

Climate Physical Risk Assessment



Last review: May 2026

Next review: May 2027

City & Essex Limited and all affiliated subsidiaries.

Purpose

This assessment identifies the main physical climate risks that could affect City & Essex operations, employees, suppliers and service delivery. It supports EcoVadis, client assurance, ESG governance and internal risk review by documenting how physical climate risks are considered and managed.

This assessment is not a standalone operational procedure. It should be read alongside the Environmental, Climate & Resource Efficiency Policy, Climate Physical Risk Assessment, Sustainable Procurement Policy, Business Continuity arrangements, HR procedures, site-specific risk assessments, method statements and client requirements.

Scope

This assessment applies to City & Essex Limited and all affiliated subsidiaries. It considers physical climate risks relevant to Head Office operations, client-site cleaning services, employees and subcontractors, company vehicles and travel, procurement, suppliers, waste and sanitary services, cleaning chemicals, consumables, equipment and business continuity.

City & Essex operates largely on client-controlled sites. For this reason, many building-level controls, including flood protection, water infrastructure, cooling, heating, drainage, landlord emergency procedures and utility data, are controlled by clients, landlords or managing agents. City & Essex will work with those stakeholders where physical climate risks affect cleaning operations, employee safety or service continuity.

Methodology

This is a high-level, TCFD-style physical risk assessment designed for operational and ESG governance use. It considers acute physical risks, such as heatwaves, flooding, storms and severe weather, and chronic physical risks, such as sustained higher temperatures, water stress and changing operating conditions.

Risks have been assessed qualitatively using available internal knowledge, existing controls and the likely relevance to City & Essex operations. Residual priority has been rated as Low, Medium or High based on potential impact, likelihood and current controls. This assessment should be reviewed annually and updated where new data, client requirements, operational changes or material climate-related events arise.

This assessment considers short-term risks to 2030, medium-term risks from 2030 to 2040, and longer-term risks beyond 2040, aligned to the practical planning horizons relevant to City & Essex operations, client contracts, workforce safety and supplier continuity.

Future assessment updates may draw on external climate data sources such as Met Office UK Climate Projections (UKCP18), Environment Agency flood-risk information, local authority climate-risk information and relevant client or landlord site-risk assessments where available. By the next annual review, City & Essex will consider whether Head Office and major client clusters require more detailed physical-risk screening based on operational exposure, travel routes, heat risk, flood risk and supplier continuity.



Key Physical Climate Risks

Risk area	Potential impact	Current controls	Residual priority / next action
Extreme heat and heatwaves	Increased risk of heat stress, fatigue, dehydration, reduced productivity, PPE discomfort and higher wellbeing risk for site-based employees.	H&S controls, manager supervision, site instructions, welfare arrangements, absence support, EAP, Mental Health First Aiders and client-site coordination.	Medium. Review hot-weather communication, welfare checks and site-specific controls where heat risk is material.
Flooding and heavy rainfall	Potential disruption to client sites, travel routes, waste collection, deliveries, storage areas, cleaning schedules and employee access.	Client-site emergency arrangements, site risk assessments, inclement weather procedures, manager communication and operational rescheduling where required.	Medium. Strengthen escalation routes for flood/weather disruption and record lessons learned after material events.
Storms, high winds and transport disruption	Potential travel delays, unsafe journeys, disruption to supplier deliveries, external cleaning work and access to client premises.	Travel controls, company vehicle procedures, manager approval, risk assessment, alternative work arrangements and client communication.	Medium. Maintain travel and vehicle controls and review route planning during severe weather.
Cold weather, ice and snow	Increased slip, trip and fall risk, travel disruption, late attendance, service rescheduling and welfare concerns for employees working early or late shifts.	Inclement weather arrangements, H&S risk assessments, PPE where required, client-site procedures and manager discretion for travel disruption.	Medium. Continue to review winter communications and site-level controls.
Water stress and restricted water availability	Potential limitation on water-intensive cleaning activities, increased client concern around water use and need for lower-water cleaning methods.	Environmental policy commitments, controlled dosing, responsible water use, client collaboration and equipment/product selection.	Low to Medium. Build water and resource efficiency evidence where data is available or client-controlled.
Supply chain disruption from climate events	Potential disruption to chemicals, consumables, uniforms, machinery, sanitary supplies, waste services, pest control and supplier transport.	Sustainable Procurement Policy, Supplier Code of Conduct, supplier engagement, spend visibility, strategic supplier focus and supplier review.	Medium. Track critical suppliers and request information on resilience, delivery and ESG capability where relevant.
Pest, hygiene and indoor environmental changes	Warmer conditions may affect pest activity, odour, hygiene expectations, washroom servicing and cleaning frequencies at some client sites.	Client communication, pest-control supplier engagement, cleaning schedules, hygiene procedures and operational review.	Low to Medium. Monitor with clients and relevant suppliers where issues emerge.

Assessment Findings

The most relevant physical climate risks for City & Essex are operational disruption, employee safety and wellbeing, transport disruption, supplier service continuity and resource constraints. The business is not generally responsible for building-level climate resilience at client sites, but cleaning operations may be affected by client-site conditions, landlord decisions, weather disruption and supplier availability.

No single physical climate risk is currently assessed as requiring immediate emergency escalation at Group level. However, several risks require continued monitoring because City & Essex delivers services across multiple sites and depends on safe travel, supplier reliability, suitable working conditions and client-controlled building arrangements.

Current Controls

City & Essex manages physical climate risks through existing policies, procedures and operational controls, including:

- health and safety risk assessments, method statements and safe systems of work;
- accident, incident, near-miss and RIDDOR reporting;
- inclement weather, travel, company vehicle and homeworking arrangements;
- absence management, return-to-work support, reasonable adjustments, EAP and Mental Health First Aiders;
- environmental, climate and resource efficiency commitments, including water stewardship and waste/resource efficiency;
- supplier engagement through the Sustainable Procurement Policy, Supplier Code of Conduct and supplier acknowledgement tracking;
- client communication and site-specific requirements where building-level risks are controlled by clients, landlords or managing agents;
- annual ESG reporting, carbon reporting and ESG Steering Group review.

Further Actions

City & Essex will use this assessment to strengthen climate-risk governance and practical resilience planning.

Area	Baseline / Context	Action / Target	Deadline
Annual review	Initial high-level TCFD-style assessment created in 2026	Review material physical climate risks annually through ESG and HSEQ governance	Annual
Weather disruption records	Incident and operational disruption records held through HSEQ/operations where relevant	Maintain a record of material weather-related operational disruptions affecting employee safety, service delivery or supplier continuity	End 2026 and ongoing
Site exposure	Client sites are generally client/landlord controlled	Review Head Office and major client clusters for exposure to flood, heat, transport and water-stress risks using available external or client data	End 2026
Supplier resilience	Strategic supplier continuity relevant to cleaning products, machinery, consumables and services	Request relevant resilience, environmental or service-continuity information from strategic suppliers where climate disruption could affect service delivery	End 2026

Responsibilities

Managing Director

The Managing Director has ultimate accountability for this assessment and for ensuring that material physical climate risks are considered within business planning, client assurance and ESG governance.

Head of ESG

The Head of ESG is the assessment owner and is responsible for maintaining this document, coordinating annual review, aligning it with EcoVadis and ESG reporting requirements and supporting supplier/client engagement where climate risk is relevant.

Head of HSEQ

The Head of HSEQ supports this assessment by advising on employee safety, operational risk controls, incident reporting, risk assessments, method statements and site-level controls linked to physical climate risks.

Operations Managers and Site Managers

Operations Managers and Site Managers are responsible for escalating weather-related risks, client-site disruption, employee welfare concerns, access issues and operational changes where they affect service delivery or safe working.

Procurement, Finance and Commercial Teams

Relevant procurement, finance and commercial colleagues support this assessment by helping to identify critical suppliers, supplier dependencies, spend exposure and opportunities to improve supplier resilience or environmental performance.

Employees and Subcontractors

Employees and subcontractors are expected to follow site instructions, safe systems of work and severe-weather communications, and to report hazards, incidents or conditions that may affect their safety or service delivery.

Supporting Evidence

This assessment may be supported by:

- Environmental, Climate & Resource Efficiency Policy;
- Health, Safety & Wellbeing Policy;
- Sustainable Procurement Policy and Supplier Code of Conduct;
- inclement weather, travel, company vehicle and homeworking procedures;
- risk assessments, method statements and client-site requirements;
- accident, incident, near-miss and RIDDOR records;
- supplier acknowledgement registers and supplier risk information;
- ESG reporting, carbon reporting and ESG Steering Group records.

Reporting and Review

This assessment will be reviewed annually, or sooner where required by legislation, client requirements, EcoVadis reassessment, major operational changes, significant climate-related events or material changes to City & Essex's supply chain or service delivery model.

Review will consider whether current controls remain appropriate, whether additional actions are needed and whether any risk should be escalated to senior leadership, HSEQ, ESG governance, clients or suppliers.

Full Name	Mr Ian Hookway
Position	Managing Director
Signed	<i>I.R. Hookway</i>
Date	May 2026

