



THE COLLINSON GROUP LIMITED 2025

Taskforce for Climate-related Financial Disclosures (TCFD)

Financial year ending 30th April 2025



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The Collinson Group (TCG) is a privately held, family-owned company. Through our diversified portfolio of operating businesses, we own and manage several of the world's leading brands at the intersection of travel, loyalty, and insurance.

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Introduction

The Collinson Group (TCG) is a privately held, family-owned company headquartered in London, United Kingdom. Through our diversified portfolio of operating businesses, we own and manage several of the world's leading brands at the intersection of travel, loyalty, and insurance.

Our business operates across five key intermediate holding companies: Collinson International Limited (CIL), Collinson Insurance Holdings Limited (CIHL), Airport Dimensions Holdings Limited (ADHL), Valuedynamx Holdings Limited (VDXH), and Collinson Investments Limited (CINV). CIL is the operating company responsible for Priority Pass, Lounge Key and our Loyalty Consulting businesses. CIHL is the holding company for our Insurance and Assistance business. ADHL contains our Airport Dimensions business which designs and operates airport lounges and wider experiences globally. Valuedynamx Holdings Limited (VDXH) for our Valuedynamx business, a global provider of curated data-driven omni-channel purchase rewards. And CINV is the arm of TCG that focuses on strategic investments and partnerships.

While each operating business maintains a degree of independence, they are supported by centralised capabilities and shared infrastructure through Collinson Business Services. Strategic decisions relating to capital allocation, investment priorities, risk, ESG, and leadership appointments are overseen by TCG's Board.

As a group, we are bound by shared values and a long-standing commitment to ethical business practices. Our philosophy, good beyond profit, is deeply embedded in how we lead, operate, and innovate. FY25 saw us take this commitment further with the formal launch of both our group-wide ESG Strategy and the Collinson Foundation, reflecting our ambition to create positive impact for people, planet, and future generations.

This report, our third under the Taskforce for Climate-related Financial Disclosures (TCFD) framework, details our evolving approach to climate risk, opportunity, and strategic resilience. We remain aligned with both the TCFD recommendations and the UK's Climate-related Financial Disclosure (CFD) requirements, and are continuing to develop our scenario analysis, emissions tracking, and long-term planning in step with our wider ESG objectives.

While we operate in a rapidly changing sector, our commitment to responsible business remains constant. This report captures both our current position and our forward trajectory as we navigate the transition to a low-carbon economy across our global footprint.

Produced for TCG this TCFD Report covers all of our Operating Businesses.



Message from our Board

FY25 was a defining year for The Collinson Group. We delivered record-breaking results across all our operating businesses, demonstrating not only the strength of our business model but also the enduring global appetite for travel and premium experiences. Against a backdrop of ongoing global uncertainty, our performance reflects the agility, focus and commitment of our teams and partners.

At the same time, the operating environment has become more complex. Policy changes in the United States, seeing their renewed withdrawal from the Paris Agreement, and an increasing global focus on growth and GDP have brought new challenges for climate action. The term “Net Zero” has itself become politicised, prompting many organisations to revisit how they communicate and deliver on longterm climate commitments.

At TCG, our position remains clear. We see sustainability not as a political statement, but as a business imperative and a responsibility. This year, we advanced from measurement to strategy: building on our first global greenhouse gas inventory by plotting our emissions reduction pathways and submitting our near-term and net zero targets to the Science Based Targets initiative (SBTi). We are targeting approval in FY26 and will use that validation to continue embedding climate considerations into our strategic decisions.

We are also aware that global progress is not guaranteed. The shift in political will on climate action reminds us that private enterprise must often lead where consensus falters. That is why our ESG Strategy, anchored in our philosophy of good beyond profit, is more relevant than ever. It guides our actions as we modernise infrastructure, invest in lower-impact operations, and influence change across our value chain.

There is still work to do. Aviation remains under pressure to decarbonise, and the travel sector will continue to face scrutiny. But we believe in the role travel plays in connecting people, cultures and ideas. And we believe there is a sustainable path forward. Our task is to navigate it with ambition, integrity and commercial discipline.

We share this third TCFD Report as part of that commitment, to transparency, to action, and to longterm value creation. We remain focused on doing the right things, in the right way, for the future of our business and the world we work in.



David Evans
Chief Strategy and
Investments Officer

A handwritten signature in black ink, reading "D. Evans.", positioned to the right of the portrait.



Governance

Strong governance is fundamental to how we manage climate-related risks and opportunities at The Collinson Group (TCG). Our approach ensures that strategic oversight, accountability, and operational execution are clearly defined across all levels of the business.

TCG Board

The TCG Board is ultimately responsible for guiding the long-term sustainable success of our group. In doing so, it provides direction for our Operating Businesses, sets the strategic agenda, and ensures that decisions are made with full consideration of their impact on all stakeholders.

The Board comprises two non-executive directors and four executive directors, including the Founder and Chairman, the Chief Strategy Officer, the CEO of Collinson International, and the Chief Financial Officer. Reflecting our family-owned structure, three of the executive directors are family members actively engaged in day-to-day operations. The inclusion of non-family and non-executive members ensures independent scrutiny, diverse perspectives, and effective challenge.

Board responsibilities include oversight of our group-wide ESG strategy, climate-related governance, and the integration of sustainability objectives into our business model. The Chief Strategy Officer serves as the accountable Board representative for ESG, supported by cross-functional leadership throughout the group. Climate-related risks and progress updates are reviewed quarterly by the Board, which also approves our annual TCFD disclosures.



TCG Strategy Team

Chaired by the Chief Strategy Officer, the TCG Strategy Team is responsible for shaping our corporate strategy and ensuring alignment across capital allocation, growth priorities, cultural development, and ESG performance. The team includes two executive directors, senior leaders from across the business, and an independent advisor on responsible business.

The Strategy Team plays a key role in surfacing climate-related issues for Board consideration and in translating strategic climate priorities into operational direction for our businesses.

The VP of Procurement and ESG is a core member of the Strategy Team and leads the development and delivery of our ESG strategy, climate-related initiatives, and related disclosures. To ensure continuous alignment and visibility, the VP Procurement and ESG also meets with the Chief Strategy Officer every six weeks in a one-to-one setting to review ESG progress, discuss emerging risks, and agree on forward-looking actions.

Operating Business Leadership and ESG Management Team

Each Operating Business is responsible for developing its own sustainability plan in line with TCG's group-level ESG strategy. These plans are embedded within broader business strategies and are tailored to reflect the nature of each business's operations, markets, and climate risk exposure.

To support execution, the VP Procurement and ESG convenes cross-functional ESG working groups, comprising senior leaders from key business service functions. Each Operating Business appoints an ESG lead and develops appropriate initiatives with the support of these ESG working groups.

TCFD Working Group

Our TCFD Working Group is responsible for driving the integration of climate considerations into business strategy. Led by the VP Procurement and ESG, the group includes representatives from Risk, Financial Planning & Analysis, Group Strategy, and Sustainability, and ensures that climate-related risks and opportunities are identified, assessed, and embedded in our long-term planning. It also leads the development of our TCFD reporting, including scenario analysis and emissions metrics, to ensure transparency and alignment with global standards.





Strategy

Background

TCG operates at the intersection of travel, loyalty and financial services. With businesses spanning global airport experiences, membership schemes, insurance, loyalty strategy and rewards, our exposure to climate-related risk and opportunity is shaped not only by our own operational footprint, but by broader trends within aviation and travel.

Aviation continues to face significant scrutiny in climate discussions, accounting for an estimated 3.5% of effective radiative forcing globally. However, despite increasing awareness of climate risks and the growing physical evidence of change, there is limited political will to impose material constraints on aviation growth.

The UK Government, for example, has signalled support for airport expansion and projects aviation demand to grow by 25% by 2050. The UK's Climate Change Committee forecasts a significant level of residual aviation emissions within its mid-century Net Zero target. The transition to scaled sustainable aviation fuels (SAF) will be important, but there will remain a heavy reliance on engineered removals.

While SAF is widely viewed as a vital lever in aviation decarbonisation, airlines are increasingly concerned about meeting 2030 blend mandates due to cost and availability. These supply issues, combined with “polluter pays” policies, could translate into rising costs for consumers and partners across the travel value chain.

As a travel services provider, TCG's direct emissions remain relatively low. However, we are sensitive to demand volatility, supply chain costs, and ecosystem-wide transition dynamics. These factors guide our approach to climate strategy and business resilience.

Given the relative financial materiality of each of our Operating Businesses on TCG's financial performance and ongoing viability, our modelling has presently focused on risks and impacts to CIL and ADHL.



Assessing Climate related risks and opportunities

In FY25, we refined our climate scenario modelling to align with the timelines of our near-term Science Based Targets (SBTs), submitted to the SBTi for validation. We have structured our assessment around two plausible transition pathways:

- **Scenario 1 - <2 °C:** A coordinated, policy-driven global transition
- **Scenario 2 - ~3 °C:** A delayed and fragmented response, leading to accelerated warming

Scenario Time Horizons

- **Short-term:** to 2028
- **Medium-term:** to 2034
- **Long-term:** 2034-2050

Scenario 1 - <2 °C (Orderly Transition)

Short-term

Travel demand continues on its current growth trajectory, with no major policy or consumer-led disruptions expected in this period. Strong volumes persist, particularly for leisure travel, and there are no material indicators of regulatory interventions that would limit passenger flows. Business travel remains stable, although we may see shifts to lower classes of travel or other eco-considerations in travel planning. Transition costs begin to emerge but remain relatively contained. Sustainability is becoming embedded into standard delivery models, with innovations across lounge formats allowing for cost variation and better alignment with consumer expectations.

Medium-Term (to 2034)

If the world stays on track for a <2 °C pathway, we expect aviation to continue growing in line with current market forecasts. With no major behavioural or policy-driven headwinds, demand for premium airport services should remain strong. Transition costs will become more prevalent but will be tempered by product innovation. Sustainable energy will be a key factor, with progress dependent on both the availability of, and airport speed in adopting, renewable sources.

We anticipate:

- Continued growth in lounge visits and wider travel benefits, driven by leisure demand and evolving patterns of business travel.
- Transition costs such as higher food and beverage prices, sustainable construction requirements, and renewable energy premiums flowing through gradually as leases are renewed and capital projects cycle through.
- An increase in demand for premium ground experiences as passengers seek comfort amid more environmentally conscious, potentially lower comfort, flying (e.g. reduced premium ticketing).

Under Scenario 1, our business model remains resilient. While costs will increase, we expect sufficient time to phase in pricing and efficiency measures. Strong travel demand, particularly for premium airport experiences, supports our continued revenue growth.



Scenario 2 - 3 °C (Delayed and Disrupted Transition)

Short-term

While the trajectory may suggest a move toward 3 °C, there are currently political challenges impacting the speed and impact of climate responses, with a shifting focus to nationalism and economic prosperity. We do not expect significant climate regulation or passenger taxes during this period. However, media coverage and climate-driven anxiety may start to influence traveller sentiment. Transitional pressures may rise as governments react inconsistently to growing climate signals. This could drive increased regulatory or reputational urgency across the value chain. We model a steeper sustainability premium over future costs.

Medium-term

In a 3 °C world where SAF scale-up falters and 2030 targets are missed, airlines may need to raise ticket prices under “polluter pays” schemes. These costs could suppress demand, especially in discretionary travel markets. With further regulation and social pressure emerging, growth forecasts will be significantly tempered by 2034. Cost inflation is expected to increase as airports and suppliers pass on the cost of carbon compliance, infrastructure adaptation, and energy transition. Sustainability-related cost premiums are therefore projected to rise.

We consider:

- Significant upward pressure on operating costs driven by SAF supply shortages, carbon pricing, and regulatory enforcement of environmental standards.
- Potential pass-through of aviation costs to consumers, impacting travel frequency and changing the economics of airport concession agreements.
- Shifts in client behaviour, particularly in corporate and financial services sectors, which may begin reassessing the climate implications of mass market travel related benefits.

Scenario 2 presents more acute financial risks to TCG, particularly in the medium term. Increased supply chain costs and regulatory changes could compress margins. However, a partial offset may come from a rise in traveller willingness to pay for more premium in-terminal experiences, especially if flying becomes less frequent but more intentional.

Strategic Resilience

Across both scenarios, we continue to take a proactive and data-driven approach to understanding and managing climate risk. Our strategic response includes:

Decarbonisation Pathways: We have modelled our emissions reduction pathways and have submitted both near-term and net zero targets to the Science Based Targets initiative (SBTi). We will work toward validation in FY26.

Scenario-Based Business Planning: Our strategic and financial planning incorporates climate scenario analysis, enabling us to stress-test commercial assumptions and identify pressure points early.

Real-Time Consumer Insight: With global reach across airport lounges and loyalty programmes, we actively track behavioural trends and test responses to sustainability-led market shifts.

Our combination of physical asset ownership (ADHL) and aggregated third-party access (CIL) provides twin lenses through which we evaluate cost, carbon, and consumer experience. This dual insight supports our ability to adapt quickly and continue delivering value, regardless of which scenario materialises.



Risk Tables

Risk Transitional	Scenario	Timeline	Impact	Mitigation	Opportunity
risks					
Reduction in demand (Market):					
Business travel reduces to meet SBTs	1 & 2	Short, Medium & Long Term	Currently with a high volume, low margin business model, a material reduction in demand could result in unsustainable commercials unless accompanied by an appropriate reduction in overheads.	Market forecasts do not suggest this risk will materialise, at least not until 2030 and beyond, which is outside our current modelling. We will closely monitor travel patterns and demand profiles and adapt our business model as appropriate. We will continue to develop a model that can adapt to volume fluctuations, building on the approach taken as we navigated through the Covid-19 pandemic.	A reduction in premium class airline travel or a reduction in the frequency of travel, could lead to an increase in demand from consumers for more premium airport experiences to provide additional comfort. TCG's business model is designed to address this market, and therefore this could be an upside.
Leisure travel reduces due to eco-conscious behaviour	1 & 2	Medium & Long Term			
Regulatory intervention or market-based instruments significantly reduce volumes	2	Medium & Long Term		We will engage with our clients & develop next generation products for the long term.	
Increase in supply chain costs and complexity (Market):					
A shift to more sustainable airport lounges (construction and service delivery) could see increased costs impacting both ADHL and CIL	1 & 2	Short, Medium & Long Term	A low margin business model leaves CIL especially sensitive to cost pressures, and significant upward pressure without a relative increase in revenue would stress our economic sustainability.	We continually monitor our cost base and work with our supply partners to generate both efficiencies and incremental revenues through broader offerings. We see climate related transition costs being effected over a phased period, providing time and opportunity to adjust revenue models to accommodate the increased costs.	Enhancing sustainability requires cross industry collaboration. This will allow us to form deeper relationships and connections, driving innovation and efficiencies.



Risk Transitional	Scenario	Timeline	Impact	Mitigation	Opportunity
risks					
Transition to product digitisation (Technology): Sustainability pressures require us to accelerate a transition to digital products, with the removal of physical membership cards in CIL.	1 & 2	Short Term	Whist CIL has a fully digital offering today, and client adoption is growing, a full transition may need to be accelerated. This will require further investment and client collaboration to deliver.	We have a digital product offering which we are actively working with clients to transition to in the short to medium term. Loss of a key client remains a broader risk on our Risk Register, and we actively develop mitigation plans.	A fully adopted digital offering will allow greater connectivity, product enhancements and incremental revenue streams.
Key client transitions away from travel as a benefit (Market): Sustainability pressures may see a key client move away from Travel as a card benefit in CIL.	2	Medium & Long Term	If one of our key clients moves away from offering travel loyalty due to the climate impact of travel activity, we would see a significant impact to the current revenue base of CIL, with ADHL also being impacted	In terms of specific climate drivers, we are working closely with our clients to understand the impact climate change could have on their business, future strategies, and business plans to adapt to the role we can play in driving shared and strategic value. In addition to this we are looking at ways to diversify our partner base to further mitigate any impact of this risk.	Supporting travel benefits remains a central part of our client propositions, however the climate challenges allow us to focus on 2 key activities: firstly, developing our existing relationships with clients to build joint sustainable approaches to our offering and secondly, pushing us to be innovative and creative with both our new offerings and potential future partners in unexplored sectors.
Climate related legal cases	2	Medium & Long Term	We recognise a very limited chance of being impacted by class action suits aimed at general travel industry, including through direct partnership with airlines	We will continue to monitor for this but believe our inherent independence within the industry and position as a provider of ancillary airport services would make us unlikely to be targeted in this way	No Opportunities Present.



Risk	Scenario	Timeline	Impact	Mitigation	Opportunity
Physical Risks					
Impact to airport lounges in high-risk areas:	1 & 2	Short, Medium & Long Term	We could see destinations significantly reduce in attractiveness for travellers, with the potential to leave stranded assets in our owned and operated inventory, or we could see one-off events cause damage and destruction to our premises.	Potential physical risks have always formed part of our decision-making criteria when investing in new lounges. Where there are known risks, we integrate risk management measures into lounge designs. We will continually monitor our risk management approach and adapt it as necessary.	Proactive planning can help us identify the destinations of the future when determining when and where to invest.
As we see more extreme weather events, we may see an increased impact on lounges in vulnerable areas (Acute and Chronic Risks).				With a global 3rd party lounge network driving its volume, CIL is materially protected from significant impact from extreme events isolated in a specific	
Rising sea levels may present a risk to any airports situated in low lying coastal locations (Chronic Risks).		Outside modelled range		geography. TCG operates at a global scale and hence any localised impacts are likely to be offset by increased activity in other areas in which we operate. We continually monitor events and conduct risk profiling to drive our insurance offerings.	
Impact to operations and supply chain due to extreme weather events (Acute and Chronic)	1 & 2	Short, Medium & Long Term	With increased severe weather events there may be short term market shocks, severely impacting travel to, and assets, in certain locations. We offer insurance-based products including general travel insurance and our product Smart Delay which could see an increase in claims.		Increased disruptive events present an opportunity for further insurance-based products, and for our ability to pivot our offerings to other geographies.



Risk

At TCG, effective risk management is essential to the delivery of our strategy and long-term business resilience. We take a structured and forward-looking approach to identifying, assessing, and responding to climate-related risks across our organisation.

Our climate risk framework includes the evaluation of:



Physical Risks:

Direct consequences of climate change, such as rising sea levels, extreme weather, and temperature fluctuations.



Transition Risks:

Risks arising from the shift to a low-carbon economy, including regulatory change, evolving market dynamics, and technological developments.



Liability Risks:

Legal or reputational risks associated with climate-related claims, litigation or non-compliance.

All identified climate risks are incorporated into our Group Risk Register and are subject to regular review. The register is jointly maintained by the central Risk function and the ESG team, and it is reviewed and updated on a monthly basis. This ensures that climate-related risks are integrated into our broader enterprise risk management process and receive timely and appropriate oversight.

Internal communication and stakeholder engagement are integral parts of our risk process. We provide structured, periodic updates to ensure that the right people across the business have access to the right insights at the right time. At a minimum, formal reporting is delivered on a quarterly basis to support ongoing discussion and decision-making at senior and Board levels.

In FY25, the Global Risk Committee (GRC) continued to provide structured oversight of risk across the Group. Chaired by a Non-Executive Director, the GRC meets quarterly and includes three executive directors along with a senior leader accountable for risk management at TCG. The GRC plays a critical role in advising the Board on TCG's overall risk appetite, tolerance, and strategy, ensuring that both principal and emerging risks, including climate-related exposures, are appropriately reviewed and governed.

Our TCFD Working Group, which brings together leaders from ESG, Risk, Financial Planning & Analysis, and Group Strategy, is responsible for maintaining our scenario models, updating this TCFD Report annually, and ensuring that climate risk considerations remain embedded in business planning and strategy development.

Overall, we continue to view climate risks as manageable within our current operating model and time horizons. In the short to medium term, our mitigation plans are sufficient to address the risks identified. As long-term risks evolve, we have the structures, data, and lead time required to adapt accordingly, ensuring that our business remains resilient in a changing climate.



Metrics

Overview

At TCG, we recognise that meaningful climate action requires not only clear ambition, but also rigorous measurement and accountability. Our metrics framework continues to evolve as we strengthen our ability to monitor and manage climate-related risks and opportunities across the business.

During FY25, we made significant progress by completing the next phase of our decarbonisation planning. Building on our first full global GHG inventory completed in FY24, we developed detailed emissions reduction pathways and proposed both near-term and net-zero Science Based Targets in line with the latest SBTi criteria. These targets have now been formally submitted to the Science Based Targets initiative (SBTi) for validation, with the approval process scheduled to take place in FY26.

This submission marks a critical milestone in our climate strategy, providing a structured trajectory to reduce emissions across Scope 1, 2 and 3 categories. It also supports the integration of climate targets into strategic planning, investment decisions, and operational policies across our Operating Businesses.

In parallel, we continue to improve the quality and consistency of our underlying emissions data. This includes identifying and addressing data gaps, strengthening supplier engagement, and refining methodologies for complex Scope 3 categories.

While formal climate-related KPIs will be introduced post-validation, we continue to track business-critical indicators such as global airport lounge and experience visit volumes. As a volume-driven organisation, these metrics help us understand demand patterns, emissions exposure, and potential levers for influence across our value chain.

GHG Reporting

Table 1: GHG Protocol's Reporting Standards - Classification of Emissions

Metric	Description
Scope 1 emissions	Direct emissions arising from sources that are owned or controlled by TCG. Examples include the combustion of fuels in buildings and the release of refrigerant gases.
Scope 2 emissions	Indirect emissions arising from purchased electricity, heating, and cooling.
Scope 3 emissions	All other indirect emissions associated with business activities outside of TCG's operational boundary, further broken down into 15 categories across the value-chain.



Table 2: FY24 & FY25 Global Emissions (Scope 1, 2 & 3)

	Year ended 30 April 2025 tonne CO ₂ e	Year ended 30 April 2024 tonne CO ₂ e		Year ended 30 April 2025 tonne CO ₂ e	Year ended 30 April 2024 tonne CO ₂ e
Scope 1	20	2.55	Scope 3 (continued)		
Stationary combustion	17	0.4	4 - Upstream transportation and distribution	292	9,338
Mobile combustion	-	-	5 - Waste generated in operations	97	103
Process emissions	-	-	6 - Business travel	2,844	2,469
Fugitive emissions	3	2.2	7 - Employee commuting	2,447	2,922
Scope 2			8 - Upstream leased assets	-	-
Location-Based	1,604	1,186	9 - Downstream transportation and distribution	265	231
Market-Based	1,450	1,167	10 - Processing of sold products	-	-
Electricity (location-based)	1,604	1,186	11 - Use of sold products	187*	43,430*
Electricity (market-based)	1,450	1,167	12 - End of life treatment of sold products	436	89
Heat and Steam	-	-	13 - Downstream leased assets	-	-
Cooling	-	-	14 - Franchises	-	-
Scope 3	46,495	75,581	15 - Investments	9,568	1,092
1 - Purchased Goods and Services	28,749	14,432	Total gross tonne CO ₂ e based on above (Location-based)	48,119	76,770
2 - Capital Goods	1,200	1,224	Total gross tonne CO ₂ e based on above (Market-based)	47,965	76,751
3 - Fuel and energy-related activities	410	251			

*Emissions above the minimum boundary requirements of the GHG Protocol have been excluded in the FY25 GHG inventory as agreed with the SBTi during our target validation process. In FY24, these emissions were included and disclosed prior to submission of targets for approval by the SBTi.



Notes and Analysis

Scope 1

The increase in Scope 1 emissions from FY24 to FY25 primarily reflects a reallocation of greenhouse gas (GHG) emissions associated with equity investments. In the prior year, these emissions were reported under Scope 3, Category 15 (Investments). However, as part of the Science Based Targets initiative (SBTi) target validation process, we have been advised to reclassify these emissions across Scope 1, Scope 2, and Scope 3 in proportion to our equity share. This methodological adjustment has resulted in a higher reported Scope 1 figure compared to FY24, rather than an underlying increase in operational emissions.

Scope 2

The increase in reported Scope 2 emissions in FY25 is partly attributable to the reallocation of equity investment emissions from Scope 3, in line with SBTi guidance. To ensure comparability, FY24 emissions have been recalculated under this revised methodology. On a like-for-like basis, Scope 2 emissions rose by approximately 14% in FY25, largely driven by higher guest volumes across our airport lounges and increased office attendance. We continue to explore opportunities to expand the use of renewable energy within our offices and are actively engaging with airport partners to support their transition to more sustainable energy sources.

Scope 3 - Overview

In FY25, we submitted our emissions reduction targets to the Science Based Targets initiative (SBTi) for validation. As part of this process, a number of methodological changes were made to our Scope 3 inventory to ensure alignment with SBTi requirements. Most notably, we have excluded optional emissions such as electricity consumption in third-party lounges, homeworking, hotel stays, and emissions associated with time spent on the Valuedynamx website. These categories, while previously included in FY24, fall outside the minimum boundary requirements of the GHG Protocol and were therefore removed from disclosure following agreement with the SBTi.

The methodology for several categories was also refined:

- Upstream transportation and distribution was recalculated using a parcel-level methodology rather than aggregate weight and distance, significantly reducing overestimation in prior years.
- Investments (Category 15) were introduced in FY25 following a revised investment strategy within our insurance division, resulting in a new emissions source not previously in scope.
- Purchased goods and services saw a substantial increase, reflecting both higher spend and improvements in data collection quality. A dedicated ESG Senior Data Engineer was recruited during FY25 to enhance data sourcing, coverage, and accuracy, which has already improved emissions calculations in this category.



Scope 3 - Category 1: Purchased Goods and Services

Purchased goods and services remain the largest driver of Scope 3 emissions, primarily linked to the design, fit-out and operations of airport lounges, along with professional, scientific, and technical services. Development in airport environments remains complex due to regulatory restrictions on suppliers, but we continue to integrate sustainability principles into our Design and Construction guidelines and work with contractors capable of delivering more sustainable outcomes.

Scope 3 - Category 4: Upstream transportation and distribution

The significant reduction in Upstream transportation and distribution emissions is mainly as result of a change in calculation methodology. In FY24, emissions were calculated by summing the weight of packages sent and distance travelled to calculate emissions which led to significant over estimation of emissions compared to treating each parcel separately. These updates have also been submitted to and approved by the SBTi.

It is also worth noting that an increased adoption of digital cards has also reduced the emissions associated with transportation and distribution of Priority Pass cards where TCG is responsible for costs of the transportation and distribution.

Scope 3 - Category 6: Business Travel

Business travel emissions increased modestly year-on-year, largely due to improved data capture through the introduction of our new global travel management system, ATPi, and the use of Thrust Carbon's CO₂e calculator. While prior year emissions were estimated primarily on spend, this year's more accurate methodology has resulted in a slight increase. In line with SBTi guidance, emissions from hotel stays have been excluded. We also launched a new global Business Travel Policy in FY25, providing direction on more sustainable travel behaviours.

Scope 3 - Category 7: Employee Commuting

Employee commuting emissions were calculated through a global survey across our offices. A higher response rate and the exclusion of homeworking emissions (as required by the SBTi) contributed to a modest reduction of approximately 2% compared with FY24 (on a like-for-like basis).

Scope 3 - Category 11: Use of Sold Products

Use of sold products represents the most material change in our FY25 disclosures compared to FY24. Following consultation with the SBTi, emissions from electricity consumption in third-party lounges accessed through Priority Pass have been excluded from our Scope 3 inventory. This reflects the fact that TCG does not have operational control over these facilities, and both TCG and the lounge operators have limited ability to influence the energy sources procured, which are determined by the host airports. While these emissions now fall outside the minimum boundary requirements of the GHG Protocol, we remain committed to addressing them through partnership and influence. We continue to embed sustainability measures across our proprietary lounges and are actively seeking opportunities to collaborate with third-party lounge operators and airport authorities to support a transition to lower-impact operations.

Overall, while methodological changes have reduced total reported Scope 3 emissions, our improved data quality, new inclusions, and more accurate methodologies provide a stronger foundation for long-term emissions management and reduction across our value chain.



