# Decarbonization Roadmap

# 1. Introduction: Our Commitment to Decarbonization

At FCCenviro, decarbonization is a core strategic pillar and a key driver of long-term value creation. As a leading environmental services company operating across Europe, the UK and the United States, we recognize both our responsibility and our opportunity to actively contribute to climate change mitigation while supporting the transition to a circular economy.

Our activities in waste management, recycling and energy recovery play a critical role in reducing emissions across the value chain. At the same time, they enable our clients and communities to decarbonize their own operations, amplifying our overall impact.

We firmly believe that deep decarbonization of our sector is technically feasible. However, reaching the highest levels of ambition is not economically sustainable in isolation. While customers are increasingly committed to decarbonization, the transition requires significant investment and shared effort across the value chain. Innovative solutions and scalable business models will be essential over the coming years to bridge this gap.

To maximize our impact, we have developed a comprehensive decarbonization roadmap to guide our transition towards a low-carbon, resilient and future-proof business model. This document outlines FCCenviro's long-term go-to-market approach to decarbonization and the key levers that will drive our transformation.

## 2. Why a Decarbonization Roadmap

The roadmap is the result of a structured and rigorous process combining technical, financial and strategic analysis, ensuring that our climate ambition is both credible and measurable, while fully aligned with our business reality. Through this roadmap, FCCenviro:

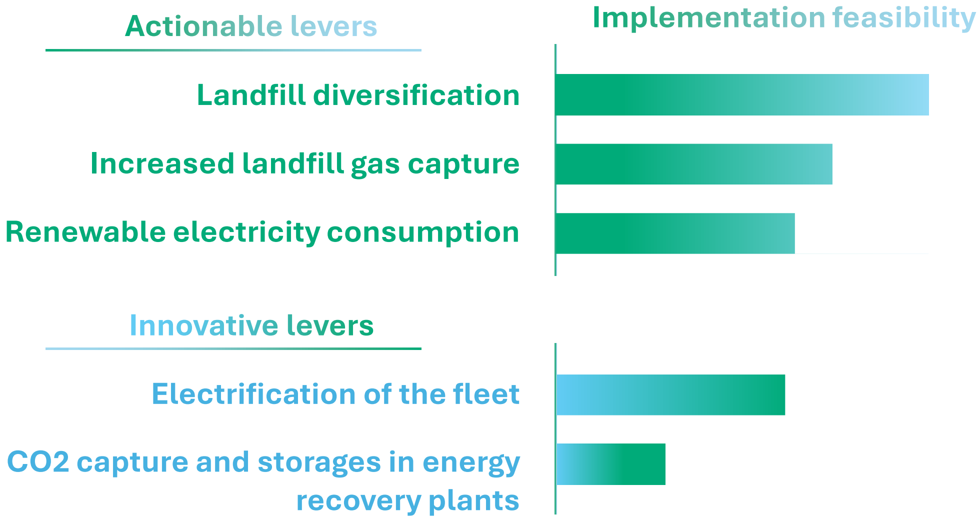
- Define clear emissions reduction pathways across short, medium and long-term horizons
- Prioritize high-impact investments (over €800 million planned)
- Embed climate action into core business strategy and capital allocation decisions
- Ensure consistency and scalability across geographies and operations

### Structured methodology

Our approach is based on five key phases:

- Market and regulatory analysis of climate mitigation trends
- Harmonization of GHG accounting methodologies across all platforms
- Technical assessment of decarbonization levers
- Economic evaluation using marginal abatement cost curves (MACC)
- Development and Board approval of a climate transition plan

Two groups of decarbonization levers are defined: "actionable", which are technically and economically feasible in the short to medium term and deliver value while reducing emissions; and "innovative", which require further technological maturity or cost reductions to become viable.

# 3. Our Level of Ambition

**FCCenviro's** climate ambition is defined as reductions against a projected baseline incorporating business-as-usual operations, expected growth and the deployment of decarbonization levers, resulting in a realistic, feasible and value-driven pathway supported by tangible action plans. Our climate ambition is structured around three-time horizons:

- **Short term**: Delivery of achievable targets anchored in FCCenviro's Sustainability Strategy 2026 – 2030, ensuring immediate and measurable progress
- **Medium term**: Scaling proven solutions across geographies, consolidating impact while supporting business growth and operational consistency.
- **Long term**: Transition aligned with the broader strategic frameworks (e.g. Net Zero Strategy FCCenvironment UK, FCC Medio Ambiente 2050) and with market and regulatory developments.

**2025** – Current Actions

**2030** – Intermediate Objectives

**2040** – Strategic Frameworks

**2050** – Global & Aligned Vision

# 4. Alignment with the Paris Agreement and Global Frameworks

**Our decarbonization strategy is aligned with:**

- Paris Agreement (1.5–2°C pathways)
- EU Green Deal and EU Taxonomy
- ESRS and CSRD requirements
- SGDs principles

**This alignment ensures that:**

- Our targets are consistent with global climate goals
- Our investments contribute to climate mitigation and sustainable finance eligibility
- Our reporting is transparent and comparable

SUSTAINABLE DEVELOPMENT GOALS


# 5. Decarbonization Levers

Our roadmap provides a clear trajectory from current emissions to long-term reduction, focusing on **Scope 1 and 2 emissions.**

**Key elements of the roadmap**

- Baseline emissions (2022) and projected trajectory
- Impact of "Business-as-Usual" vs decarbonization actions
- Contribution of each lever to emission reduction
- Residual emissions and future mitigation options

**Core priorities**

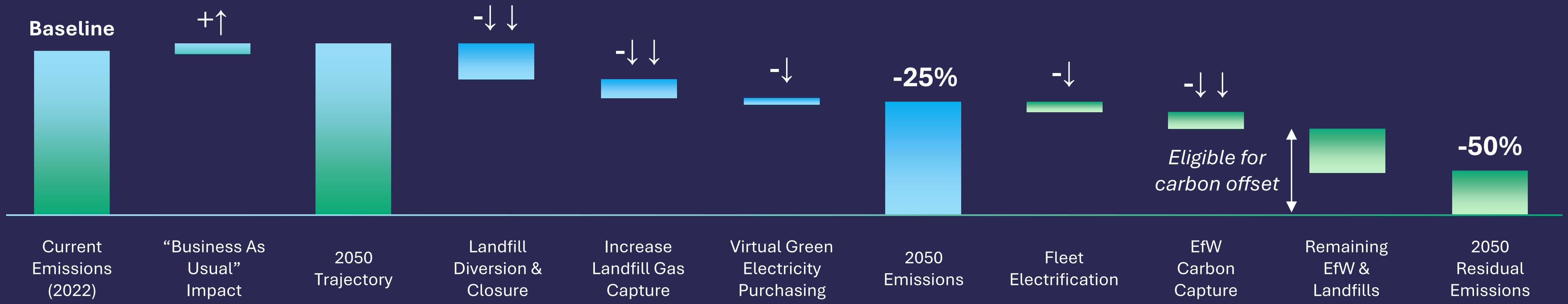
- Reduce landfill-related emissions
- Increase renewable energy use
- Deploy emerging technologies when viable

## FCCenviro Global Net-Zero Roadmap, Scope 1-2 kt$CO_2$e (2022-2050)

### 1. Case For Change

### 2. Implementation Priority

### 3. Innovation Priority




Maintain existing Spain and UK net-zero targets, with an ambition to set a global net-zero target in the future

Prioritize reducing landfill emissions through continued waste diversion and site closures while proactively increasing gas capture and green electricity purchasing

Explore customer willingness and required actions to systematically drive greater adoption of electric fleet and carbon capture. For remaining areas, wait until technology economics further develops

# 6. Decarbonization Levers

Our strategy is built on two complementary categories of levers:

## 6.1 Operable Levers

These are immediately deployable, value-generating actions:

1. **Landfill diversification**
- Reduce waste sent to landfill
- Expand recycling and treatment infrastructure
- Invest in waste-to-energy solutions
- Support EU waste hierarchy

**Impact: Significant reduction in methane emissions ($CH_4$)**

**2. Increased landfill gas capture**
- Upgrade gas capture infrastructure
- Deploy biogas recovery and energy generation systems
- Target: 65% capture rate by 2030

**Particularly relevant in Spain and CEE with high reduction potential**

**3. Renewable electricity consumption**

Deployment of on-site solar installations
Procurement of renewable electricity (100% already in UK and Austria)
Progressive rollout across all geographies

**Direct reduction of Scope 2 emissions**

## 6.2 Innovative Levers

These are long-term transformational solutions:

1. **Fleet electrification**
- Progressive transition to electric vehicles
- Use of transition fuels (CNG, HVO)
- Deployment of charging infrastructure

**4,668 low-emission vehicles already in fleet in 2025**

**2. Carbon capture (CCUS) in energy recovery plants**
- Capture $CO_2$ from flue residual gases
- Dependent on infrastructure and market maturity
- High long-term potential, especially in the UK

**Strategic lever for residual emissions**

# 7. From Strategy to Action: What the Roadmap Enables

The roadmap is not only a planning tool, it drives concrete actions across the business:

### Operational transformation

- Acquisition of recycling-focused businesses (e.g. Cumbria Waste UK)
- Expansion of energy recovery capacity (EfW plants in USA)
- Continuous upgrades of facilities across Europe
- Renovation of facilities to improve operational efficiency
- Achievement and renovation of performance certificates

### Technology deployment

- Solar self-consumption installations
- Digital monitoring of landfill emissions
- Deployment of advanced methane capture systems
- Use of sensor to have better operational control and key information
- R&D&I to improve our performance

### Fleet transition

- +451 new low-emission vehicles in 2025
- CNG vehicles as transition towards electrification
- Alternative fuel powered vehicles in fleet (Hydrogen, HVO, etc.)
- Charging infrastructure expanded across UK and CEE

### Energy transition

- 100% renewable electricity already achieved in selected countries
- Scaling photovoltaic capacity across operations

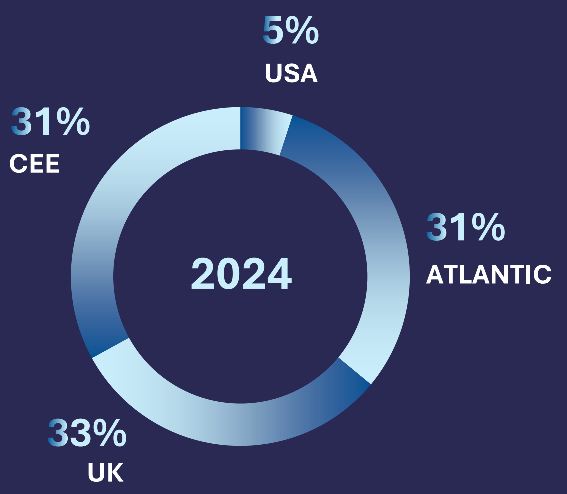

**Check out our Sustainability Report 2025 here**

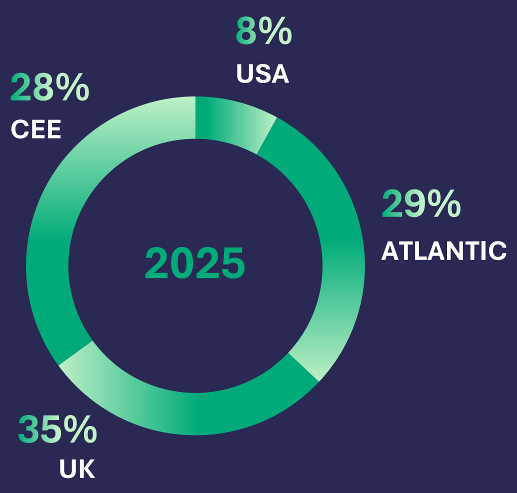
## 8. Emissions Profile and Reduction Pathway

**Key insights**

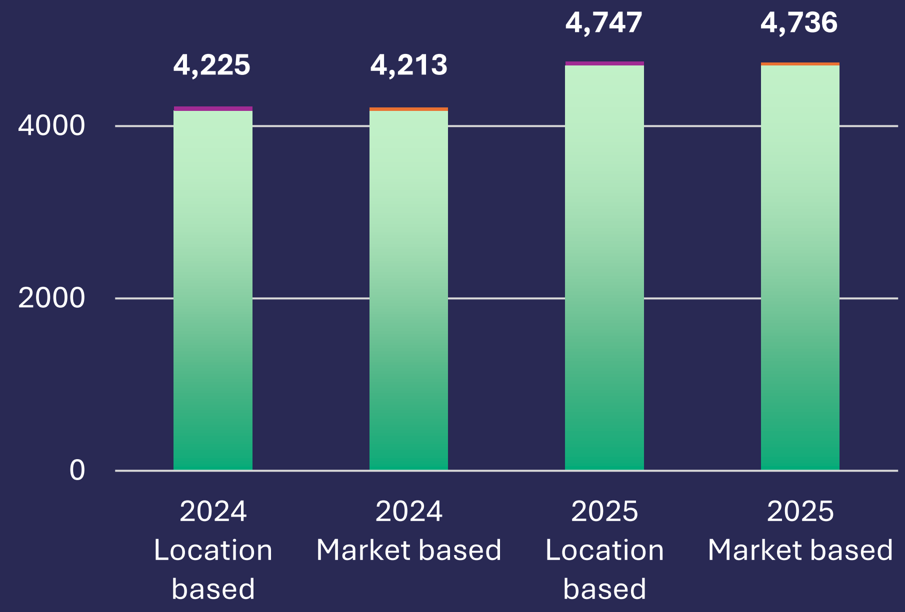
- Emissions largely driven by landfill operations and fleet
- Significant share linked to client-operated facilities
- Strong potential for reduction through existing levers

### Emissions (Scope 1 & 2) by geographical platforms:




### Scope 1&2 emissions ($ktCO_2e$)




| $ktCO_2e$ | Scope 1 | Scope 2 Location based | Scope 2 Market based |
|---|---|---|---|
| 2024 | 4177,52 | 47,41 | 35,74 |
| 2025 | 4702,10 | 45,26 | 34,08 |

## 9. Investment and Financing

Delivering our roadmap requires, at least:

# +€800 Million

additional investment beyond business-as-usual

Decarbonization transition will be financed using:

- Green bonds and sustainable financing
- EU taxonomy-aligned investments

**Ensuring financial robustness of the transition**

# 10. Governance and Integration into the Business Model

The roadmap is:

- Approved by the Board of Directors
- Integrated into our 2026–2030 Strategy
- Embedded in:
    - Operational decision-making
    - Capital allocation
    - Performance monitoring

The decarbonization roadmap will be reviewed and updated when needed

Any change in scope or any acquisition will be considered to reassess the level of ambition and the current levers

The development of the decarbonization levers, compliance with the main milestones, financing needs and the progress made are shared with the Board of Directors at least once a year.


**Our roadmap is designed to evolve, ensuring FCCenviro remains at the forefront of the transition to a low-carbon, circular and sustainable future.**

# 11. Looking Ahead

**FCCenviro will continue to:**

- Scale existing decarbonization levers
- Accelerate innovation where technology becomes viable
- Strengthen data, monitoring and reporting capabilities
- Expand ambition towards a global net zero target

**2022** → **2050**

**FCCenviro's roadmap turns climate ambition into measurable action: pairing actionable and innovative levers with over €800 million of investment and Board-level governance to drive the transition to a low-carbon future.**

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