22 CRITERIA
2025 REPORT

SFMI

The Sustainable FM Index

Contents

ABOUT THE SFMI

The facilities management industry has been facing increasing challenges over the recent years. These include rising costs and margins being squeezed, higher standards expected even on existing premises, increasing regulatory requirements, client requests for more and better actions, and their own organisation's targets for ESG related performance. The SFMI has been steering our industry for over a decade, providing early guidance to enable our Partners to maintain leadership positions. This report presents the key aspects of the industry-standard SFMI Assessment, incorporating the latest knowledge about regulations, standards, and the path of ESG and sustainability across the industry.

The Sustainable Facilities Management Index (SFMI) provides the only dedicated sustainability framework tailored specifically for the facilities management industry. As part of its mission to transform property and facilities management for a better tomorrow, the SFMI draws on over 12 years of industry leadership. Through a combination of audits, insights, education, and collaboration, it empowers FM organisation to strengthen their sustainability performance. By engaging with the SFMI, organisations, are better equipped to face rising standards, navigate emerging challenges, and realise the commercial benefits of sustainable practices.

SFMI ASSESSMENT PROCESS

We assess a company's sustainability performance across 22 criteria, structured under the three pillars of: Environment, Social and Governance (ESG). Recognising the interdependencies between these themes, we apply a comprehensive assessment framework to identify strengths and opportunities for improvement across these areas.

Each criterion is scored on a 0 to 5 maturity scale, reflecting the degree to which sustainability is embedded within an organisation. A top score of 5 reflects systemic, integrated sustainability leadership, extending beyond internal operations into communities, stakeholders and industry influence.
Achieving levels 4 and 5 requires more than a tick-box approach, it requires an integration into organisational culture, management, stakeholder relationships, and transparency in reporting. Engagement and continuous improvement are key aspects for improving sustainability performance and delivering long-term value to all stakeholders.

The SFMI Assessment process includes:

1. Initial assessment	2. Audit	3. Additional evidence
The Initial Assessment analyses what we know about the organisation across the SFMI's 22 ESG criteria.	Audits delve deeper into an organisation's policies and procedures through a face-to-face audit (in person or remotely).	Post audit, Partners are given 2 weeks to provide additional evidence to support issues raised in the audit which may improve their score

The SFMI assessment is suitable for FM organisation of all sizes and types. This framework captures an organisation's sustainability approach and actions not based on size or resources but rather on maturity and intentions. Where an FM organisation is part of a larger group, the FM unit being assessed should not rely on another unit in the group for examples and structure, but will be expected to show its own applications of sustainability principles. Independent FM organisations are assessed based on the strength of their commitments and actions.

2025 CRITERIA UPDATES

The SFMI reviews its assessment criteria annually to capture global corporate progress, regulatory and reporting requirements, and sector-specific challenges and innovations. These updates are designed to ensure that SFMI Partners remain at the forefront of best practice in a changing sector. The SFMI criteria for 2025-26 have been updated to incorporate recent changes in the industry. These assess an organisation's status including their response to external requirements such as the new regulations and standards of reporting, engagement and feedback with stakeholders, continuous improvement, and attention to the environment and climate change. Rather than being prescriptive, the assessment allows freedom for organisations to provide their own examples of meeting the criteria best practices in line with their own values and structures.

This year the SFMI is for the first time assessing not 23 criteria but 22 criteria. We have forgone the criterion inside Governance for Collaboration, instead integrating the intentions into the way of doing business. As the world and requirements move forward, we see collaboration and cooperation as integral to a responsible business's approach. Collaboration is expected in such activities as a full and informed double materiality assessment, and in choosing the right stakeholders, going on to engage with them more fully, including setting targets. We expect top leaders to engage in behaviour change across their value chain (clients, employees, suppliers) and other external entities such as competitors/ peers, NGOs, and governmental authorities. Activities previously within the Collaboration criterion are now moved into the fabric of other criteria such as Responsible Supply Chain, Stakeholder Engagement, Sustainable Communities.

ENVIRONMENT

Environmental sustainability involves responsible interaction with the natural world to prevent resource depletion and ecological degradation. In the context of FM, it means going beyond compliance to proactively embed long-term environmental stewardship into service delivery.

FM Providers are uniquely positioned to influence envirnonmental outcomes across multiple sites, portfolios, and clients. By integrating environmental management into their operations, FM organisations can reduce environmental impacts, enhance service value, and drive sustainability improvements for their clients.

ENVIRONMENTAL MANAGEMENT SYSTEMS

Managing environmental impacts is a key part of stewardship, and this theme looks at how well this is integrated across the FM organisation in a systematic and integrated way.. Effective environmental management includes board level attention and integration into risk management, and relies on robust data and third-party verifications. These are demonstrated in ISO 14001 certifications, clear policies and objectives, third-party assurances, and continuous improvement procedures. All these should be evident in FM unit operations.

HOW DOES IT AFFECT THE ROLE OF FM?

Environmental management systems are important to how FM providers operate and deliver value. A strong and well-implemented system enables the identification and management of environmental risks and opportunities It also helps ensure compliance with regulatory and client requirements and can be critical for participating in public and private sector tenders, where certifications like ISO 14001 are expected. Successful execution of environmental systems build and maintain trust and transparency with clients, employees, and other stakeholders. They can provide a foundation for tracking and improving environmental performance.

SUBTOPICS, WHAT THEY COVER, AND REQUIREMENTS TO REACH LEVEL 5

Subtopic	What it covers	Requirements to achieve Level 5	Suggested evidence
Scope and application	Assesses the EMS coverage in terms of breadth of organisation's units and geography as well as expanse of value chain (e.g. clients and suppliers).	EMS covers entire business, integrates indirect impacts (e.g. supply chain), and includes joint delivery with clients.	ISO 14001 certificates, EMS policies
EMS Integration and Performance Management	Assesses whether the EMS is embedded into operations and drives actual environmental improvement.	EMS supports strategic goals like net-zero, climate resilience, or biodiversity. Performance data informs service design, client engagement, and innovation. EMS is used proactively to deliver environmental performance improvements and competitive advantage.	Third-party assurance statements, verification procedures, internal audit reports, external verification certificates.

BIODIVERSITY

Ecology and biodiversity are important not only for responsible stewardship but also to employee and community wellbeing. This theme evaluates how well an organisation manages both negative and positive impactsit has on biodiversity, while also recognising the benefits of enhancing and preserving ecological systems. Frameworks such as the Taskforce on Nature-Related-related Financial Disclosures (TNFD) provide guidance for moving from impact assessment into meaningful action. These actions should include measurable improvements and behaviour change initiatives. Best practice in this area includes site-specific action plans that are integrated across all relevant sustainability strategies, including net-zero, climate resilience, and social value.

HOW DOES IT AFFECT THE ROLE OF FM?

The FM sector manages workspaces with an obligation to improve the wellbeing, productivity, and staff retention of the workforce by connecting staff and the built environment with nature and improving ecological practices. This begins with assessing biodiversity opportunities, measuring the current state of ecological assets, and taking action based on that data. Doing this well requires clear strategies with relevant targets and measures, engaging with clients and employees, behaviour change efforts, and data collection and handling. The results increase wellbeing and decrease stress for the occupants, protect natural systems, and strengthen climate resilience for the organisation and client as well as local communities.

SUBTOPICS, WHAT THEY COVER, AND REQUIREMENTS TO REACH LEVEL 5

Subtopic	What it covers	Requirements to achieve Level 5	Suggested evidence
Policy & Strategy	Discusses how biodiversity is considered within organisation policy and strategy, how progress can be tracked as well as how it is linked to other environmental goals.	Biodiversity is embedded in the corporate environmental strategy, linked to net-zero goals, and includes clear accountability, tracking, and outcomes.	Biodiversity policies, biodiversity strategy
Internal Biodiversity practices	Covers the integration of biodiversity considerations into practises across corporate sites through action plans or integration with internal environmental management systems. It all looks at how practises are coordinated across the organisation.	Biodiversity considerations are fully embedded across all corporate sites. Site-specific biodiversity action plans are in place, with innovative, science-informed approaches. Practices act as demonstrators or pilots for client delivery, showcasing leadership in nature-positive strategies.	Case studies, site management practices, site processes, guidance documents, training, action plans, meeting notes, biodiversity action plans, biodiversity policies.
Service delivery	Looks at how biodiversity is factored into service delivery for clients and how this is tracked and reported to the client.	A clear story showing a client's journey from assessment towards action, with measurable improvements in biodiversity. Company can provide guidance as added value	Service overviews, training and uptake, guidance documents, client deliverables, contractual requirements, case studies, toolkits.

		to clients and can show how a client has used their toolkit, and developed biodiversity into their workplace / site. Modern innovative methods are used to engage clients and create behaviour change with stakeholders to review/ monitor and protect the changing biodiversity dynamics of sites.	
Monitoring, metrics and reporting	Discusses how biodiversity performance is tracked and reported, including the metrics tracked and what, if any, accounting frameworks are used.	KPI data is reported regularly, and the company uses natural capital accounting, linking biodiversity performance with sustainability and financial metrics. Biodiversity impacts are tracked in line with global frameworks like TNFD, and the data is integrated into corporate non-financial reporting.	Metrics/ KPIs, data collection, data systems, internal and external reporting outputs, biodiversity tracking and reporting tools, natural capital accounting reports.
Integration with other sustainability topics	Focuses on how biodiversity is integrated with other sustainability topics within the organisation's processes.	Biodiversity is fully integrated across all relevant sustainability strategies, including net-zero, climate resilience, and social value.	Sustainability reports, cross-cutting sustainability strategies.

CASE STUDY

Mitie Landscapes has created a toolkit to show customers how effective grounds maintenance can boost biodiversity on their sites. It highlights key initiatives and their outcomes, aligning with business goals such as increased biodiversity, reduced carbon emissions, and flood mitigation strategies. Their services are clearly presented to match and support these specific objectives.

ENERGY & CARBON

The Energy & Carbon theme assesses how effectively an organisation manages its energy use and carbon emissions. It explores the strategic integration of carbon reduction across operations, service delivery, reporting, and innovation. This category encourages forward-thinking, systemic approaches that align with net-zero goals, regulatory expectations, and client needs. Organisations excelling in this area will demonstrate measurable, transparent progress toward decarbonisation, backed by strong governance, accurate data, and a culture of continuous improvement.

HOW DOES IT AFFECT THE ROLE OF FM?

FM can save energy for employers and clients, helping to prevent climate change and save money. This role is integral to FM services and can stand alone as a service line. Changes in working patterns, such as hybrid work and varying occupancy levels, impact energy use and require FM adjustments. These shifts, driven by financial and societal pressures, present both challenges and opportunities for optimal energy management.

SUBTOPICS, WHAT THEY COVER, AND REQUIREMENTS TO REACH LEVEL 5

Subtopic	What it covers	Requirements to achieve Level 5	Suggested evidence
Policy and Strategy	Covers formalised energy and carbon strategies, integration with business objectives, senior ownership, and commitment to net-zero or science-based targets.	A comprehensive, board-approved energy and carbon strategy is fully embedded in corporate governance and operations. Company has set a credible zero carbon strategy (including Scope 1-3 emissions) for the FM business that relies on energy reductions (over offsets), with Targets aligned with progressive initiatives such as RE100 or science based targets.	Policy, strategy, targets, investments in cap ex and business investments, memberships, Board meeting notes or presentations.
Carbon Footprinting & Emissions Measurement	Evaluates how well Scope 1, 2, and relevant Scope 3 emissions are calculated, verified, and used to drive decision-making.	Robust, externally verified carbon footprint covering full Scope 1, 2, and relevant Scope 3 (e.g. supply chain, client site emissions). aligned with relevant standards. High-quality data systems in place, and can show data quality improvement in relevant material data categories. Company can show that they are actively engaging with clients in FM onsite carbon emissions.	Carbon footprint, verification certificates, renewable energy certificates, data collection process, carbon reporting

Efficiency, Initiatives, Engagement & Innovation	Assesses energy-saving actions, employee involvement, innovation pipelines, and how energy/carbon efforts are embedded in the organisation's operations.	Energy efficiency is embedded in operations and culture. Behavioural change, tech, and infrastructure upgrades are aligned. A tested innovation pipeline exists and includes pilots for client use.	initiatives, case studies, programmes, OPEX/CAPEX related to energy reductions, ESOS reporting, innovations process, sign off process for initiatives, staff communications.
Service Delivery	Looks at how FM services incorporate energy and carbon considerations—especially in how services are designed, delivered, and adapted to support clients' decarbonisation.	FM services are positioned as enablers of decarbonisation and address the building energy gap.

Incorporate behaviour change into service offering

KPIs and carbon outcomes are contractually embedded.

The company contributes to systemic client transformation. | Service design, case studies, energy platforms/systems used, energy audit examples, contract examples (KPIs/objectives) |
| **Tracking, Reporting & Transparency** | Reviews the robustness of internal and external energy/carbon data tracking and reporting, including verification, standard alignment, and communication practices. | Transparent, forward-looking reporting is aligned to standards (e.g. SECR, CDP) and is verified by third parties. High-quality data is shared openly with clients, stakeholders, and the public. Reporting is forward-looking and strategic. | Internal/external reporting, client reporting |

CASE STUDY

VINCI Facilities Net Zero Utilities Management (NZUM) Centre of Expertise has collaborated with SMYTHS Toys, to deliver energy consumption, carbon and cost reductions through a staff Behavioural Improvement Program, delivered under an innovative gainshare commercial model. The gainshare commercial model meant that the customer doesn't pay anything until the savings were achieved and proven. This collaborative approach saw SMYTHS achieve average electricity savings of 7.75% (against the baseline year) across the GB portfolio of more than 100 retail stores, with the top 5 stores achieving a significant average saving of 27.5%.

WATER

Clean water access is critical for humans and nature, and is a key consideration for facilities management operations. Water stress is increasing and already affects about half of England, making clear the need for strong practices to protect water and use it efficiently. This theme looks at how well an organisation manages these risks, including board involvement in water strategy, risk management, and long-term sustainability strategies. These strategies should be based on climate projections and include site-specific risks and mitigations. In addition to engaging stakeholders about behaviour changes (such as reducing consumption), the FM organisation should also engage in industry groups and policy discussions for improvements and protection.

HOW DOES IT AFFECT THE ROLE OF FM?

FMs are required to manage water-related issues that affect the facility and business continuity. FM organisations should already be managing water consumption and disposal to reduce costs and the business contributes to its water reduction targets and compliance requirements. It is important that organisations understand the climate-related risks as well as demand changes which will impact water availability. Setting site-specific programmes will require improved data and strong cooperation with the client and local communities.

SUBTOPICS, WHAT THEY COVER, AND REQUIREMENTS TO REACH LEVEL 5

Subtopic	What it covers	Requirements to achieve Level 5	Suggested evidence
Policy & strategy	Covers how water use is integrated into organisation strategy and how targets are created.	A robust, board-approved water strategy exists, aligned with water stewardship principles and materiality. Targets are science-informed or context-based (e.g. local water stress).	Policy, Strategy, targets.
Water use, efficiency in operations	Evaluates the use of water-saving technologies and the integration of water efficiency into long-term planning.	Innovative water-efficient technologies and practices are standard across all operational sites. Closed-loop systems are actively piloted, and water stress and availability are systematically factored into risk assessments. The company integrates water efficiency into long-term sustainability strategies.	Initiatives, case studies, operational expenditure investment examples, major projects undertaken, training practices, water-efficiency processes, pilot systems, water use data, local water stress assessments.
Measurement, Monitoring & Reporting	Looks at how water use is monitored, measured and reported, including how it informs risk management processes and if/how it aligns with recognised	Real-time monitoring with analytics is used to drive proactive efficiency and risk management. Internal and external reporting is routine,	Data collection process, monitoring dashboards / system, reporting (internal and external), water usage reports.

	frameworks.	transparent, and aligned with recognised frameworks.	
Water in service delivery	Looks at how efficient water consumption is integrated into delivered services for clients.	The provider acts as a strategic partner on water management. The company uses innovation to engage stakeholders, drive behaviour change, and reduce consumption. Clients are supported with tailored solutions, and water is prioritised in client relationships.	Service designs, contract examples, case studies, examples of service deliverables, campaigns, engagement examples, solutions developed, water audits
Water risk	Discusses how water risks are assessed and how the organisation may contribute learnings to external policy discussions.	Site risk (own or clients) is assessed based on climate projections, and resilience measures are planned with clients. The company contributes to policy discussions or water risk frameworks (e.g., WRI Aqueduct, WWF Water Risk Filter) and integrates these insights into operations.	Risk management process / identification, business continuity plans, site risk registers, regulatory compliance requirements, mitigation steps for risks, communications with policy groups, climate modelling.

CIRCULAR ECONOMY

As the world faces climate change and exceeds its planetary boundaries, responsible resource use becomes ever more important. Unlike traditional 'produce-use-dispose' models, circular economy promotes reusing and extending material lifespans through design, procurement, and waste management practices, and reduces the need for virgin material extraction. FM organisations are in an important juncture to minimise or eliminate resource input and waste in their own operations and in conjunction with clients and industry. Leading FM companies will demonstrate a system-wide integration (in functions, service models, and innovation) with measurable targets. Circular principles will be applied across many elements and materials, including designing in circularity and planned end-of-life handling. Leaders will show public commitment, partnerships, and co-creation.

HOW DOES IT AFFECT THE ROLE OF FM?

FM's role in circular economy goes farther than managing waste streams into recycling areas. A sustainability-focused FM company can embed circular principles into core service delivery, from managing material flows and prolonging asset lifetimes to influencing supply chains and client strategies. Done well, this improves cost-efficiency, climate performance, and stakeholder trust, while positioning the FM as a strategic partner.

SUBTOPICS, WHAT THEY COVER, AND REQUIREMENTS TO REACH LEVEL 5

Subtopic	What it covers	Requirements to achieve Level 5	Suggested evidence
Policy & Strategy	Discusses how circular economy principles are embedded in organisation policy and strategy and whether specific, measurable, targets and goals are included.	The organisation has a mature, forward-thinking circular economy strategy, including measurable targets and goals. The strategy is aligned with recognised frameworks (e.g. Ellen MacArthur Foundation). It targets full recovery and reuse of major assets and materials and demonstrates system-wide integration of circularity across service models, innovation, and leadership. The company can demonstrate that circularity is embedded across business function, service models and innovation pipelines.	Circular economy policy document or strategy, targets, service principles.
Materials & Resource	Looks at how circular economy principles are	Multiple internal operations can	Circular audits, case studies, data analysis,

Management in Operations & Procurement	applied to material selection and use in operations and procurement, including efforts to reduce waste, prioritise reuse, and adopt lifecycle thinking.	demonstrate closed-loop thinking (e.g. uniforms, parts, furniture) in line with a circular economy strategy. Linear waste analysis can show pipeline of materials that can be managed towards a circular system.	communications of initiatives, procurement requirements/analysis.
Circularity in Service Delivery	Looks at how circular economy principles are integrated into delivered services for clients, including how this is tracked and how the organisation collaborates with the client.	Circularity is a core part of the FM service model. FM provider offers support across the material lifecycle -from design to reuse or recycling. Performance is tracked (e.g. reuse volumes, repair rates) Services are co-designed with clients to extend asset value and eliminate waste. Contracts include CE KPIs and outcomes are publicly reported.	Service delivery playbook, contract examples, client testimonials / case studies, engagement materials with client, data tracking on services.
Innovation & Partnerships	Covers how the organisation innovates and collaborates with the industry in advancing circular economy practises.	Circular innovation and partnerships are embedded in business planning. The company is a recognised leader in circular innovation, shaping the market through strategic partnerships, co-creation, and public commitment to circular economy advancement. The company participates in cross-sector platforms to influence the industry.	Partnership examples, MOUs with partners, case studies, industry recognition.

CASE STUDY

Arcus has established a re-use centre at its training facility in Stevenage, where components such as modular racking, roof racks, pipe tubes, and inverters from end-of-lease vans are removed and stored for reinstallation in new vans. Additionally, it salvages stock from decommissioned vans, using items that cannot be refurbished or reused in service delivery for training purposes. Engineers are trialling the use of tote boxes to collect new stock from designated points and return old items for refurbishment, with the tote boxes themselves being reused. The company has also transitioned to recyclable vehicle livery stickers, repurposing the old ones to manufacture traffic cones. Furthermore, Arcus is engaging with suppliers to prioritise tool refurbishment and parts replacement over complete item replacements.

TRANSPORT

Transport's importance in good sustainability management is often overlooked, but in the UK, transportation alone accounted for 29% carbon emissions in 2023, as well as impacting human health due to toxic air pollution. This theme examines how well an organisationmanages transport-related risks and opportunities through strategy, data, and behaviour change. Top practices include transport risks and funding in strategy, and establishing targets which are aligned with current science and net zero pathways. Data should be used to identify hotspots, forecast against targets, and support continual improvements. Driver behaviours can be improved with training and monitoring and employee travel is impact-focused and improvements are supported by the organisation.

HOW DOES IT AFFECT THE ROLE OF FM?

FM providers should improve transport activities in their own operations with benefits including reducing risks, saving costs, protecting nature and air quality. These will also help the FM organisation deliver better results for their clients and their own sustainability goals.

SUBTOPICS, WHAT THEY COVER, AND REQUIREMENTS TO REACH LEVEL 5

Subtopic	What it covers	Requirements to achieve Level 5	Suggested evidence
Policy & Strategy	Covers the organisation's transport decarbonisation strategy, with financial planning aligned to net zero goals. It includes specific tactics for reduction e.g., fleet electrification etc. and discusses how progress is monitored and reported.	Clear transport decarbonisation strategy exists, backed by leadership and can show finance planning in line with net zero targets. Strategy includes carbon management tactics for reduction such as fleet electrification, sustainable commuting, smart logistics, and behaviour change. Transport related targets are science-based or aligned with net-zero pathways. Progress is monitored and transparently reported.	Policy, strategy, commitments, targets, progress tracking.
Fleet management and transition	Discusses conversion of fleet to low or zero-carbon models as well as engagement with fleet teams.	Fleet decarbonisation is on track, or if not, then reviews have taken place and understand why it is not on track - with remedial actions in place. Transition plan is science-based and transition	Progress tracking/ fleet breakdown, transition plan, fleet engagement programme, initiatives, training programmes, fleet engagement approach.

		infrastructure investment is integrated into approach. Fleet teams are fully engaged with to understand transition barriers, and action is taken overcome barriers of EV fleet uptake.	
Employee commuting & business travel	Covers sustainable business travel, including sustainable travel policies, data analysis and reporting of relevant emissions.	Employee travel strategy is innovative, inclusive, and impact-focused. Data is analysed to identify hotspots and find improvements. Broad travel emissions reported as part of Scope 3.	Employee travel strategy, Scope 3 travel emissions, staff travel programme, data analysis results, employee engagement/comms, engagement surveys.
Monitoring, Reporting & Reduction Initiatives	Looks at how transport emissions are monitored and reported internally and externally, including discussion of progress against targets.	Transport-related emissions are fully embedded into environmental performance management. Can show up to date data, and forecasting against targets. Reporting is transparent and supports continual reduction.	Business environmental KPIs for senior leaders, Transport emissions breakdown, reporting outputs - internal and external, forecasting, analysis and planning, case studies / initiatives.

PROJECTS

Projects management is an important theme as it embodies core operational activities with long-lasting impacts. FM has an opportunity to show long-term value in capital and operational expenditure, rather than just the immediate cost savings of a project, by embedding low-impact design and green implementation. The top FM provider acts as a sustainability partner in the delivery of projects through offering strategic advice, sharing best practice, and using projects to advance environmental performance across the client's estate. KPIs for projects are used to measure success, covering economic, operational, social, and environmental criteria. Life cycle assessments are part of a structured approach throughout the project's lifespan.

HOW DOES IT AFFECT THE ROLE OF FM?

Managing projects well can strengthen an FM provider's relationship with the client and local communities. The FM provider can increase efficiencies and reduce longer term costs for the client, while also improving the client's sustainability impacts and community relationships. Learnings can improve future projects and show leadership in their sharing.

SUBTOPICS, WHAT THEY COVER, AND REQUIREMENTS TO REACH LEVEL 5

Subtopic	What it covers	Requirements to achieve Level 5	Suggested evidence
Low-Impact Design & Specification	Focuses on integration of low impact design into planned projects as well as how best practise can be shown and shared.	Low-impact design is embedded and standardised, and is backed by measurement of impacts. Projects use lifecycle assessment, low-embodied carbon materials, and modular or reusable systems. Best practices can be shown, and sharing of best practice influences new approaches.	Service design/ playbooks, policy/ process, approval process, case studies and example projects, life cycle assessments/materials assessment, service design review, plans for embedding approach.
Low-impact project delivery	Looks at whether low-impact project delivery practices are applied and how resource use is integrated into project delivery.	Low-impact delivery is deeply embedded into project delivery. Site teams track resource use. Circular thinking is applied to project delivery. Contractors are monitored to deliver against sustainability requirements. Delivery innovation is shared across teams.	Case studies, service delivery processes, sub-contractor briefing tools, sub-contractor contract commitments, project monitoring approach, communication tools, reporting dashboard.

SOCIAL

Social sustainability refers to the practices and policies that positively influence people, communities, and society, focusing on the wellbeing of individuals, as well as promoting healthy and thriving workplaces and communities. It involves fostering safe working environments, promoting fair employment standards, and encouraging engagement with stakeholders to drive inclusive, long-term value. Building trust, inclusion, and resilience among employees, stakeholders and society is central to this. For the FM industry, social sustainability means creating safe, fair, and supportive environments for workers and service users, while contributing positively to the communities in which the services are delivered.

HEALTH & SAFETY

The theme of Health and Safety (H&S) assesses how organisations create and maintain a safe, healthy working environment for employees, contractors, and visitors. A strong H&S system not only prevents accidents and ill health but also supports overall wellbeing. Wellbeing should be embedded as a core element of health and safety, recognising that physical, mental, and emotional health are all affected by workplace conditions. A well-managed approach helps ensure business continuity, enhances productivity, supports talent retention, and ultimately contributes to a healthier and more resilient workplace.

HOW DOES IT AFFECT THE ROLE OF FM?

FM plays a key role in embedding health, safety, and wellbeing across operational practices. Policy and strategy should integrate H&S as a core organisational value, with leadership accountability and clearly defined responsibilities. Systematic implementation, supported by employee training, open feedback channels, and a culture of continuous improvement, is essential.The ISO 45001 certification is a good indicator of commitment to employee care. Continuous learning culture is embedded and provides mechanisms for all employees to feedback and improve the system. Data should be verified internally and externally with a proven audit process and a robust verification.

SUBTOPICS, WHAT THEY COVER, AND REQUIREMENTS TO REACH LEVEL 5

Subtopic	What it covers	Requirements to achieve Level 5	Suggested evidence
Policy, strategy & targets,	Looks at how policy and strategy pertaining to health & safety is integrated across the organisation and how targets inform delivery.	Policy and strategy are fully integrated across all levels of the organisation with stretching targets that prioritise a safe workplace. Senior leadership is actively involved and held accountable for target achievements and the organisation can show that poor performance will affect remuneration.	Policies, strategy, targets, annual report, H&S risk register.
Management systems and processes	Discusses how health & safety is managed within the organisation; whether it is certified to an external standard (e.g. ISO 45001) and how well relevant training is established in the workforce.	Processes deliver a culture of health and safety that is decentralised and embedded across all staff. Systematic risk anticipation is based on data and feedback. Continuous learning culture is embedded and provides mechanisms for all employees to feedback and improve the system.	Process, training programmes, monthly / annual reporting system, certification, feedback collection.

Data & Performance monitoring (own staff)	Covers how data on organisation activities and incidents is captured and used to further improve health & safety processes.	High-quality, real-time data collection is integrated across systems and contracts, and monitored KPIs (in line with strategic goals). Performance is benchmarked against industry best practice and drive continuous improvement in performance. Data used to influence culture of health and safety. Transparent external reporting using externally verified data.	Data samples, reported data (internal and external), KPIs, system for data entry, data validation process, verification certificates, data analysis.
Suppliers and contractors	Discusses how suppliers and contractors are selected and monitored via KPIs. It also looks at how the organisation may work with suppliers and contractors to improve health & safety.	Health and Safety is a core part of supplier relationships and H&S KPIs are embedded in SLAs. Business is able to show joint learning engagement approaches that help to deliver continual improvement and H&S culture extended to suppliers. Suppliers are monitored for their adherence to company HS policy / supplier code of practice.	Supplier code of conduct, partnerships, engagement examples, contractor procedures, contract examples (clauses), reported data (internal/external)
Integrating Wellbeing into H&S approach	Looks at how mental health, wellbeing and non-obvious conditions are integrated into health & safety processes.	Demonstrated efforts to identify and begin to address wider/ broader influences on health and safety. These may include sleep, menopause, or non-obvious conditions (blood pressure, neurodivergence).	Strategy

EMPLOYMENT

Employment is a key area of social sustainability, directly affecting stakeholders and contributing to the resilience and integrity of the FM organisaiton. This theme focuses on creating inclusive and equitable access to employment, protecting employees, and promoting mobility through fair and sustainable employment practices.

Organisations should understand the employment status of their FM workforce and have processes in place to protect human rights and ethical labour standards. The organisation may have several schemes for employment of targeted groups which link to a clear company social value strategy. For example, apprentice programmes and local employment initiatives should create social mobility for disadvantaged members of society and social value should be measured systematically. Employment conditions (job security, contracts, workplace experience, pay, benefits, scheduling) should be shaped by ongoing employee engagement and feedback. Data collection should enable the organisation to track progress against equity and inclusion goals, including group-level breakdowns where relevant.

HOW DOES IT AFFECT THE ROLE OF FM?

FM providers can contribute to community wellbeing and social value through employment practices. By fostering fair and inclusive workplaces, they can build resilience and strengthen relationships with both employees and clients. Increasingly, an FM needs to demonstrate a fair workplace to meet client expectations as well as to attract and retain talented and skilled workers.

SUBTOPICS, WHAT THEY COVER, AND REQUIREMENTS TO REACH LEVEL 5

Subtopic	What it covers	Requirements to achieve Level 5	Suggested evidence
Employment policies, strategy, targets	Covers hiring strategies, including employment targets, and how they account for social mobility and other social outcomes.	Employment strategy is holistic and forward-looking, aligning business goals with employee experience and social outcomes (i.e. social mobility, local level employment). Targets, including gender pay targets, are ambitious and transparent. Strategy is developed based on feedback and actively influences the improvement of company employment standards.	Policies, strategy, targets, annual reporting, gender pay gap report, example of contract tenders, case studies of initiatives.
Data & performance	Discusses collection of employee-related data, how it is used and reported as well as any strategies to action insights from the data.	Robust data systems track real-time employment insights across all operations. KPIs are embedded in business performance.	Data samples, survey examples, reporting outputs (internal and external)

	Looks at the quality of the data gained and where it originates from.	Data used to drive improvements and inform workforce strategy, contract bids, and social value delivery. While gender pay gap reporting is mandatory (for companies over 250 employees) the company shows they are closing this gap in line with strong targets.	
Apprenticeship programme	Covers apprenticeship programmes within the organisation, their level of formality and structure and how they create a pathway for future careers. Also includes their link to social value.	Apprenticeships are a strategic pillar of the organisation's approach to talent development, social mobility, and community impact. Contributes to measurable social value and can show the impact. Apprentices are integrated into long-term employment and leadership pathways.	Apprentice strategy, recruitment engagements/ outreach, documentation of career pathways, communications for apprentices, apprentice data, apprentice appraisals
Prevention of modern slavery, fair wages, employment conditions	Looks at the robustness and transparency of modern slavery risk management within the organisation as well as employment conditions, such as job security, pay etc. The quality of risk assessment data is also accounted for here.	Modern slavery risk management is rigorous and transparent. The organisation can provide a clear process and data on modern slavery incidents and correction approaches. Employment conditions (job security, contracts, workplace experience, pay, benefits, scheduling) are shaped by employee voice and feedback.	Modern slavery statement, pay policy, modern slavery due diligence/ risk assessment, whistle blowing comms and process, whistle blowing case studies.

CASE STUDY

Two SFMI partners have recently adapted their business governance model to become employee-owned businesses. Churchill and Sewell have gone through this process, making their employees across levels of the business beneficiaries to the success they achieve. This can help businesses nurture a productive work culture, and retain staff as employees have more to gain as the business grows, and maintains intellectual property.

EMPLOYEE DEVELOPMENT

By providing development to its employees, an FM provider can build resilience in its operations, work toward long-term growth, and capture efficiencies. Further, it can attract and retain the right talent and ensure that clients are better served.

This theme aims to see if the employee development strategy is future-focused, inclusive, and aligned to future business planning and ESG goals. It should be designed to support social mobility, internal promotion, and long-term careers. The organisation should support behavioural change and workforce transition (e.g. green skills). In addition to these, sustainability training is expected in all development planning, tailored to site, role, and contract needs; these should also support the organisation's climate transition plans.

HOW DOES IT AFFECT THE ROLE OF FM?

The FM organisation can overcome industry skills gaps by fostering growth and training in its own workforce. This will increase its resilience, help future-proof its own development, and better serve its clients operations and long-term goals.

SUBTOPICS, WHAT THEY COVER, AND REQUIREMENTS TO REACH LEVEL 5

Subtopic	What it covers	Requirements to achieve Level 5	Suggested evidence
Policies and strategy	Assesses the organisation's approach to employee development, including the quality and scope of its strategy, how well it aligns with ESG goals and future business needs, and how effectively it uses data to drive continuous improvement..	Employee development strategy is future-focused, inclusive, and aligned to future business planning and ESG goals. Supports social mobility, internal promotion, and long-term career development. Company collects employee development data in line with strategic plans. Organisation can show that they understand data on training and career development and are adapting their strategy / approach to show continuous improvement.	Employment policy , strategy, communications of career development, employee training data collected/ improvements to strategy.
Sustainability training & career development	Evaluates how sustainability training is integrated into employee development and day-to-day operations. Also considers how career development opportunities support social mobility	Sustainability training is embedded in all development planning, tailored to site, role, and contract needs. Organisation supports behavioural change and workforce transition (e.g. green skills). Training for career	Training offering, tiered training levels, toolbox box talks, training participation, methods to improve participation.

		development is available for specialist sustainability services. Career development actively supports new/future leaders growth, and incorporates social mobility to prevent exclusion of disadvantaged backgrounds.	
Skills gap awareness	Looks at the organisation's understanding of current and emerging skills gaps and workforce planning.Also evaluates how this is managed and if it is aligned to organisation strategy and ESG goals.	Proactive, long-term workforce planning based on emerging service models and market transformation (e.g. net-zero buildings, AI-driven FM, social value delivery). Skills forecasting is embedded in business strategy. If a company has a climate transition plan, the skills identified for the business transition are incorporated into employee development team plans.	Analysis of skills gaps, research of skills gaps, strategy and tactics to overcome.

CASE STUDY

Skanska embeds its culture through their 'Living Our Values' approach. To support knowledge sharing, it introduced the *Learn Fast* initiative, encouraging collaboration across the business. New starters receive a tailored onboarding experience, including a "Belonging at Skanska" induction, a face-to-face session with the senior leadership team, and a 90-day eLearning programme with mandatory sustainability training. Bespoke content is provided for specific sectors such as healthcare, commercial, and education. All new line managers receive People Leader training.

SUSTAINABLE COMMUNITIES

This theme looks at how an organisation supports its stakeholder communities through employment opportunities, social mobility, volunteering, and meaningful engagement. FM are expected to have community engagement integrated into its business strategy and aligned with social value commitments. A mature approach involves acting on community feedback, measuring outcomes, publicly reporting progress, and continuously improving impact.

HOW DOES IT AFFECT THE ROLE OF FM?

An FM provider may work directly with residents, businesses, schools, and retail, all with relevant communities. In order to positively contribute to the communities surrounding these, FMs will need to set up solid programmes of engagement and systems for measuring progress. This not only helps reduce disruption during service delivery but also enhances competitiveness in public sector tenders where social value is a key consideration.

SUBTOPICS, WHAT THEY COVER, AND REQUIREMENTS TO REACH LEVEL 5

Subtopic	What it covers	Requirements to achieve Level 5	Suggested evidence
Social value (SV) strategy / approach	Discusses how social value is embedded into organisation processes and applied consistently across contracts. Also covers how SV is measured and tracked at both corporate and project levels.	The embedded social value strategy and approach is based on a mix between delivering corporate SV across a national remit balanced with an understanding local SV needs at a contract level. Social value is measured confidently at a contract level as standard for the majority of contracts. Social Value is being incorporated into the contract bid, the procurement approach of the FM company as well as being instilled into all contracts won in a systematic method.	Social value strategy, and process - company and contract level, technologies used, data collection, frameworks used, case studies, measurement approach.
Social mobility	Looks at how social mobility is accounted for, measured and improved across the organisation, including in the recruitment approach and employee development.	Social value strategy incorporates the topic of social mobility, with an active staff recruitment programme, and procurement approach that builds in delivery of social mobility. The social mobility outcomes are measured, publicly reported, and continuously improved.	Recruitment approach, partnerships, policy, data for recruitment, training, SV strategy, procurement policy, case studies, reporting, career communications.
Corporate volunteering	Assesses the extent to which volunteering is supported by the	Volunteering is embedded in culture and supported by leadership.	Events listings, charitable partnerships, volunteering policy/ communications,

	organisation, including employee participation, leadership involvement, and alignment with company values.	The programme is aligned with business goals and company see good staff participation Employees at all levels, including leadership, actively participate.	targets/ plans, volunteering data, reporting outputs.
Community engagement	Covers the level of integration of community engagement into business strategy and client delivery / contracts as well as how this is reported. Focuses on whether relationships are long-term, measurable, and responsive to community needs.	Community engagement is integrated into business strategy and linked to broader social value commitments and are consistently embedded in service delivery. Organisation is taking actions/ tactics that show understanding of community needs. There is evidence of long-term partnerships that drive measurable, positive change in communities. Regular impact reporting, with engagement influencing company policies and operations. Company provides communication tools to enhance community support/feedback which feed into the social value approach.	

STAKEHOLDER ENGAGEMENT

Stakeholder engagement is increasingly vital for risk management, regulatory compliance, and setting relevant ESG priorities. This includes engaging staff, clients, communities, and supply chain partners, many of whom are directly impacted by service delivery. Examples include local residents affected by business operations, teaching staff in schools cleaned by a new FM company, members of the supply chain and the employees of the business.
This theme expects a clear link between the FM provider's stakeholder engagement approach, materiality assessment, and contractual risk management. It should also be a fundamental part of their sustainability and social value strategy.

HOW DOES IT AFFECT THE ROLE OF FM?

Engaging with its stakeholders enables a FM to listen to and learn from a variety of perspectives. As a result, the company can move beyond compliance and improve its service, and identify risks and opportunities to the business. An FM should incorporate stakeholder feedback with clear mechanisms to track and communicate improvements based on engagement.

SUBTOPICS, WHAT THEY COVER, AND REQUIREMENTS TO REACH LEVEL 5

Subtopic	What it covers	Requirements to achieve Level 5	Suggested evidence
Approach and integration of results in strategy	Discusses the integration of stakeholder engagement into business decision-making and risk management, how this is structured and how information from this process is used to shape ESG policy.	Stakeholder engagement is regular and proactive, integrated into business decision-making. There are clear feedback loops, and engagement insights are used to shape ESG priorities, policies, and reporting. Can show a clear link between stakeholder engagement approach, materiality assessment and corporate / contractual risk management and sustainability and social value strategy. Company understands its most relevant stakeholders and can justify their choice.	Internal stakeholder feedback, materiality assessment, sustainability strategy, methods of stakeholder engagement.
Service improvement from customer engagement	Discusses how customer feedback is collected and analysed to improve ESG-related services.	ESG service improvements are linked to customer feedback, with clear mechanisms to track and communicate improvements based on engagement.	Service evolution, approach to customer engagement.

CASE STUDY

Equans actively engage their stakeholders with a variety of sustainability topics. Materiality is well understood and measured against the stakeholder needs – this is understood within their Responsible Business (RB) Charter. These needs and concerns are scrutinised annually against Equans' objectives. The RB Report clearly outlines all major stakeholder groups and details how each group is engaged with and outlines the key issues covered. This ranges from requirements and compliance obligations, to feedback on strategy and performance, to social value strategy and performance. Equans produce stakeholder engagement plans at Operational and Functional levels. These plans are aligned to the AA1000 Stakeholder Engagement Standard, a best practice standard. Equans also has a number of Stakeholder Engagement KPIs. Stakeholder action plans are established at the divisional levels and at site levels as per the relevant targets. Equans also continue to maintain their Interested Party Register which tracks their key stakeholders and their key sustainability concerns and requirements.

RESPONSIBLE SUPPLY CHAIN MANAGEMENT

Responsible supply chain management begins with understanding how suppliers and products impact the environment and drive social consequences. It moves beyond having a supplier Code of Conduct by embedding ESG principles into supplier relationships through planning, auditing, and continuous improvement. FM providers are expected to adopt an engagement strategy that supports suppliers in meeting ESG goals, building mutually beneficial relationships and advancing sustainability throughout the value chain.

HOW DOES IT AFFECT THE ROLE OF FM?

FM providers typically manage broad and complex supply chains. The FM organisation's implementation of a responsible supply chain management programme provides customer value as well as competitive advantage. Engaging with suppliers, and deeper into the supply chain, can also make significant improvements across ESG categories in wide geographical areas and levels of society.

SUBTOPICS, WHAT THEY COVER, AND REQUIREMENTS TO REACH LEVEL 5

Subtopic	What it covers	Requirements to achieve Level 5	Suggested evidence
Responsible Procurement	Covers how responsible procurement, including supplier code of conduct and ESG standards, is embedded into the procurement process. Assesses how sustainability informs procurement policy and how closely this is enforced.	Responsible procurement is fully embedded, strategic, and forward-looking. Supplier code of conduct and ESG standards are enforced. Strategic contracts prioritise ESG performance, selecting suppliers with strong credentials in low-carbon, circular economy, and social value sectors.	Responsible procurement policy, screening criteria, systems used for onboarding, onboarding process, supplier terms, commitment tracking, SBTi certification, actions such as tender scorecards/ selection criteria.
Responsible Supplier management (post-contract oversight and development)	Discusses how the supply chain is managed and how the strategy is informed. This includes relationship-building, performance monitoring, collaboration, and auditing. Also coves how data and insights from these processes feed back into supplier strategy and decision-making.	Comprehensive and integrated supply chain management system and strategy includes: Planning - profiling and mapping develops into goals and objectives for the supply chain. Measurement - Defined KPIs and metrics with regular monitoring and assessment of data, and informs engagement approach. Engagement - supplier	Supplier requests, supplier monitoring tracking, metrics reported, management system, supplier lists and risk profiling, payment terms and monitoring, collaboration initiatives, engagement initiatives, audits / results / follow ups, sanctions process for suppliers, collaboration, case studies of collaboration / engagement with suppliers.

		upskilling, incentives / recognition, and can show engagement plans that reach deeper than Tier 1 suppliers.

Review / audit - Risk based supplier auditing, with lessons learned fed back into strategy and contract renewal decisions.

Action - Priority suppliers have ESG action plans which are integrated into contracts. Company uses purchasing power to engage and motivate suppliers to reduce ES&G impacts and create a positive impact and can provide examples of reducing impact through engagement. Suppliers are engaged with the sustainability issues/needs of customers - this can be the bridge with suppliers and customers toward the same goal and solution finding. | |
| **Supplier emissions management** | Looks at how the organisation tracks engages, and collaborates with suppliers on their emissions data, targets and reduction plans. Covers emissions data quality, supplier selection criteria, and progress tracking. | Supplier emissions targets are set (either absolute, engagement or intensity) in line with science-based methodology.

Engagement strategy in place to work with suppliers to reduce this impact.

Organisation can show action and progress towards targets with systematic progress tracking of improved supplier maturity, and targeted approach to achieve the target. | Carbon footprint, PG&S footprint, supplier tracking, SBT, strategy/ approach to targeting reductions (i.e. roadmap), case studies / engagement / initiatives for education or reducing supplier impact. |

CASE STUDY

Optima has set up environmental clauses in contracts with suppliers. They prepare their purchasing department to audit suppliers on environmental performance, with higher risk suppliers subject to more frequent engagement. An environmental policy is provided to all suppliers along with an ESG Code of Conduct which requires a signature by suppliers.

WELLBEING

The FM is increasingly playing a part in wellbeing, for employees and long-term contractors, and also tenants and customers. Wellbeing programmes should be a two-way process; they should reciprocate and ensure the employees are heard, with feedback used for improvements. In addition to physical health, topics cover a broad range including mental health and additional topics (e.g. sleep, menopause, financial wellbeing, family care).

HOW DOES IT AFFECT THE ROLE OF FM?

FM organisations benefit in many ways through strong wellbeing programmes. Through a good programme for employees, the organisation is expected to see an increase in productivity and engagement, a reduction in absenteeism, and monetary benefits such as reduced recruitment costs. The FM should have an understanding of the internal and external environment and ensure that the changes it makes can have a positive effect on the people that use the site. The FM will need to ensure its own capabilities as acting on feedback requires research, potential new technologies, and measuring the impact of the workplace changes to ensure subsequent improvement.

SUBTOPICS, WHAT THEY COVER, AND REQUIREMENTS TO REACH LEVEL 5

Subtopic	What it covers	Requirements to achieve Level 5	Suggested evidence
Well-being programme	Looks at how an employee wellbeing strategy is integrated into business processes and service delivery for clients. Includes a focus on the scope of the strategy as well as the existence and organisational scope of any related training. Communication between the business and its employees on wellbeing matters is also an important part of this subtopic.	Wellbeing strategy is integrated into core business, culture, and service delivery. Prioritises prevention, and can provide value to the business, such as improving retention and reducing sickness. Training and embedded culture of wellbeing occurs at all levels of the company. Company incorporates other aspects of employee health into their programme (e.g. sleep, menopause, family care). Can show structures for regular 2-way communication between staff and managers on well-being. Can link well-being to other topics in the sustainability strategy - not seen as an isolated topic.	Approach, policies, strategy, initiatives platform, feedback mechanisms.
Well-being data	Examines how	Wellbeing metrics and	Data collected, analysis

and monitoring	wellbeing is measured and monitored across the organisation. Includes the types of data collected, how it is analysed, and how insights are integrated into business operations, decision-making, and strategic planning.	data are measured and monitored utilising subjective (how individuals feel - job satisfaction, safety, work/life balance perception) measurements alongside objective ones. Metrics are embedded in business performance dashboards and analysed to inform actions and strategic improvements.	
Workspace wellbeing assessments (occupational evaluation) (client and own operations)	Assesses the extent and quality of workplace wellbeing evaluations conducted across both internal operations and client sites (where relevant). Covers the range of data collected and how this data is used to shape workplace strategy and continuous improvement.	For own operations (and client services if relevant): Workplace wellbeing assessmenst are comprehensive and integrate into FM/ workplace management design. Collects a range of annual data used in occupancy evaluations - space utilisation, H&S, environmental quality, time in spaces, along with qualitative feedback from stakeholders. Can show how information informs the wellbeing / workplace strategy (or equivalent). Can guide customers, if relevant, on wellbeing in the workplace.	Evaluation examples, results, actions from meetings, strategy.

CASE STUDY

Working in collaboration with their clients, and the Business in the Community, Emcor UK developed wellness for clients in the form of a drop-in community centre for people with mental health issues. Not only are they managing the issue internally, but are able to build it into the services they offer.

GOVERNANCE

Sustainable Governance, as the main mechanism for embedding an organisation's values, implements sustainability into the corporate strategy across the business, sets and manages goals, manages reporting, strengthens relationships with stakeholders and ensures overall accountability of the organisation. These provide a driving force while also ensuring strong monitorin

RISK MANAGEMENT

This theme examines the FM organisation's risk management from enterprise to contract level, for both financial and non-financial risks, including environmental and social factors that pose regulatory, reputational, and physical risks to the business.
A top FM provider can demonstrate regular board discussions on sustainability risk and impacts identified through double materiality, at both enterprise level and contract level. Climate resilience is expected to be fully integrated into long-term strategy with measurable progress, and TCFD-aligned scenarios (aligned with science-based transition scenarios).

HOW DOES IT AFFECT THE ROLE OF FM?

The FM provider should ensure that all relevant staff understand environmental and social sustainability impacts, and are capable of identifying risks at both site and business levels. Early identification of risks provides a better service to clients, and can often turn them into opportunities for the organisation. An FM service provider can add value by understanding client risks and contributing to their management. Staff at all levels will need to provide data that contributes to complying with risk mitigation strategies.

SUBTOPICS, WHAT THEY COVER, AND REQUIREMENTS TO REACH LEVEL 5

Subtopic	What it covers	Requirements to achieve Level 5	Suggested evidence
Risk & opportunity identification and assessment	Covers how risks and opportunities are identified as part of the governance process, how risks are tailored to business operations and the supply chain and, additionally, the use of and maintenance of a corporate risk register.	Sustainability risk and opportunity identification and management is fully embedded through different teams to identify and assess risk / opportunities through a Governance process (for example through a multi-divisional committee or multiple stakeholders depending on size of company). Can show active discussions and updates. Risks are clearly tailored to the business services, operations and supply chain. The organisation has identified enterprise sustainability impacts of the business and these feed into the risks and opportunities. Corporate risk register is regularly reviewed by Governance process and includes opportunities.	Documented process for risk assessment and identification. Risk meeting notes showing actions to manage sustainability based risks, Corporate risk register. Annual report with detail of process. Financial measurement of risks. Same for opportunities.
Risk Registers	Discusses the availability of risk registers and what forms of risk are integrated into the register. Examples of how these risks are managed may be included.	Financial and non-financial sustainability risks are an integrated part of the corporate and contract level risk register process - providing examples of how these risks are managed. Climate change is stated explicitly as a business risk	Contract risk registers, Corporate risk registers.

		(directly or indirectly). There are clear links between sustainability risks in corporate risk register and trends found in macro data from sustainability risks at contract level.	
Executive oversight of R/O	Looks at how the board discusses, manages and is accountable for, risks and opportunities.	Clear executive accountability; board oversight of sustainability risks and opportunities. Consistent Board discussions on sustainability risk to the business. Board members lead the regular review process.	Risk processes, Board meeting notes, responsibility charts.
Climate and sustainability risk modelling	Discusses the use of scenario analysis and what the parameters are.	TCFD-aligned scenario modelling (aligned with science based transition scenarios - TCFD recommends 2 degree and a few other scenarios.); Use of risk and opportunity forecasting. Can show background of forecasting (historical trends, analysis etc) to guide likelihoods.	TCFD reporting, scenario modelling approach and results.
Adaptation planning and resilience of property	Looks at how climate resilience is integrated into organisation strategy.	Climate resilience fully integrated into long-term strategy with measurable adaptation progress. And / or provide this for clients if appropriate for the type of FM service provided.	Approaches and risk assessment for adaptation with clients, service development plan.

BOARD COMMITMENT

This theme explores the commitment of the executive team in ensuring that sustainability helps guide business decisions and strategies, including investment, innovation, and risk planning. Expectations are for the board to actively uses sustainability to shape future direction through regular Executive level discussions that are 2 way, forward-looking and strategic. Executives can show their competencies in relevant areas, such as risks and opportunities, transition plans, SBTi targets, and how they may affect the company. Executives should engage internally and externally, and stakeholder feedback influences decisions.

HOW DOES IT AFFECT THE ROLE OF FM?

The executive team's commitment is a key enabler for a sustainable FM to flourish. The demonstrated competencies of the board can open understanding for all parts of the organisation. The metrics and targets set by the board, based on science and focused on impacts, will drive the teams in their actions, and feedback will guide further investment in FM sustainability.

SUBTOPICS, WHAT THEY COVER, AND REQUIREMENTS TO REACH LEVEL 5

Subtopic	What it covers	Requirements to achieve Level 5	Suggested evidence
Integration of sustainability into corporate strategy	Discusses to what extent sustainability is integrated into future business strategy development.	Sustainability is fully integrated into business strategy development, including investment, innovation, and risk planning. The Board actively uses sustainability to shape future direction.	Business strategy and sustainability strategy documents, Board or C-level sustainability goals/KPIs, Vision and values statements, Internal communication or Board reports showing sustainability alignment.
Board Action	Looks at how and how often the Board discusses sustainability issues and their level of understanding of these issues. Additionally, it will look at how the Board has demonstrated that sustainability influences decision making.	The organisation can provide regular Executive level discussions on sustainability and are able to express their levels of competency to lead on sustainability for the business. They can show how sustainability influences decision making at the strategy level.	Board meeting minutes with ESG discussions, evidence of Board-led initiatives or interventions, Statements of Board-level responsibility for ESG (e.g. in annual or sustainability reports).
Competence and expertise	Covers Board level understanding of sustainability and how this can be demonstrated.	Multiple Board / leadership / executive team can show competencies in advanced areas of sustainability understanding (such as risks and opportunities, transition plans, SBTi targets and how they may affect the company). Examples of expertise can be demonstrated (i.e. academic training, certification, experience, or decision making and trade-offs as part of decision making) Demonstration that the Board/	Board training records, ESG competence matrices for senior leaders, public disclosures of Board-level expertise or sustainability roles, evidence of Board members attending ESG events, briefings or sessions with external advisors.

		executive role is to request, scrutinise and make executive decisions on strategic sustainability programmes/initiatives/ spend etc. Regularly engage with external stakeholders and experts on environmental issues.	
Executive linked performance	Discusses how ESG performance impacts executive remuneration.	Remuneration is tied to ESG performance and to the achievement of material sustainability targets. Metrics focus on impact-driven results and targets are science-based and aligned with global frameworks.	Types of incentives provided to C-suite and board-level linked to environmental targets/performance; demonstration of linked performance metrics.
Engagement with internal and external stakeholders	Looks at how the Board / Executive team engages with external and internal stakeholders on sustainability and the level of transparency of this process.	Board / Executive team has a clear and structured approach to engaging with both internal and external stakeholders on sustainability. Board/ Executive activity is two-way, forward-looking and strategic. There is transparency about how stakeholder feedback impacts board/SMT decisions. This includes hosting events, co-creating solutions, and publicly reporting on engagement outcomes.	Board participation in town halls, employee forums, or ESG campaigns; Communication plans with stakeholder engagement strategy; Evidence of structured stakeholder engagement processes; Public reporting (e.g. sustainability reports) noting Board engagement with stakeholders; Examples of feedback received from stakeholders and subsequent decisions or changes

SUSTAINABILITY FRAMEWORKS

This theme looks at how well the FM's Sustainability Framework guides the business in identifying and managing sustainability elements that will impact it (guided by double materiality). The framework should be linked to is linked to the overarching business strategy and incorporate clear measurable targets (backed up by a roadmap), with shows of progress and reporting. Data is shared and then used to enhance the sustainability strategy of the business, and create culture change towards sustainable practices.

HOW DOES IT AFFECT THE ROLE OF FM?

An appropriate sustainability framework will help teams understand the sustainability objectives, and highlight areas for upskilling in order to contribute to the framework at all levels. The framework and its activities can be used by the FM for communications, bids, and continual improvement. It supports efforts to ensure that sustainability is delivered at contract level in both specialist sustainability services and in standard FM services.

SUBTOPICS, WHAT THEY COVER, AND REQUIREMENTS TO REACH LEVEL 5

Subtopic	What it covers	Requirements to achieve Level 5	Suggested evidence
Policies, strategy & targets	Discusses the existence and comprehensiveness of sustainability frameworks and whether FM activities are aligned with this framework.	A comprehensive framework for the FM business has been approved by the C-level, which provides a forum to help achieve intended outcomes. Accountability mechanisms ensure regular progress tracking. The framework incorporates clear measurable targets (backed up by roadmap to achievement) and the company shows accountability to meeting them to stakeholders. It is linked to the overarching business strategy and can show how they are achieving / working towards their strategy objectives.	Sustainability policies (corporate and FM-specific), sustainability strategy documents, strategic planning documents, roadmaps for targets.
Materiality assessment	Covers whether materiality of sustainability issues is understood and whether a formal materiality assessment has been carried out. If this process has been carried out, whether it is single or double materiality is assessed.	The business can demonstrate a double materiality approach. Collects data from internal sources (staff, audits, risk teams) and external stakeholders (clients, regulators) to build a comprehensive double materiality picture. Uses findings to inform business strategy.	Double materiality assessments, risk registers linked to ESG factors.

Sustainability related data collection and access to data	Covers how the organisation collects sustainability data and how this data is used. It also looks at how widely available this data is among different departments of the business.	Data is collected centrally from contracts and departments and is used for communications, bids, and continual improvement. Departments can access and share data and show how it is used to enhance the sustainability strategy of the business and create culture change towards sustainable practices.	Data collection systems/platforms, ESG dashboards, internal reporting processes and performance tracking.
Integrating sustainability into operations and services	Looks at how sustainability is integrated into business operations and whether specialist sustainability services are offered by the business as well as how whether opportunities for innovation in this area have been assessed.	Sustainability is delivered at contract level in both specialist sustainability services and in standard FM services. Opportunities for innovations have been assessed for their contributions to sustainability and efficiency. Claims can be backed by data.	Service marketing materials, example of services integrating sustainability, innovation pipeline, case studies.

DISCLOSURE

This theme assesses the FM organisation's procedures and outputs related to its sustainability activities and progress. Top class reporting should include full alignment to leading frameworks, and provide insight into robust stakeholder engagement, strategy, forward-looking targets, progress and plans to achieve them. Material topics are reviewed, and there is integration with business strategy and financial reporting. Independent assurance is shown for sustainability disclosures, and the public is report externally verified.

HOW DOES IT AFFECT THE ROLE OF FM?

The FM should have solid systems in place for reporting activities and data collection which will support meaningful disclosure which is useful for decision makers. This includes disclosing progress toward targets, even if the target is not met. Staff and systems should be capable to support internal validation across sustainability data, and also external verification for core topics. These will help the organisation to build trust and demonstrate value creation.

SUBTOPICS, WHAT THEY COVER, AND REQUIREMENTS TO REACH LEVEL 5

Subtopic	What it covers	Requirements to achieve Level 5	Suggested evidence
Key Sustainability Reporting outputs quality	Covers the comprehensiveness of sustainability reporting, whether it is aligned to a recognised framework (e.g. GRI, ISSB) and whether in contains plans for continual improvement. High quality reporting will show trends over the course of years and comment on this, contain targets and be reported publicly.	Leading practice: Top class reporting (that incorporates FM business) with full alignment to leading frameworks, provides insight into robust stakeholder engagement, strategy, forward-looking targets, progress and plans to achieve them, and integration with business strategy and show alignment with financial reporting. FM ESG performance is publicly reported in detail.	Annual sustainability/ESG reports, internal FM-specific ESG reports, public disclosures aligned with frameworks (e.g. CDP, TCFD, ISSB), verification statements or auditor reports.
Disclosure Strategy	Discusses strategy for disclosure and how it links this to stakeholders, wider corporate strategy and, ideally, influencing positive change within the sector.	Disclosure strategy is deeply embedded in corporate strategy and governance. Material topics of disclosure are justified, and are reviewed. Shows leadership by reviewing and disclosing emerging or difficult topics proactively. Challenges and company shortfalls are also disclosed when they arise (for example - not meeting a target - why, or de-scoping emissions activities).	Materiality, suite of disclosure outputs, stakeholders, list of legal disclosure requirements, voluntary disclosures.
Verification	Looks at the processes by which sustainability data is checked and verified.	Independent limited assurance over sustainability disclosures and public report externally verified.	Third-party verification statements, internal audit reports on sustainability performance.

FINANCE

Finance and investment will affect all elements of sustainability. Without dedicated financing, a company will likely not develop environmental or social performance to a high level. This theme evaluates how an FM is moving sustainability financing from ad-hoc or ring-fenced items into a fuller integration of sustainability into all aspects of the organisation and enabling ESG as a core driver of innovation and growth.

A top FM is expected to fully integrate ESG into financial risk assessment, revenue forecasting, and capital planning. ESG benefits should be quantified, and its performance evaluated.

HOW DOES IT AFFECT THE ROLE OF FM?

The financing of projects significantly influences the operational sustainability of FM. This requires FMs to have the knowledge and data to support the demonstration of the long-term value of sustainable projects and initiatives. This goes beyond looking only at upfront costs and will recognise the longer view as well as the transitional aspects for better sustainability outcomes.

SUBTOPICS, WHAT THEY COVER, AND REQUIREMENTS TO REACH LEVEL 5

Subtopic	What it covers	Requirements to achieve Level 5	Suggested evidence
Funding of sustainability in the business - CAPEX and OPEX	Discusses how sustainability factors and targets are integrated into CAPEX and OPEX spending plans and budget allocation. Elements such as investment needed to achieve ESG goals, lifecycle cost and scenario analysis are included.	CAPEX and OPEX spending integrates ESG factors into decision-making. ESG benefits are quantified and influence budget allocations. ESG targets are incorporated into spending decisions and into overall business strategy. This can be shown through the investment required to achieve specific sustainability goals, and things like lifecycle cost, social impact assessments, or scenario analysis are used to make sure ESG considerations are a driver rather than an add-on. ESG performance is evaluated alongside financial ROA (Return on Assets).	CAPEX and OPEX budget plans showing sustainability-related decision criteria, financial impact assessments, investment approval frameworks including ESG consideration, details of financial impact of sustainability investments, DEI inclusion spending plans
ESG Integration in R&D, Strategic Investment, and Acquisitions	Covers the extent to which ESG factors guide and inform the organisation's growth strategy and positioning. It also looks at how new services will be guided by sustainability concerns.	ESG is a core driver of innovation and growth, shaping the company's identity and positioning. Business growth strategy is built around ESG leadership and future-fit services. Majority of new service development and required investment aligns with sustainability trends or client	Strategy documents, Investment policies, forward business plan, innovation pipeline, business strategy, acquisition frameworks.

		ESG priorities. ESG considerations drive what is invested in and aligned to business strategy.	
Financial decision making	Covers how and to what extent ESG is factored into investment decisions and capital allocation as well as whether, where relevant, ESG factors are considered in mergers, acquisitions and longer-term financial planning.	Investment decisions explicitly integrate ESG, using methodologies such as ESG-weighted cost-benefit analysis, and social return on investment (SROI). ESG considerations influence mergers & acquisitions, supplier selection, and long-term financial strategy.	ESG investment policies
Financing and reporting	Looks at the extent to which sustainability concerns are integrated into financial risk assessments and revenue forecasting and how ESG risks and opportunities are accounted for in financial reporting.	The organisation fully integrates ESG into financial risk assessment, revenue forecasting, and capital planning. Reports clearly demonstrate how ESG risks and opportunities affect financial performance, asset values, and long-term investment strategy. Reporting is aligned with recognised framework (ISSB, CSRD, TCFD, etc).	Annual reports with ESG disclosures, risk and impact assessments, ISSB/TCFD-aligned financial statements.

COMPLIANCE

This theme helps to understand an FM's compliance performance. The FM is expected to have systems in place to identify, assess, and act on emerging legislation for sustainability. There is transparency that ethical decision-making informs business planning, including risk management and supplier engagement. Breaches and their corrective measures are disclosed publicly. Data on trends and incidents is used to inform improvements across business operations and supply chain governance. A trusted, protected, and accessible whistleblowing system is in place and actively monitored. Employees are encouraged to raise concerns and a speak-up culture is supported. Further, the company goes beyond compliance, taking an industry-leading role in promoting ethical business.

HOW DOES IT AFFECT THE ROLE OF FM?

Implementing progressive compliance goals helps your company prevent and detect rule violations, protecting your organisation (and possibly the client) from fines, lawsuits, and reputational risk. While the primary responsibility for compliance may sit with the client, the FM provider has a duty of care and best practice to support this. Assurance on compliance is therefore important when managing this risk. FM teams will be expected to know rules and procedures and have actions verified.

This may involve data collection, analysis, managing continual improvement, and reporting.

SUBTOPICS, WHAT THEY COVER, AND REQUIREMENTS TO REACH LEVEL 5

Subtopic	What it covers	Requirements to achieve Level 5	Suggested evidence
Corporate regulatory compliance process	Discusses the process as to how new and modified legislation is identified and acted on, looking at how mature and systematic this process is and how it is documented.	The organisation has a compliance function or lead. There is a documented and routinely followed system to identify, assess, and act on emerging legislation (including FM-specific). Compliance is integrated into ERM. The business also has a systematic and documented process to identify and disseminate all applicable legislation and adapt the business on new legislation coming in to reduce scope of impact.	Legal register, assigned compliance roles and responsibilities, internal communications or cascade systems, risk assessments linked to regulatory changes, policy and process documents for compliance.
Contractual responsibility & compliance process	Looks at understanding and adherence to compliance and contractual obligations and whether breaches and corrective action are disclosed.	Compliance obligations are well understood. A formal strategy is in place to review and monitor contracts periodically. Public disclosure of significant contractual environmental	UK Bribery Act 2010 Supplier and third-party ethics, ESG breaches disclosure, root cause analysis,

		breaches and corrective actions taken. Data on trends and resolution is used to inform improvements across business operations and supply chain governance.	
Ethical business & integrity	Discusses how ethics are embedded in business culture, processes and leadership, covering elements such as the whistleblowing system and how ethics informs business planning and risk management processes.	Ethics and integrity are embedded in culture and leadership. A trusted, protected, and accessible whistleblowing system is in place and actively monitored. Employees are encouraged to raise concerns. Ethical decision-making informs business planning, including risk management and supplier engagement. The company goes beyond compliance, taking an industry-leading role in promoting ethical business.	Published code of ethics, whistleblowing policy, ethics training programme with use/participation rate, supplier and client due diligence process, statements or disclosures (e.g., modern slavery, anti-bribery).

CONTRACTS

This theme delves in to how an FM provider integrates sustainability into all aspects of contracts in order to ensure economic, social, and environmental impact.
These impacts should be part of the core culture of contracts (not just as innovation elements or optional add-ons). The FM should guide the inclusion of sustainability in a contract through all the stages, from the bidding process through mobilisation and in to service delivery. Not only should sustainability be considered at every stage of the contract but should also inform behaviour change as well as support learnings for the future.

HOW DOES IT AFFECT THE ROLE OF FM?

FM teams will need to understand their client's needs as well as regulations and legal requirements of the contract. Data collection of sustainability initiatives and subsequent analysis can offer the FM better understanding of the added value of the sustainability approach, which in turn can influence future client deliveries. The FM team can enhance these by collaborating with clients and competitors during service delivery, bringing bring them closer with the clients and business and create long term value through partnerships.

SUBTOPICS, WHAT THEY COVER, AND REQUIREMENTS TO REACH LEVEL 5

Subtopic	What it covers	Requirements to achieve Level 5	Suggested evidence
Integration of environmental sustainability into contract negotiations and contract setup	Covers the incorporation of sustainability into the tender process and contract requirements and ways of working. Also looks at the knowledge base of the bid team on sustainability issues.	Sustainability is incorporated into the core culture of contracts (not just as innovation elements) and driven by the FM provider to clients. The bid team show that they can actively engage with clients designing the contract in a two-way discussion that helps to place sustainability as an embedded core requirement. Sustainability KPIs linked to payment are included in major contracts, with systems in place to track and adapt delivery if progress lags.	Examples of contracts with sustainability KPIs linked to financial mechanisms, bid documents or templates showing proactive engagement with clients on environmental aims, sample contract clauses with embedded environmental sustainability requirements
Integration of social value into contract negotiations and contract setup	Covers the incorporation of social value into the tender process and contract requirements and the use of metrics for measuring social value.	Social value is widely integrated in contracts, and company uses both qualitative and quantitative metrics to demonstrate value. Social value KPIs (impacting payments) are incorporated into major contracts. Progress is actively monitored, and approaches adapted if needed to meet objectives.	Contracts with formal social value obligations, social value KPIs and monitoring reports linked to contractual terms, social value case studies

Collaboration in service delivery - with clients and delivery partners	Discusses how the business collaborates as a partner with the client and other FM providers and how this is built into contracts. It also looks at how this collaboration works in real time, e.g. joint KPIs, shared investment and open-book practises and how collaboration can be assessed over time.	Company can show that they have a recommended structure for building collaboration into contracts with competitors if working on contracts with multiple FM service providers. The structure would involve having collaboration as a core contract principle. The service delivery reflects a partnership approach: co-developed objectives, joint innovation, shared risk/investment, open-book practices, and long-term value creation. FM provider is treated as a strategic partner.	
Mobilisation of contracts (including Discovery phase)	Looks at how ESG is considered in contract mobilisation.	Can provide service delivery examples where sustainability is fully embedded in mobilisation planning. ESG objectives shape mobilisation from the outset, with KPIs set and monitored. TUPE and new staff receive sustainability training, and delivery plans are flexible enough to meet sustainability goals set during tendering.	Formal mobilisation plans with ESG as a core component, internal checklists including sustainability-specific actions, training records showing TUPE/new staff induction on sustainability during mobilisation, contracts or mobilisation reports including early KPIs for sustainability or social value.

EDI

FM is a people-centric industry, reportedly contributing up to 10% of the UK workforce. The industry employs people across many skill levels and a wide range of roles, with significant power to influence EDI, in, for example, creating social mobility within a country or area. This theme helps measure an FM's progress in EDI.

A top FM is expected to produce Publicly available annual EDI reports with specific, measurable targets and action plans. The Board should visibly lead efforts by publicising EDI goals, ensuring EDI is embedded in the company culture, and being held accountable for results (e.g., improvement in diversity metrics, retention, etc.). The organisation has systems and reviews regularly that support continuous improvement.

HOW DOES IT AFFECT THE ROLE OF FM?

Being corporately diverse can help grow a business, increase profits, support resilience, and improve wellbeing of employees. Inclusive leadership and inclusive recruitment are important to bring about a more diverse workforce with its valuable variety of experiences, opinions, values, trends, and traditions.

FM will need to ensure that team members are open and aware of possible unconscious bias, and be mindful in actions with colleagues, suppliers, clients and other stakeholders. Participation in training and bringing new learnings into work settings will help strengthen the benefits of EDI efforts.

SUBTOPICS, WHAT THEY COVER, AND REQUIREMENTS TO REACH LEVEL 5

Subtopic	What it covers	Requirements to achieve Level 5	Suggested evidence
Board and leadership accountability	Looks at the Board's role in incorporating EDI goals into organisation processes and how this role is structured. It also looks at how the Board demonstrates accountability for the results.	The Board leads the charge in publicising EDI goals, ensures EDI is embedded in the company culture, and is held accountable for results (e.g., improvement in diversity metrics, retention, etc.). The Board has a clear strategy and structure to ensure EDI initiatives are successful and sustainable across the business.	EDI strategy document signed off by the Board, public statements (e.g., from annual reports, press releases), responsibility matrix outlining Board members' EDI roles, or EDI progress review reports presented to the Board.
Strategy, transparency and reporting	Covers the EDI strategy and how this is embedded within the company's culture as well as looking at how it is revised and improved and whether goals are specific and measurable. It also covers the availability of EDI reports and the comprehensiveness of these reports.	EDI strategy is embedded in the company's culture, with constant transparency and stakeholder involvement. The EDI strategy is considered a core component of the company's overall vision. It is regularly reviewed and adapted to ensure continuous improvement. Publicly available annual EDI reports with specific,	Formal EDI strategy document outlining clear goals, actions, timelines, and resource allocation for EDI initiatives. Communication materials or reports shared with external stakeholders (e.g., clients, investors) outlining EDI goals and progress. Annual EDI report or a section within the corporate sustainability report/annual report.

		measurable targets and action plans.	
Monitoring	Discusses how EDI is tracked and monitored as well as the use of periodic reviews.	Systematic EDI monitoring, with frequent reviews and clear follow-up actions. EDI is regularly tracked and aligned with business goals. The company monitors incidents such as workplace bias and discrimination.	Data reports showing demographic breakdowns (e.g., race, gender, disability), tracked and analysed regularly. Action plans based on EDI data analysis, with specific initiatives and responsibilities for improving underrepresented groups in specific roles.
Workplaces Action	Covers planned EDI actions and programmes (training, workshops etc.) and how, if at all, these are tied to business goals. It also looks at the existence of measurable success criteria.	The company has a comprehensive, integrated approach to EDI, with a range of initiatives that are embedded in workplace culture. Success is tracked, and results are actively evaluated and refined. Unconscious bias and inclusive leadership are embedded into organisation, as is inclusive recruitment.	Training materials, curricula for EDI training (e.g., unconscious bias workshops, inclusive leadership training), or records of employee participation in EDI training sessions. Recruitment policy documents highlighting EDI principles (e.g., inclusive job descriptions, diverse interview panels).

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