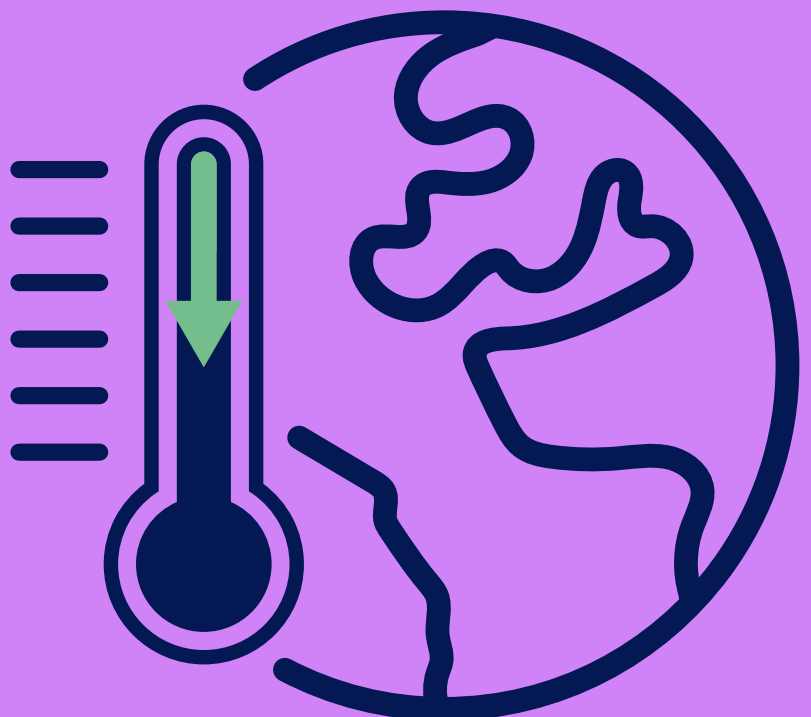


# Sustainability and Climate Change Strategy 2026 Update



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# Introduction

Our [Sustainability and Climate Change Strategy 2021-2026](#) (SCCS) was published in September 2021. Within that strategy we:

- Set ourselves the main goal of achieving net zero direct emissions by 2040 and net zero emissions by 2045
- Identified annual targets of 11% carbon reduction
- Outlined 7 key themes to aid progression towards net zero between 2021 and 2026; and
- Committed to annual progress reports

We are now approaching the end of the strategy. This progress report will:

1. Provide an update on what we've delivered over the past financial year
2. Set out delivery plans for 2026-27
3. Further revise some of the original SCCS commitments following previous revisions, to extend the strategy's lifespan to the end of 2026-27 and explain what happens next

To achieve this, we have:

- Set out our recent achievements and supporting actions during 2025-26
- Assessed the outcome of these actions in relation to the central goal of carbon reduction
- Clarified the carbon reporting boundary, carbon emissions targets and delivery priorities for the year ahead
- Explained our strategic direction for the future

## Our sustainability work to date

Our first progress update was made available internally in September 2022.

Our Year 2 progress report, covering September 2022 – September 2023, is available on request.

In Year 3, we announced a new approach to progress reporting by introducing 'SCCS Updates'. These annual reports serve three key functions:

1. They act as the main mechanism for providing updates on delivery against our original SCCS commitments, with critical analysis of our quarterly carbon reduction targets provided in the SCCS Update of the previous year
2. They provide updates on future delivery plans
3. They provide an opportunity to update the original SCCS commitments themselves, where appropriate, especially in relation to carbon reduction and opportunities for improved accuracy

These updates are produced once the data is available, shortly after the start of a new financial year.

Read our Year 3 and Year 4 progress reports - '[SCCS Update 2024](#)' and '[SCCS Update 2025](#)' – which covered the periods from April 2023 to March 2024 and from April 2024 to March 2025.

## Review of progress 2025-26

This section summarises the progress made during 2025-26 in relation to the themed action areas set out in the SCCS.

### Themed Action Areas

#### Energy use and water management

AIM: to manage and reduce energy and water consumption through improved efficiency

During 2025-26, we:

- Achieved ongoing gas efficiencies via our Building Utilisation Strategy; introduced at Meadowbank House (MBH) in 2023, this strategy has enhanced control and predictability of gas consumption
- Prepared for commencement of a strategic review of MBH, which will include an examination of net zero opportunities

#### Waste and circular economy

AIM: to minimise waste and maximise recycling by purchasing smarter and engaging with our staff

During 2025-26 we:

- Re-used, refurbished, or recycled 1.2 tonnes of IT equipment, including via an ongoing partnership with Restore Technology
- Recorded an average recycling rate of 73% at MBH (a 5% increase compared to last year) and 55% at our St Vincent Plaza (SVP) office (a 2% decrease compared to last year)
- Revised our battery recycling arrangements to ensure continued safety and regulatory compliance
- Collaborated across the organisation to strengthen internal procedures for managing excess items in the most resource-efficient way possible

#### Digital innovations

AIM: to minimise our use of paper and utilise digital technology

During 2025-26, we printed 968,017 sheets of paper – this is 35% lower than the baseline figure we established last year, reflecting our ongoing digitisation efforts within registration. Key initiatives include digital extract creation within our Chancery and Judicial Registers (CAJR) team and the rollout of digital extracts as part of our wider digitisation project within the Register of Deeds.

As described elsewhere in this report, we are taking measures to better-understand and respond to sustainability risks associated with a rise in our use of digital innovations, whilst beginning to investigate the feasibility of introducing off-site digital estate emissions to our carbon footprint.

### Sustainable travel and staff commuting

AIM: to encourage active and sustainable travel for commuting and business travel

During 2025-26 we focused on commuting, encouraging and supporting colleagues to travel to and from work by public transport and active travel. Bike Week was a particular focus; we:

- Ran on-site events with Dr Bike mechanics and tours of facilities
- Created a set of GIS maps showing journey times for commuting to our offices by active travel and public transport
- Launched a set of FAQs to provide guidance and support on a wide range of cycling matters
- Used our new online Cycle Forum to share daily posts

### Sustainable procurement

AIM: to measure and reduce the environmental impact of our supply chain by working with suppliers and contractors

During 2025-26 we:

- Added emissions from our facilities management 'hard services' contract to our carbon footprint, and worked with our cleaning, catering and security contractors to prepare to add them next year as part of our phased introduction of procurement-related emissions
- Continued to empower our workforce by ensuring that all procurers periodically undertake training and associated tests for ethical procurement, climate literacy and circular procurement. We also require all procurement colleagues to self-assess at regular intervals using the Scottish Government's Procurement Competency Framework, including sustainability competencies, and we support them in undertaking any required training
- Supported some colleagues to undertake advanced training and qualifications in sustainable procurement
- Compiled our first annual Sustainable Procurement Action Plan, for publication and delivery in 2026-27
- Worked with our catering and cleaning contractors to support the delivery of their Sustainability Action Plan commitments

### Biodiversity

AIM: to protect and enhance biodiversity on our estate and contribute further afield

During 2025-26 we:

- Installed bird boxes at SVP in collaboration with our landlord, and updated our stock at MBH
- Continued discussions around a proposed colleague gardening scheme at MBH
- Enhanced indoor planting at MBH to foster colleagues' appreciation of and connection to the natural world

### Green recovery: hybrid working

AIM: to capture emissions associated with hybrid working and identify opportunities for reduction

During 2025-26 we continued to encourage colleagues to save energy at home and in the workplace, and we further refined our home working emissions calculation methodology to improve the accuracy of our measurements.

## Supporting actions

To support and extend delivery under these themed action areas, a variety of additional actions have been carried out.

### Engaged with colleagues and tenants

During 2025-26 we continued to run our year-round programme to engage colleagues and tenants online and in person, including:

- Plant swap and Bike Week event at both offices
- Celebrating Climate Week by collating and sharing colleagues' climate stories and by providing online sessions in collaboration with Scottish Government
- Continuing to hold regular Environmental Working Group (EWG) meetings
- Working with EWG members to issue regular written communications linking to a range of national and international sustainability celebrations
- Using our new Sustainability Hub and MS Teams-based Sustainability channel to inform and connect colleagues on an expanded range of themes, encouraging a reduction in home working-related emissions and raising awareness of our role in helping others to act on climate change
- Website improvements, which also help to publicly share our sustainability work
- Regularly engaging with our network of Environmental Champions

### Engaged externally

During 2025-26, we:

- Contributed to national consultations on statutory climate change guidance, the Wellbeing and Sustainable Development (Scotland) Bill and the Duty of Care Code of Practice for Managing Controlled Waste
- Continued to work closely with National Records of Scotland and co-ordinated peer reviews of statutory climate change reports for our cohort of Scottish public sector bodies
- Formed a new external partnership to help us deliver on our Social Impact Pledge to help others across Scotland to achieve net zero
- Continued to participate in national public sector knowledge exchange via the Sustainable Scotland Network, the Public Sector Climate Adaptation Network, the Environmental Managers Forum, a Scottish public sector environmental engagement group and the UK-wide Civil Service Cycling Network

## Improved processes

During 2025-26, we:

- Introduced our Sustainability and Ethics Committee, a new governance group which integrates the Environmental Management Group and Corporate Social Responsibility Steering Group to provide a more joined-up approach to sustainability governance
- Collaborated internally and externally to build capacity for meeting new climate change financial reporting requirements
- Conducted our first annual sustainability policy assurance exercise, supporting future policy development
- Continued to develop our 'benefits realisation' process by collaborating across business areas to support, record and learn from carbon reduction interventions
- Explored how climate change and sustainability could be reflected within strategic decision-making as part of the developing 2027-32 Corporate Plan
- Continued to engage in the national agenda for climate resilience, supporting our development of a Climate Risk and Adaptation Plan

## Outcomes of action delivery

Various positive outcomes have resulted from the delivery of the actions described above, including in relation to our central goal of carbon reduction.

### Background

In previous SCCS Updates, we explained that we have moved away from measuring our overall carbon reduction progress by comparing against previous years' figures and against the targeted 11% reduction value published in the SCCS 2021-26. This is because evolutions in our carbon footprint measurement process mean that it is no longer meaningful to conduct like-for-like comparisons between different years. We are gradually expanding our carbon boundary; over the last five years, we have added emissions from home working, F-gases, commuting and our hard services contract. We are also adjusting some of our carbon calculation methodologies in response to developments in good practice. These changes are initially increasing our carbon footprint, but they do not represent a decline in progress; rather, they demonstrate our commitment to becoming more transparent and proactive.

Instead of maintaining our annual 11% carbon reduction targets, we confirmed that we were introducing more evidence-based annual targets, set at the start of each year both for our total carbon footprint and for the 'Scope 1' element relating to direct carbon emissions. We also confirmed that we would evaluate our Scope 1 emissions in relation to previous years' records, which is possible since our measurement methodology for these emissions does not change year-on-year. You can read more about carbon emission scopes on page 12.

### 2025-26 results and analysis

In 2025-26, our carbon footprint (the total tonnage of carbon emitted from organisational operations) was 1,078 tonnes. This is **5% higher** than our targeted tonnage but is within tolerance of the 'green' category of our RAG (red-amber-green) rating system.

| Total Carbon Footprint |                       |                     |
|------------------------|-----------------------|---------------------|
| Target Annual Tonnage  | Actual Annual Tonnage | Status              |
| 1,027                  | 1,078                 | Target Not Achieved |

The introduction of our hard services contract to the carbon footprint has been a significant factor in the discrepancy between our target tonnage and actual tonnage. Baseline contractor data from the previous year was fed into the target-setting process, but an increase in their subcontractor spend contributed to this figure being higher than targeted. Home working emissions were also 7% higher than predicted; while this fluctuation was only slightly higher than expected it had a greater impact on the overall footprint as this was the largest emission source.

While we have moved away from routinely comparing total carbon footprint figures year-on-year, it is useful to note that 1,078 tonnes is 10% lower than last year's figure. This is mainly due to a reduction in home working emissions following the introduction of a more accurate calculation methodology. This reduction was large enough to outweigh the expansion of emissions following inclusion of the hard services contract within our reporting boundary. Compared to last year we also recorded a reduction in emissions associated with our electricity use, due to ongoing decarbonisation of the electricity grid.

Home working, our largest single source of emissions, is responsible for just over half of our total footprint. Office electricity use is our second largest source, accounting for just under a fifth of our footprint. The rest of our footprint consists mainly of emissions from three other sources: office gas use, commuting and our hard services contract. The following table shows the size of each key element and its relative contribution to the overall footprint. A comparison to last year's figure for each emission source is also provided.

| Carbon emission source | % of total footprint in 2025/26 | Tonnes of carbon in 2025/26 | % change on last year |
|------------------------|---------------------------------|-----------------------------|-----------------------|
| Home working           | 53%                             | 568                         | 19% decrease          |
| Office electricity     | 18%                             | 198                         | 20% decrease          |
| Office gas             | 13%                             | 140                         | 1% increase           |
| Commuting              | 9%                              | 93                          | 7% decrease           |
| Hard services contract | 6%                              | 61                          | N/A                   |

Our performance over the year, in relation to the quarterly targets we set in the SCCS Update 2025, is as follows:

| Total Carbon Footprint |                          |                                       |                     |  |
|------------------------|--------------------------|---------------------------------------|---------------------|--|
| Quarter                | Target Quarterly Tonnage | Actual Quarterly Tonnage <sup>1</sup> | Status              |  |
| Q1                     | 258                      | 262                                   | Target Not Achieved |  |
| Q2                     | 242                      | 261                                   | Target Not Achieved |  |
| Q3                     | 269                      | 287                                   | Target Not Achieved |  |
| Q4                     | 258                      | 269                                   | Target Not Achieved |  |

The Scope 1 element of our carbon footprint, which mainly consists of office gas emissions, accounted for 141 of the overall 1,078 tonnes, which is **only 1% higher** than our targeted Scope 1 tonnage and places the figure within the tolerance of our RAG rating system's green category. Achieving a Scope 1 figure so close to our targeted value indicates the robustness of our arrangements for forecasting and managing these emissions. Furthermore, it is 7% lower than last year, reflecting the ongoing gas efficiencies delivered by our Building Utilisation Strategy.

| Scope 1 Carbon Emissions |                |                   |                       |                     |
|--------------------------|----------------|-------------------|-----------------------|---------------------|
| Target Tonnage           | Actual Tonnage | Tonnage Last Year | % Change on Last Year | Status              |
| 140                      | 141            | 150               | 7% lower              | Target Not Achieved |

Our Scope 1 quarterly performance against 2025-26 targets across the year, was as follows:

| Scope 1 Carbon Emissions |                          |                                       |                     |  |
|--------------------------|--------------------------|---------------------------------------|---------------------|--|
| Quarter                  | Target Quarterly Tonnage | Actual Quarterly Tonnage <sup>2</sup> | Status              |  |
| Q1                       | 27                       | 23                                    | Target Achieved     |  |
| Q2                       | 17                       | 16                                    | Target Achieved     |  |
| Q3                       | 46                       | 50                                    | Target Not Achieved |  |
| Q4                       | 50                       | 53                                    | Target Not Achieved |  |

<sup>1</sup> Rounding-up of quarterly tonnage figures has artificially raised the cumulative total shown here to 1,079. The correct figure, as reported above, is 1,078.

<sup>2</sup> Rounding-up of quarterly tonnage figures has artificially raised the cumulative total shown here to 142. The correct figure, as reported above, is 141.

The percentage improvements against the 2025-26 targets should be viewed in the context of the stringent process for setting targets, which already takes account of:

- The introduction of a more accurate calculation methodology described above;
- A decrease in the carbon intensity of grid electricity; and
- The reallocation of emissions from energy consumption of the externally-owned telephone masts on the roof at MBH.

Our approach to target setting resulted in these being set at a more ambitious level than would have otherwise been possible.

#### Further information

Our 2025-26 Public Bodies Climate Change Duties Report, which will be submitted to Scottish Government in November 2026 and shared online, will reflect the figures quoted above and provide further analysis in relation to certain aspects. It will also provide a detailed account of our climate change adaptation work.

# 2026-27 Carbon commitments

## Timeframe

The SCCS 2021-26 - on which these annual SCCS Updates are based – was published in September 2021 and reaches the end of its life in September 2026. The new SCCS, which you can read about on page 14, will be aligned to the financial year, with a start date of April 2027. This creates a 6-month gap in SCCS coverage; this SCCS Update bridges the gap by setting targets and actions that run to April 2027.

## Reporting boundary

As a starting point in setting out our approach to carbon reduction in the year ahead, it is important to clarify our ‘reporting boundary’, i.e. the emission sources that will constitute our carbon footprint.

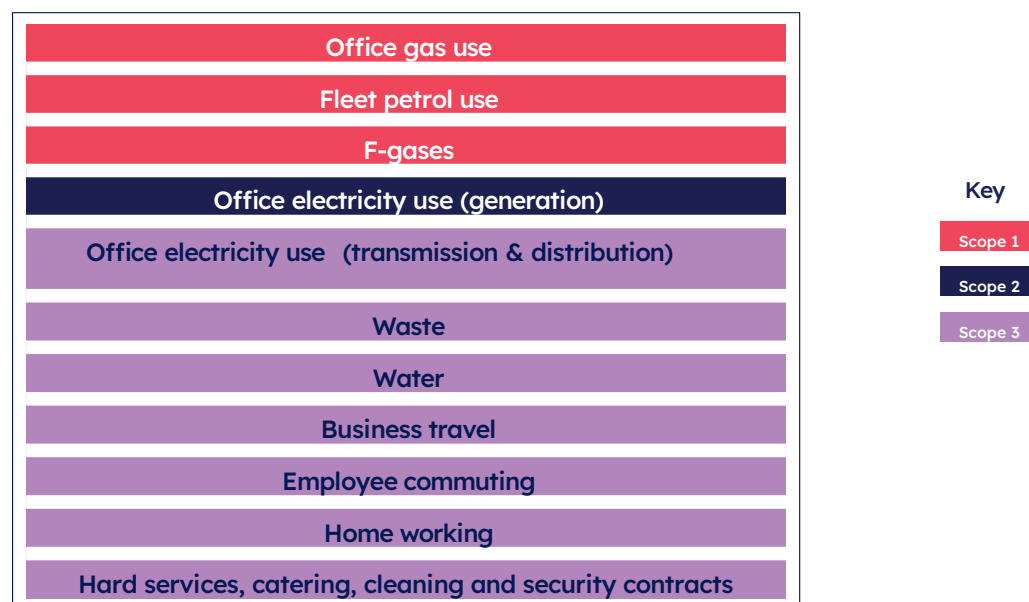
As set out in the SCCS Update 2024, carbon emissions are arranged into three categories, or ‘scopes’:

- Scope 1: direct emissions from sources owned or controlled by an organisation
- Scope 2: indirect emissions from the purchase and use of electricity, steam, heating and cooling
- Scope 3: all other indirect emissions that occur in the upstream and downstream activities of an organisation

We are gradually expanding our reporting boundary to allow us to account for, and influence, a wider range of emission sources. For this to be done in a practical and meaningful way, we are only introducing new emission sources when we are able to measure them accurately and take action to reduce them.

Purchased goods and services have previously been identified as a key priority, with an intention to introduce these incrementally. In 2025-26 we introduced emissions from our hard services contract and from 2026-27 we will add emissions from our catering, cleaning and security contracts. We have been working with each supplier over the last two years to agree a process for capturing the required data and to understand how these emissions could be influenced.

Our new reporting boundary will therefore be as follows:



## Targets

In the SCCS Update 2024, we introduced a new way of calculating targets that are meaningful, evidence-based and achievable. We explained that in these early stages of our pathway towards net zero by 2045 we would set interim annual targets. This allows us to account for fluctuations in our carbon footprint whilst we add new emission sources.

We have set our 2026-27 targets by taking account of:

- Monthly patterns from existing emission sources over the previous year
- The impact of further refinements to our home working emissions calculation methodology
- The commuting patterns measured in our latest annual survey, and the introduction of a more accurate commuting emissions calculation methodology
- Predicted emissions from the second set of procured goods and services to be added to our carbon footprint
- The introduction of a new tenant at SVP
- The impact of a further significant reduction in the UK Government's 'emission factor' for calculating carbon emissions associated with grid electricity

Using this process, we have created annual and quarterly targets for total carbon tonnage and Scope 1 carbon emissions.

- Overall carbon footprint for 2026/27: 1,340 tonnes
  - » Carbon footprint for Q1: 315 tonnes
  - » Carbon footprint for Q2: 317 tonnes
  - » Carbon footprint for Q3: 355 tonnes
  - » Carbon footprint for Q4: 353 tonnes
- Scope 1 emissions target for 2026/27: 142 tonnes
  - » Scope 1 emissions for Q1: 23 tonnes
  - » Scope 1 emissions for Q2: 16 tonnes
  - » Scope 1 emissions for Q3: 50 tonnes
  - » Scope 1 emissions for Q4: 53 tonnes

In line with best practice, we will regularly examine emissions data to review whether we are on track to meet our goals and may reprofile target figures if needed.

Beyond 2030, when our reporting boundary has stabilised and there is a clearer understanding of the wider, more complex emission sources, we will be able to estimate our distance from net zero and quantify the annual emissions reductions we will need to achieve to reach this goal.

## 2026-27 priorities

As set out above, we are extending the timeline of the SCCS to span the whole of financial year 2026-27. During the year, we will continue to deliver against the seven themed action areas in the SCCS, with a particular focus on how activity in these areas will contribute to our journey towards net zero. Our action-planning is guided by our statutory responsibilities under the Climate Change (Scotland) Act 2009 (as amended by the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019), which states that we must act in the way:

- Best calculated to contribute to the delivery of Scotland's national emissions reduction targets (known as 'mitigation')
- Best calculated to help deliver Scotland's statutory climate change adaptation programme
- That it considers is most sustainable

Key priorities for 2026-27 include:

- Continuing to work with other current and future suppliers to prepare for the addition of further purchased goods and services to our carbon footprint in 2027-28
- Collaborating internally and with relevant providers to prepare to introduce to our carbon footprint, from 2027-28 onwards, emissions from our off-site digital estate
- Continuing to support colleagues in reducing emissions at home
- Continuing to provide additional help for colleagues to commute by active travel or public transport
- Examining net zero opportunities as part of our strategic review of MBH
- Continuing to develop our Climate Risk and Adaptation Plan
- Continuing to explore opportunities for us to help others across Scotland to achieve net zero
- Continuing to work with key business areas to consider new opportunities for empowerment and collaboration
- Continuing and enhancing whole-workforce engagement
- Continuing to build our understanding of carbon insetting, to inform future target-setting

Another key priority during 2026-27 will be the ongoing development and finalisation of the new SCCS. This is being done via collaboration across our organisation and with relevant external partners, with account being taken of evolving risks, opportunities and priorities. To ensure that the new SCCS continues to respond to evolutions, it will not have a fixed duration; instead, it will be a 'live' document subject to annual reviews of targets, actions and other relevant factors. It will be accompanied by annual action plans and associated annual reports, which will focus on the specific initiatives being undertaken each year to deliver on the aims and objectives of the SCCS, ultimately taking us towards achieving net zero emissions by 2045. It will also be accompanied by a Climate Risk and Adaptation Plan, which will set out how we will respond to an already-changing climate.

