

Welcome to your CDP Climate Change Questionnaire 2019

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Wood is a global leader in the delivery of project, engineering and technical services to energy and industrial markets. We operate in more than 60 countries, employing around 60,000 people, with revenues of around \$11 billion. We provide performance-driven solutions throughout the asset life cycle, from concept to decommissioning across a broad range of industrial markets, including the upstream, midstream and downstream oil and gas, power & process, environment and infrastructure, clean energy, mining, nuclear, and general industrial sectors. Wood delivers comprehensive services to support its customers across the complete lifecycle of their assets, from concept to decommissioning, across a range of energy, process and utility markets. Wood came into existence in October 2017 with the Wood Group acquisition of Amec Foster Wheeler. The rich heritage of our founding organisations makes us a respected presence in global industrial markets, combining unrivalled technical knowledge and a drive for outstanding delivery. We have a powerful global network of professionals focused on delivering services, safely and cost-effectively that help our customers get the best from their assets to meet their performance goals. We have long-standing relationships with customers based on our ability to deliver consistently successful outcomes, combining our global experience, innovative ideas and solutions, and a flexible approach, from specialist consultancy services, to project-based delivery or through long-term contracts. Coupled with an endless curiosity and hunger for new ideas to help our customers solve their business challenges, we have a culture of improvement and best practice that infuses all our operations. Wood has three values supported by our six behaviours; they are at the heart of our business defining who we are, how we work, what we believe in and what we stand for. These values and behaviours guide us in our daily interactions. They help create our culture. They're our common set of principles. They are fundamental to our success. We care for the environment and our responsibility to protect and minimise the impact of our operations; our HSSE policy states how we do this to ensure we leave a positive legacy in the areas we operate. The policy underpins our approach to environmental management and is regularly reviewed and approved by our board of directors. Environmental management is not new to us, with many parts of the business holding ISO 14001: 2015 certification; however, the formation of Wood has created the opportunity for us to re-assess how we currently manage our environmental responsibilities and enhance it. An environmental strategy taking us to the end of 2019 has been developed based on the environmental risks we have identified as being associated with our operations; the strategy has three areas of focus:



- Managing Environmental Risk
- Reducing our environmental impact
- Raising environmental awareness and competence amongst employees

In 2018 we launched our environmental standards, to ensure we align on the minimum standards around environmental management. The Environmental Standards apply to all operations where Wood have environmental responsibility. Compliance with the requirements contained within the standards is mandatory.

We are focused on integrating our legacy businesses to align our approach on several fronts, one of which being our carbon management process. In October 2017 we launched a three-year strategy to align both legacy scopes and boundaries that will allow us to utilise the data in year three to set a combined baseline and enable more focused group wide reduction targets:

Year 1: Migrate onto one reporting system and laying the process foundations to support data collection.

Year 2: Align and begin reporting combined scope 1 & 2 emissions on an operational basis.

Year 3: Align and begin reporting scope 3 emissions based upon a materiality assessment of the business conducted in year 1

The data in this report has been aligned where possible for the reporting year in question and we aim to provide more comprehensive emissions data in coming years. We've taken the decision to drive an interim annual 2.5% reduction intensity target for scope 1 & 2 emissions through our new sustainability programme until we are able to set more challenging targets for the aligned business. Due to the differing legacy reporting boundaries and included scopes, we feel our strategy to align is timely and appropriate to ensure we set a strong baseline from which to better manage down our emissions in setting more stringent group wide targets.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
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Row 1	October 1, 2017	September 30, 2018	Yes	1 year
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C0.3

(C0.3) Select the countries/regions for which you will be supplying data.

- Belgium
- Czechia
- Finland
- France
- Germany
- Ireland
- Italy
- Norway
- Poland
- Romania
- Russian Federation
- Slovakia
- Spain
- Sweden
- Switzerland
- United Kingdom of Great Britain and Northern Ireland

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

- USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.

Operational control

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Chief Executive Officer (CEO)	Our Chief Executive Officer (CEO) sits on the main Group Board as an Executive Director as well as chairing the Executive Leadership Team (ELT) and is responsible for all environment and climate change related issues and strategy at both levels. Our CEO signs our HSSE Policy which sets our approach and commitment to managing the health, safety and environmental aspects of our business. our CEO approves our Wood Sustainability programme which reports through the HSSEA function to the ELT. The ELT meets every month and is composed of the Chief Executives responsible for the different Group businesses and includes representation from each of the 4 strategic functional groups (HSSEA, People and Organisation), Finance and Administration, and Strategy and Development). The Group Board (executive & non-executive directors) meets on a bi-monthly basis and are informed of relevant issues from the ELT. The Board is also supported by the Safety Assurance and Business Ethics (SABE) Committee.

Board-level committee	<p>Our Chief Executive Officer (CEO) sits on the main Group Board as an Executive Director. At Board level, Sustainability is considered by the Safety, Assurance and Business Ethics (SABE) Committee, for more information, refer to the Wood plc website for the SABE Charter. This Committee is chaired by a non-executive of the board and attended by the Chief Executive. Additionally, at the Executive Leadership level, the CEO has appointed the Executive President for HSSEA as the Executive Leader for sustainability. The Executive Leadership Team provide oversights, support and approval for the Wood sustainability programme. The ELT operates under the authority of the Chief Executive and comprises the Group CFO plus the CEOs of our four Business Units, and the leaders of our other key functional areas: Health Safety Security, Ethics and Assurance; People & Organisation; Strategy & Development. They are responsible for delivering against the strategy approved by the Board.</p>
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C1.1b

(C1.1b) Provide further details on the board’s oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – all meetings	<ul style="list-style-type: none"> Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives 	<p>Monthly management reporting and reviews are conducted at a business unit level both operationally and functionally across our business. The reporting governance in place ensures monthly tracking and management of the key risks and opportunities for Wood, including climate related issues. Our business unit governance process feeds directly into our monthly ELT meetings where review and guidance against strategy, actions plans, risk management, budgets and overall performance is reviewed. Our monthly management process allows for clear oversight of our business achievements and risks, as well as providing a basis for strategic planning and target setting by our leadership team.</p> <p>Our Chief Executive Officer (CEO) sits on the main Group Board as an Executive Director as well as chairing the Executive Leadership Team (ELT) and is responsible for all environment and climate change related issues and strategy at both levels. Our CEO signs our HSSE Policy which sets our approach and commitment to managing the health, safety and</p>

	<p>Overseeing major capital expenditures, acquisitions and divestitures</p> <p>Monitoring and overseeing progress against goals and targets for addressing climate-related issues</p>	<p>environmental aspects of our business. our CEO approves our Wood Sustainability programme which reports through the HSSEA function to the ELT and forms part of our annual review on climate related issues, Woods approach to tackling sustainability issues and work in achieving our targets.</p> <p>The ELT meets every month and is composed of the Chief Executives responsible for the different Group businesses and includes representation from each of the 4 strategic functional groups (HSSEA, People and Organisation), Finance and Administration, and Strategy and Development). The Group Board (executive & non-executive directors) meets on a bi-monthly basis and is informed of relevant issues from the ELT, including those relating to climate change. The Board is also supported by the Safety Assurance and Business Ethics (SABE) Committee which meets on a quarterly basis and is comprised of both Executive and Non-Executive Board members. The SABE Committee considers environmental issues, such as the impact of new legislation and, in collaboration with the Group HSSE Leadership team, agrees the strategy. The Global HSSE Leadership Team has been established to co-ordinate and oversee the Group's management of Health, Safety, Security and Environment activities, in accordance with the Group strategy and consistent with our vision and values.</p>
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C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	Both assessing and managing climate-related risks and opportunities	More frequently than quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Our Chief Executive Officer (CEO) sits on the main Group Board as an Executive Director as well as chairing the Executive Leadership Team (ELT) and is responsible for all environment and climate change related issues and strategy at both levels. Our CEO signs our HSSE Policy which sets our approach and commitment to managing the health, safety and environmental aspects of our business. Our CEO approves our Wood Sustainability programme which reports through the HSSEA function to the ELT and forms part of our annual review on climate related issues, Woods approach to tackling these issues and work in achieving our targets. Our CEO, in agreement with the ELT and Board also affirms Wood's commitment to maintaining our membership to the United Nations Global Compact and states this in both our sustainability report and our published letter of commitment to the secretary general of the United Nations; this states Wood is committed to making the Global Compact and its principles part of our strategy, culture and day to day operations of our company, and to engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Sustainable Development Goals. The ELT meets every month and is composed of the Chief Executives responsible for the different Group businesses and includes representation from each of the 4 strategic functional groups (HSSEA, People and Organisation), Finance and Administration, and Strategy and Development). The Group Board (executive & non-executive directors) meets on a bi-monthly basis and is informed of relevant issues from the ELT, including those relating to climate change. The Board is also supported by the Safety Assurance and Business Ethics (SABE) Committee which meets on a quarterly basis and is comprised of both Executive and Non-Executive Board members. The SABE Committee considers environmental issues, such as the impact of new legislation and, in collaboration with the Group HSSE Leadership team, agrees the strategy. The Global HSSE Leadership Team has been established to co-ordinate and oversee the Group's management of Health, Safety, Security and Environment activities, in accordance with the Group strategy and consistent with our vision and values, this includes Sustainability as a reporting line into the HSSEA function.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

Yes

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Who is entitled to benefit from these incentives?

All employees

Types of incentives

Recognition (non-monetary)

Activity incentivized

Behavior change related indicator

Comment

Prior to the creation of Wood, both legacy companies operated long running employee recognition schemes that helped demonstrate outstanding contributions from employees in advancing the health, safety, security and environmental performance of the group, aligned to the company's vision and values.

Legacy Amec Foster Wheeler operated The Chief Executive HSSE Awards to recognize and reward outstanding performance as well as promote and communicate best practice across the business. Introduced in 2003, the scheme operated around five categories - Safety Excellence, Best Practice, People, Beyond Zero and HSSE Sustainability with winners announced in June of each year.

Legacy Wood Group acknowledged employee efforts on a periodic basis through the "Shared Values Awards". All employees are encouraged to nominate themselves, a colleague or team who 'live our values'; contributions that are recognized in the award scheme, towards managing the impact of the group or their customers on climate change are: conserving resources; reducing waste or emissions; preventing environmental pollution; or helping customers to provide the best environmental solutions. Winners receive a donation of £500/\$800 to a charity of their choice and also receive global recognition within the Group. All finalists are given a section in the company's weekly newsletter and winners are announced via a bespoke communication by one of the members of the ELT, in the newsletter and on our internet site.

In 2018, as part of our integration process, we worked on aligning to one award scheme and provide a new approach for Wood that will align to



our new vision and values but with the same basis for group wide recognition of employee efforts around improving company performance, including climate related issues. The Inspire Awards will be launched in 2019, out with the reporting period of this report but is based upon our People, Planet and profit sustainability approach, again including climate related issues.

Who is entitled to benefit from these incentives?

Management group

Types of incentives

Monetary reward

Activity incentivized

Emissions reduction target

Comment

Meeting of carbon reduction targets forms part of the annual HSSE scorecard and objectives. Group Head of HSSE and the subsequent management levels below annual performance bonus is linked to the group environmental performance which is in turn aligned our key risks, of which climate related performance and carbon targets form part of.

We drive a 2.5% emissions intensity reduction target through our sustainability programme, this is an interim minimal target as we strive to align our emissions reporting, as part of our three-year carbon strategy.

Who is entitled to benefit from these incentives?

Business unit manager

Types of incentives

Monetary reward

Activity incentivized

Emissions reduction target

Comment

Meeting of carbon reduction targets and efficiency projects form part of the annual HSSE scorecard . The majority of management team and business unit managers are required to meet the HSSE targets as part of their performance bonus schemes.

Additionally, we drive a 2.5% emissions intensity reduction target through our sustainability programme, this is an interim minimal target as we strive to align our emissions reporting, as part of our three-year carbon strategy.

Who is entitled to benefit from these incentives?

All employees

Types of incentives

Recognition (non-monetary)

Activity incentivized

Efficiency project

Comment

Both legacy companies prior to the creation of Wood operated a wide range of efficiency projects, this included:
In 2015 Amec Foster Wheeler rolled out a new framework – our sustainability promises – to support the implementation of local sustainability action plans. The promises are a tool for offices and business units to utilise in order to develop and align their sustainability goals and action plans with the global Resilient World sustainability strategy and its supporting goals. The sustainability promises are developed annually in conjunction with key functions including general counsel, HSSE, HR, and Project Delivery to drive improvements and capture strategic targets/activities in these areas. The global promises consider feedback from assurance/auditing activities, new/ upcoming legal requirements, new global trends, feedback/ scoring from external benchmarks, commitments and partnerships, UN Global Compact principles and are approved by the sustainability committee prior to roll out in Q1 of each year. Annually each business line sets its own sustainability promises focused on supporting the delivery of the global targets, but also addressing key areas for improvement in its own geographies and operating

units.

Additionally, both legacy companies recognised key dates in the calendar, in particular Earth day and Environment Day. In legacy WG, environment day celebrations were led by the groups CEO and promoted various global efficiency activities to reduce our impact on the environment.

In 2018 as the newly combined Wood, we introduced our Sustainability Commitments, driven as part of our sustainability programme and similar to the legacy AFW Sustainability Promises. Containing 9 Global objectives, one of which being 'Demonstrate commitment to reducing our carbon footprint'. More detail on this can be found in our 2019 Sustainability report, available at www.woodplc.com. These commitments were launched in September 2018, as part of our annual sustainability week and will be the foundation of this global engagement date each year to drive local level action.

Regionally we also operate a number of cycle to work schemes, car share incentives that offer employees car parking spaces for those that choose to car share plus many other efficiency drives championed locally by each business unit.

Who is entitled to benefit from these incentives?

All employees

Types of incentives

Other non-monetary reward

Activity incentivized

Behavior change related indicator

Comment

In 2018, Wood produced an online Sustainability e-learning course, launched as part of the annual sustainability week celebrations at the end of September. Available to all employees, the training course is designed to ensure all employees are aware of the global sustainability strategy and how they can contribute through their roles. As a key awareness tool, based around our People, Planet and Profit strategy, the training provides awareness of group strategy on sustainability, including areas related to our impact on the environment and management of environmental risk.

This training was launched as an interim Wood approach to the previous legacy AFW business sustainability e-learning module, launched back in 2013.

C2. Risks and opportunities

C2.1

(C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.

	From (years)	To (years)	Comment
Short-term	0	3	We review climate change risk on an annual basis and therefore deem 0 to 3 years to be a suitable short term assessment against our current portfolio.
Medium-term	4	20	We determine the scope of medium term risk to encompass current contract periods as well as our forecasted sales pipeline as part of group wide strategy and growth.
Long-term	20	100	We determine long term risk up to 100 years to account for known historic climate events and likelihood of future occurrence as well as using current scientific knowledge to understand longer term impacts of climate change to inform our risk management and business strategy.

C2.2

(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

C2.2a

(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying and assessing climate-related risks.

	Frequency of monitoring	How far into the future are risks considered?	Comment
Row 1	Six-monthly or more frequently	>6 years	A global mandatory procedure detailing the risk management process is used at project, operating unit, business unit and group levels across all business divisions/operations to identify the key risks that could have a significant impact on Woods' ability to achieve its objectives. These are recorded in risk registers and evaluated to determine the likely impact and probability of occurring.

C2.2b

(C2.2b) Provide further details on your organization's process(es) for identifying and assessing climate-related risks.

Climate related risks are identified at company and operational level through assessment of all aspects of our business model & our vision and values provide our people, customers & suppliers with a clear view of how we operate which helps frame the risk culture across the Group. Our cross-group assurance mechanisms (peer reviews on certain higher risk contracts as well as a programme of risk-based audits) complement business specific activity in areas such as HSSE, HR & Quality and feed into our Group Environmental Risk Register. Our HSSE Standard on risk management is used to drive consistency of risk assessment across the group. The risk profile across each internal business varies (through the nature of our activities, specific customer contracts & geographic spread) & each business operates under an established management system framework which supports our corporate decision-making on risk and environmental risk register review.

C2.2c

(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
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Current regulation	Relevant, always included	<p>Through our internal environmental consultancy and climate resilience teams we are able to manage current regulatory requirements that impact our assessment of risk across the group. A number of our regulatory requirements for schemes in the UK such as CRC and ESOS for example are managed by these internal teams.</p> <p>As an internal consultancy on both climate change and resilience many parts of our business have links to government bodies that help shape current and forthcoming legislation, giving Wood greater insight and understanding of current regulatory risk.</p> <p>Our European business is certified to ISO:15001 2015, as a result this ensures regulatory risk is factored into our risk assessment and environmental management process; audited bi-annually to ensure compliance through an external third party Lloyds Register</p>
Emerging regulation	Relevant, always included	<p>Through our internal environmental consultancy and climate resilience teams we are able to keep abreast of emerging regulatory requirements that impact our assessment of risk to the business. A number of our regulatory requirements for schemes in the UK such as CRC and ESOS for example are managed by these internal teams.</p> <p>As an internal consultancy on both climate change and resilience many parts of our business have links to government bodies that help shape forthcoming legislation, giving Wood insight to up and coming regulatory risk.</p> <p>Our European business is certified to ISO:15001 2015, as a result this ensures regulatory risk is factored into our risk assessment and environmental management process but also horizon scanning for future regulatory requirement; audited bi-annually to ensure compliance through an external third party Lloyds Register</p>
Technology	Relevant, always included	<p>Technology is continually assessed in our risk assessment process to ensure we keep abreast of all technological advancements in relation to climate change issues and resilience. Renewable energy and the global shift towards renewable sources is an area of focus for Wood, technological advancements are at the forefront of driving that global shift and it is crucial that we as a business keep abreast of those advancements and adapt our approach to ensure we remain a sustainable driver in the renewables market. Our innovative solutions to climate resilience; for example our River Seine flood resilience project helped city of Paris CRO and Resilience team to introduce an online data portal that provides secure access to analyse socio-economic vulnerability, flood storage potential and aid flood mitigation decisions. A similar project for the government in New York saw Wood developed a Clean Soil Bank (CSB) dashboard and logistics tool that tracks, manages, and effectively deploys brownfield related clean soils for New</p>

		<p>York City projects; With more than 60% of the clean soil in the city exchanging through the NYC Clean Soil Bank the project has made NYC more resilient to climate impacts and saved the city government \$3.3 million in soil purchase costs to date.</p> <p>Wood is also a member of a number of trade associations and non-profit organisations that challenge action on driving sustainable climate related innovation; this allows us to stay abreast of technological advancements through industry and peer consultation and better link our actions to sustainable delivery in the industry we operate.</p>
Legal	Relevant, always included	<p>Wood ensures as a minimum requirement that all parts of our business are compliant with all country legislation applicable in the regions we operate in; through close working with both our internal consultancy as part of our Environment and Infrastructure business as well as third party consultants. An example of this would be both legacy company approaches to ESOS compliance in the UK as well as compliance with article 8 of EU Directive on Energy Efficiency (EED) which both legacy companies managed through consultation with third party and internal consultants to ensure compliance. Operating across multiple countries means we require specialist consultation to determine the boundaries for compliance and key schemes such as ESOS are factored into annual risk reviews and managed proactively to ensure both compliance and implementation of best practice approach to implementing outputs where appropriate. Wood's membership to various industry bodies helps keep us informed of upcoming and current legislation as well as industry trends and upcoming challenges; alongside this, the use of industry recognised legal compliance systems/registers allows our business to continually monitor and adapt our approach to climate related risk in the legal context.</p>
Market	Relevant, always included	<p>When assessing climate related risk, we adopt a market-based approach to better understand and assess risk throughout the project lifecycle across the markets we operate in. Our internal functions help guide the business on our approach to risk; most relevant from a market perspective would be our strategy and development function that aids our approach towards exploring and developing innovations, building our strategic initiatives, driving growth across the sectors we serve, analysing and guiding our strategy for expanding into new geographic markets and industries across the globe. Supported by our internal audit and Risk team who provide the audit committee and executive leadership with assurance as to the adequacy and effectiveness of the internal control environment; responsible for the corporate risk management framework, the facilitation of this framework, and reporting to the board of directors on risk matters.</p> <p>Through the nature of our work we also advise others, an example being our Clean Energy business which has continued to expand their capabilities within the renewable energy market and launched a specialist risk advisory service to reduce uncertainty in renewable projects; this knowledge and expertise also guides our appetite for risk internally in this sector and</p>

		<p>helps feed into our assessment of risk.</p> <p>Wood’s strategy is moving to diversify from an extensively carbon rich service streams to the less intensive, the company is seeing a greater trend towards decarbonisation which would put traditional services revenue streams at risk, so the business is moving into more climate change resilient revenue streams including renewables, environmental consultancy and technology.</p>
<p>Reputation</p>	<p>Relevant, always included</p>	<p>Changes in physical climate and the risk this poses to Wood’s global business can have serious impact on both our operations and the people and regions we are present in because of extreme weather. Wood’s operations have been historically disrupted due to the impact of climate related events to both physical infrastructure and personnel and this is a key factor in our assessment of climate related risk. In 2014 as an example, due to the severe rainfall in Thames Valley, Wood businesses experienced the impact of increased precipitation. Although Wood did not sustain any physical damage to equipment and facilities, the result of the rainfall and floods was the loss of business. More recently in 2017 Wood saw disruption to both our businesses in Houston and Clute due to Tropical Storm Harvey in August. As a result of Hurricane Harvey, in a four-day period, many areas received more than 40 inches (1,000 mm) of rain as the system slowly meandered over eastern Texas and adjacent waters, causing unprecedented flooding. Harvey was the wettest tropical cyclone on record in the United States. Wood’s Park Ten Complex in Houston was inaccessible for almost 4 days due to flooding of the surrounding roads resulting in a significant Business Interruption. Minimal damage was reported to Wood’s buildings themselves, but the storm had more of a personal impact on our employees, with over 8000 Wood employees living in the Corpus Christi, Rockport, Kennedy, Houston, Lafayette areas as well as offshore in the Gulf of Mexico. Fortunately, all our employees remained safe, but many lost their homes, vehicles and more than 100 suffered severe flood damage to their homes. In Clute, our Infinity employees were unable to access both their own and customer sites due to flooding of both roads and sites in the region. In response to the disaster Wood raised over \$200,000 through fundraising and corporate support and mobilised over 50 work crews across the Gulf Coast to ensure our colleagues, friends and neighbours received care and support.</p> <p>Wood is also sensitive to the reputational effect on talent attraction as climate change is a significant concern to a younger generation. Having a strong and robust stance on managing climate change enhances our reputation in this area and</p>

		minimises the risk of impacting on recruiting staff
Acute physical	Relevant, always included	<p>Changes in physical climate and the risk this poses to Wood’s global business can have serious impact on both our operations and the people and regions we are present in as a result of extreme weather. Wood’s operations have been historically disrupted due to the impact of climate related events to both physical infrastructure and personnel and this is a key factor in our assessment of climate related risk. The impact of these events could potentially include damage to sites and equipment, interruptions to employee’s ability to work and the delay in design and delivery of projects due to not having the necessary workspace, relocation during any subsequent repairs as well as the more critical impact on our personnel’s physical well-being. In 2014 as an example, due to the severe rainfall in Thames Valley, Wood businesses experienced the impact of increased precipitation. Although Wood did not sustain any physical damage to equipment and facilities, the result of the rainfall and floods was the loss of business. More recently in 2017 Wood saw disruption to both our businesses in Houston and Clute due to Tropical Storm Harvey in August. As a result of Hurricane Harvey, in a four-day period, many areas received more than 40 inches (1,000 mm) of rain as the system slowly meandered over eastern Texas and adjacent waters, causing unprecedented flooding. Harvey was the wettest tropical cyclone on record in the United States. Wood’s Park Ten Complex in Houston was inaccessible for almost 4 days due to flooding of the surrounding roads resulting in a significant Business Interruption. Minimal damage was reported to Wood’s buildings themselves, but the storm had more of a personal impact on our employees, with over 8000 Wood employees living in the Corpus Christi, Rockport, Kennedy, Houston, Lafayette areas as well as offshore in the Gulf of Mexico. Fortunately, all our employees remained safe but many lost their homes, vehicles and more than 100 suffered severe flood damage to their homes. In Clute, our Infinity employees were unable to access both their own and customer sites due to flooding of both roads and sites in the region. In 2018, Hurricane Florence saw 700 Wood people, 10 offices and many project sites in the storm’s path. Fortunately, we safely accounted for all our people in the Carolina and surrounding states and no significant damage reported to our assets.</p>
Chronic physical	Relevant, always included	<p>Longer term shifts in climate patterns and the resulting impacts this can have on Wood’s operations is factored into our long-term assessment of risk to ensure we are resilient towards the effects of climate change both for the sustainability of our business and the personnel we employ.</p> <p>As a global business we monitor and reflect longer term shifts in climate patterns across the portfolio of locations we operate. In 2018, there were 8 Tropical Storms and 8 Hurricane advisories issued by the National Hurricane Centre for the Atlantic region, which includes the Houston area where large Wood Group offices are based; 2017 ranked as the fifth most active year since records began and 2018 became the third consecutive season to feature at least one Category 5</p>

		hurricane. A simulation by the U.S. National Oceanic and Atmospheric Administration Geophysical Fluid Dynamics Laboratory concluded "the strongest hurricanes in the present climate may be upstaged by even more intense hurricanes over the next century as the earth's climate is warmed by increasing levels of greenhouse gases in the atmosphere". Wood's approach to assessing chronic physical risk is consistent across all our global operations.
Upstream	Not evaluated	
Downstream	Not evaluated	

C2.2d

(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.

i) Risks & Opportunities at a company level are assessed across all aspects of our business model; our company vision and values and codes of conduct provide our people, customers and suppliers with a clear view of how we operate which helps frame the risk culture across the Group. Our cross-group assurance mechanisms (peer reviews on certain higher risk contracts as well as a programme of risk-based audits) complement business specific activity in areas such as HSSE, HR & Quality. We continue to review our approach to managing risk and seek to improve associated internal control processes; since 2015, a Group HSSE Standard on risk management has been used to drive a consistent approach to risk assessment across the group. The risk profile across each internal business varies (through the nature of our activities, specific customer contracts & geographic spread) and each business operates under an established management system framework which supports our corporate decision-making on risk. Wood recognises the shift to more sustainable energy and the opportunity from a business perspective this creates through the climate related services Wood provides that include resilience management, renewable capabilities in power and process as well as lower carbon intensity opportunities from nuclear power, this factors into our business strategy and management direction. At Wood, we see the importance of actively addressing global megatrends, reflecting these against our own business to shape our long-term strategy. We recognise 4 key megatrends that directly affect the long-term sustainability of our business; Energy Transition, Digital and Technology, Urbanisation & Sustainable Infrastructure and Future Skills. Our work in 2018 and beyond will look at how these trends impact our operations, reflecting these against our long-term strategy to ensure Wood contributes to shaping a sustainable future for generations to come.

ii) Risks & Opportunities at an asset level are evaluated within our insurance assessment process (damage to sites equipment; work interruptions; project delays due to loss of workspace; possible relocation; critical impact on our personnel's well-being). With our insurance provider, Wood works to verify the state of business, considering all risks. Sites of high insurable value are reviewed and visited yearly. Other locations are visited at least every

3yrs. During visits, sites are assessed & recommendations are presented to Wood in a Baseline Risk Evaluation report. Wood assess & implement recommendations as appropriate. During site visits, our insurance assessor carries out Loss Control Surveys at selected premises, designed to identify specific hazards associated with the processes undertaken and provide engineered solutions to mitigate the risk of loss to business. Wood has developed and implemented a Loss Control Standards that's in line with the insurers' standards; this standard addresses the Procedures and Management Controls, where loss can be avoided by influencing people's behaviour. A bottom up and top down approach to identifying risks operates within the Group. Our global risk measurement framework was harmonised in 2017. Risk registers are developed at an individual contract/project level and rolled up into BU risk registers, which are reviewed by the BU Leadership Teams quarterly. Environmental incidents such as oil spills and pollution are deemed as a principal risk and are assessed by the board and sub-ordinate business levels as any such incident could lead to environmental harm, regulatory action and associated reputational damage. In addressing these risks, we seek to deliver high quality project execution and operational performance which is underpinned by our values, HSSE and integrity management systems. Our businesses environmental management systems are ISO14001 aligned or certified and we drive heightened environmental awareness through HSSE alerts and environmental initiatives. Various assurance and reporting mechanisms operate across the Group, assist in the monitoring and review of effective control systems for each key risk. In 2018 we launched our environmental standards, these are globally applicable, mandatory and address our key areas of environmental risk management. Internally we work with our clients to deliver efficient projects during design and operation, and ensure that our suppliers are evaluated on environmental issues prior to contract award. We believe our biggest impact in this area is the way we can positively support our customers to address their energy and water use in the services we provide. Our Environment and Infrastructure business provides a range of technical expertise and services to work with our clients to manage energy and water as well as climate mitigation and adaptation services including vulnerability assessments, renewable energy and energy efficiency, more information on the services we offer can be found at <https://www.woodplc.com/what-we-do>

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Policy and legal: Increased pricing of GHG emissions

Type of financial impact

Increased operating costs (e.g., higher compliance costs, increased insurance premiums)

Company- specific description

Carbon Tax schemes present incentives to cut Green House Gases (GHG) emissions cost-effectively through reputational drivers, cap and trade, and targets with financial incentives or penalties or direct taxation. They also pose significant administration burden on organizations who must comply with the regulations. In 2010 the UK introduced CRC which carries with it, in addition to the tax, the cost of compliance. As Woods equity share capital is listed on the London Stock Exchange, we became affected by the legislation - Mandatory Carbon Reporting (MCR) which requires Wood to include in the Annual Directors Report information on their global portfolio Scope 1 and 2 emissions. This includes information on all 6 GHGs disclosed against internally agreed metric. While, in part data already collated for CRC is ready to be re-deployed, the scope of MCR should reflect the Organizations operations aligned to financial reporting. Wood are now present in more than 60 countries, so this reporting represents a significant expansion of scope. At this point there is no tax associated with MCR however the scheme is due for review.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

391,139

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Prior to the creation of Wood both legacy companies operated under differing boundaries for MCR, legacy Amec Foster Wheeler on an operational basis and legacy Wood Group on a financial basis; this accounted for a varied cost of compliance in terms of administrative burden until aligned. Using 2018 administrative and system costs to manage consumption, this equated to a combined cost of £135,000. In 2017/18 CRC compliance using combined legacy allowances totalled 9,430; at a buy to comply cost of £17.70 this equates to £166,911, comparing to 2016/17 buy to comply cost at £17.20, this equates to an increase of £4,715, based on 2017/18 emissions. Both legacy companies utilised 3rd party consultants historically to help manage CRC compliance, however this was completed in 2017/18 through Wood's internal consultancy. Although consultancy costs were internal, including this with the above CRC allowance costs and MCR costs this totals approximately £312,911 (\$391,139)

Management method

Wood's Emissions Reporting obligations for both CRC and MCR are discharged by the engagement of a consultant and this was true for both legacy organisations prior to the creation of Wood. The consultant works with Wood as part of a collaborative process: interpreting the regulations into practice; supporting understanding of the schemes within our organization with workshops and guidance; capturing, analysing and preparing the many streams of data that are required; auditing; ensuring a good governance

process; providing the systems that hold the data; and providing interaction with the relevant agencies where required. The consultant interacts across the business as required however the relationship is managed directly by the environmental Director and Group Sustainability Manager. Internally we continue to work with senior management to ensure compliance with necessary legislation requirements; helping to develop and implement policies and requirements within the company to reduce emissions and therefore reduce the amount of tax / credits required for compliance. Our HSSE management framework includes global mandatory requirements including our environmental standards which set minimum requirements to which the business must work. These standards have been written to incorporate carbon and emission management and reduction as well as other environmental aspects. Compliance with the environmental standards is undertaken as part of our global HSSE assurance programme.

Cost of management

151,250

Comment

Cost of environmental management across the group is unknown and difficult to quantify. The management cost of compliance is included in the potential financial impact and the \$391,139 approximate costs stated. The management cost of CRC and MCR compliance sits predominately in the system costs to capture global energy consumption as well as the 3rd party consultancy used to aid compliance; this coupled with the central administrative burden equates to approximately £121,000 (\$151,250)

The cost of compliance with both legislative schemes will only continue to increase over time. The allowance costs for CRC compliance will only increase as we move towards the end of the current scheme resulting in a rise in cost to the business based on a static projection of our portfolio; our global business will likely grow over the coming years and potentially increase the management cost of compliance.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Policy and legal: Enhanced emissions-reporting obligations

Type of financial impact

Increased operating costs (e.g., higher compliance costs, increased insurance premiums)

Company- specific description

The EU Directive on Energy Efficiency (EED) requires energy audits to be completed in a cost-efficient manner by accredited experts. It was agreed on the EU level that this directive must be transposed to the national legislation by July 2014. The subsequent compliance scheme in UK, Energy Savings Opportunity Scheme (ESOS), requires non-SME companies to undertake energy audit every 4 years, where the first audit was required to take place no later than December 5th, 2015. Both legacy companies prior to the creation of Wood in 2017 conducted energy audits against UK sites for both building and vehicle fleet. Additionally, audits took place in other parts of Europe subject to the EU Directive where applicable. Potential exemption might be granted for Organizations that have ISO50001 certification, Display Energy Certificates (DECs) or Green Deal Assessments.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

104,155

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

EED will impact Organizations that have either more than 250 employees over the period of 2 consecutive years or turnover above €50 million and balance sheet amounting to over €43 million. Future financial implications include management costs, verification costs and work hours used for data collating. While exact financial implications are relatively unknown, UK government estimated the first round of audits to be c.a. £17,000 per participant. According to Carbon Trust Standard, ESOS are to identify energy cost saving opportunities worth £31 billion over the period 2015-2030.

In 2015 the approximate cost of compliance for both legacy organisations was approximately £82,000 (\$104,155) which included the cost of required audits and finalised submission reports; this cost does not take into account the administrative or system burden to track and manage energy consumption.

Management method

To manage our involvement and meet the required legal expectations, Wood works with 3rd party consultants to ensure data availability as well as manage the reporting output for ESOS and the other relative schemes associated with the EED. We are currently undergoing a scoping exercise for the upcoming 2019 compliance period to review our combined business profile as Wood, determining the best approach towards compliance.

Internally we continue to work with senior management to ensure compliance with necessary legislation requirements; helping to develop and implement policies and requirements within the company to reduce emissions and therefore reduce the amount of tax / credits required for compliance. Our HSSE management framework includes global mandatory requirements including our environmental standards which set minimum requirements to which the business must work. These standards have been written to incorporate carbon and emission management and reduction as well as other environmental aspects. Compliance with the environmental standards is undertaken as part of our global HSSE assurance programme, and additionally audited as part of ISO14001 compliance.

Cost of management

104,155

Comment

For Wood, costs of management will include work hours throughout the organisation invested in ensuring data accuracy, costs borne by the consultant and costs of annual verification. The management cost of compliance with EED is included in the overall potential financial impact but only includes approximate costs of compliance audits and finalised reports, this cost does not take into account the administrative or system burden to track and manage consumption or post compliance work to implement any energy saving opportunities to help release the savings suggested.

As an output of the initial mandatory audits for compliance, companies received emission reduction recommendations. Cost of managing these recommendations can be forecasted, considering the number of potential participants and estimated costs savings to about £500,000 per year; Wood will look implement where possible any reasonable recommendations post the next round of audits.

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Customer

Risk type

Transition risk

Primary climate-related risk driver

Technology: Costs to transition to lower emissions technology

Type of financial impact

Increased operating costs (e.g., higher compliance costs, increased insurance premiums)

Company- specific description

Tighter air pollution limits, and other national and international emissions targets will have an effect on the service / design / product we offer to our clients. Looking at more efficient methods / technology to ensure they meet their targets now and in the future.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Tighter pollution limits and other national and international emission targets require new technologies and new designs / products to be incorporated into design solutions we offer our clients. These controls may see an increase in total cost for a project as these new technologies / solutions are incorporated to the project scope. It is hard to specify an associated cost impact due to the number of variables at play and the widespread nature of our business model.

Management method

Wood has the expertise to develop and implement adaptation plans to upgrade infrastructure and operations to withstand future climate change related scenarios – along with meeting sustainability goals. We provide the services needed to drive sustainability, determine climate change impacts, and adapt infrastructure, operations, and activities to address those impacts, and reduce risks with engineering and proactive planning solutions as part of our inherently safer design process. This mandatory process ensures that we consider both safety and environmental

aspects in the lifecycle of every project - both for construction / commissioning, and also into operation and onto decommissioning. At Wood we recognise the role we play in leading the global energy transition from traditional unsustainable fossil fuels to renewable and sustainable energy sources. We see two primary technology drivers of this transition Renewable Technology within the power sector and Electric-based technology, such as battery-powered vehicles used for transportation. Through combining technical excellence with innovation, research and development, Wood's design and engineering expertise spans all forms of energy and supports the global transition to clean energy. Information on some of the work Wood is doing to advance the energy transition can be found in our Sustainability Report or in-house magazine publication Inspired, at www.woodplc.com

Cost of management

Comment

This will need to be reviewed and forecast as these risks develop, and will depend on the nature of the project, the client and the country / location; for this reason no management cost has been stated.

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Customer

Risk type

Transition risk

Primary climate-related risk driver

Policy and legal: Enhanced emissions-reporting obligations

Type of financial impact

Increased operating costs (e.g., higher compliance costs, increased insurance premiums)

Company- specific description

International agreements such as the Paris Agreement from (COP 21) setting out global emission targets and a tangible action plan will guide our efforts to manage our climate change risks. Any future impending national policy action on greenhouse gas emissions will also need to be addressed and integrated into how we manage our risks. As a large project management consultancy, we need to be aware of how these changes in regulations and potential new requirements will affect our customers and suppliers and how changing consumer behaviour will be impacted by these global emission targets, fossil fuel demand and expectations on us a service provider to the oil and gas industry.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Potential financial consequences will need to be reviewed and forecast into the life of relevant projects, business plans and where applicable Wood overheads. Extra investment may be required to comply with new legislation and ensure older technology / equipment is compliant. No estimate is given due to the variables and play.

Management method

We have been working to develop a diversified approach with operations across the markets we operate within to balance risk and maximise opportunity over the long term and provide similar services across other markets. In clean energy, for example, we have a strong renewables business supporting the development of solar and wind projects, a robust nuclear position and a growing development of gas power and hydrogen development. At Wood we recognise the role we play in leading the global energy transition from traditional unsustainable fossil fuels to renewable and sustainable energy sources. We see two primary technology drivers of this transition Renewable Technology within the power sector and Electric-based technology, such as battery-powered vehicles for transportation. Through combining technical excellence with innovation, research and development, Wood's design and engineering expertise spans all forms of energy and supports the global transition to clean energy. In 2018, Wood and four of our employees joined the British Standards Institution (BSI) as committee members on the UK working group providing input into the International Electrotechnical Commission's (IEC) marine energy committee. Gaining support from the industry expert community is vital to developing strong standards that will enable industry growth and generate commercially viable opportunities to advance wave and tidal energy. We see this as a fantastic opportunity to help shape the future of tidal/wave power

Cost of management

Comment

This will need to be reviewed and forecast as these risks develop, business plans and overhead costs where applicable; due to the variables at play no cost estimate has been given.

Identifier

Risk 5

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Physical risk

Primary climate-related risk driver

Acute: Increased severity of extreme weather events such as cyclones and floods

Type of financial impact

Reduced revenue from decreased production capacity (e.g., transport difficulties, supply chain interruptions)

Company- specific description

Changes in physical climate and the risk this poses to Wood's global business can have serious impact on both our operations and the people and regions we are present in as a result of extreme weather.

Wood's operations have been historically disrupted due to the impact of climate related events to both physical infrastructure and personnel and this is a key factor in our assessment of climate related risk. The impact of these events could potentially include damage to sites and equipment, interruptions to employee's ability to work and the delay in design and delivery of projects due to not having the necessary workspace, relocation during any subsequent repairs as well as the more critical impact on our personnel's physical well-being. Longer term shifts in climate patterns and the resulting impacts this can have on Wood's operations is factored into our long term assessment of risk to ensure we are resilient towards the effects of climate change both for the sustainability of our business and the personnel we employ. As a global business we monitor and reflect longer term shifts in climate patterns across the portfolio of locations we operate.

In 2018, there were 8 Tropical Storms and 8 Hurricane advisories issued by the National Hurricane Centre for the Atlantic region, which includes the Houston area where large Wood Group offices are based; 2017 ranked as the fifth most active year since records began and 2018 became the third consecutive season to feature at least one Category 5 hurricane. A simulation by the U.S. National Oceanic and Atmospheric Administration Geophysical Fluid Dynamics Laboratory concluded "the strongest hurricanes in the present climate may be upstaged by even more intense hurricanes over the next century as the earth's climate is warmed by increasing levels of greenhouse gases in the atmosphere". Wood's approach to assessing chronic physical risk is consistent across all our global operations.

In 2017 and 2018, Wood saw disruption to both our businesses in Houston and Clute due to Tropical Storm Harvey in August 2017 and Hurricane Florence, affecting the Carolina region in 2018. Although Wood did not sustain any serious physical damage to equipment and facilities, the weather events resulted in a loss of business.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

500,000

Potential financial impact figure – maximum (currency)

138,000,000

Explanation of financial impact figure

As part of our consideration of financial impact we include potential damage to sites & equipment, interruptions/delay in design projects due to not having the necessary workspace, relocation during any subsequent repairs and impact on our personnel's physical wellbeing. As an example, in 2017/18 Wood had approximately 8,000 employees in the Houston area affected by hurricane Harvey and around 700 employees affected in the Carolina affected by hurricane Florence; cumulative risk for damage of property and business interruption for a single facility ranges between \$0.5-138 million and is the estimate given for this risk example.

Management method

Our insurance providers verify yearly the status of business continuation, including back up infrastructure, considering all associated risks. Wood's approach in conjunction with our insurer is based around assessment of sites or physical assets resulting in recommendations. Based on this, Wood developed and implemented a Loss Control Standard in line with our insurers' own standards. By implementing this standard,

loss can be avoided through influencing the behaviour of people, assessing physical assets and is summarised, with appropriate control methods in a Baseline Risk Evaluation report and plan.

Our businesses have developed Business Continuity Plans to ensure any loss has minimal disruption to our continued business. We have 300+ locations globally, as an example we have over 20 based in the areas affected by hurricane Harvey in 2017; those areas deemed as high insurable are reviewed & visited as part of our annual program of review and assessment, with all remaining locations visited, at a minim, every 3 yrs. In Houston one of the physical risks posed is Hurricanes and related extreme weather events, which are a threat to the property and to business continuity. As part of our business continuity we have developed local emergency response teams and continued to work on Emergency Response Plan; this is a key deliverable of our current integration to the combined Wood. Risks identified are reported at the group level and in the quarterly consultation with our ELT.

Cost of management

Comment

In 2014 legacy Wood Group consolidated its property portfolio in the Houston area into newer locations. The new buildings conform to the highest safety regulations. Estimated capital costs were c.a. \$700,000 and by completing these moves we estimated at the time our exposure to hurricanes would be engineered down by \$76 million. We are currently still assessing the portfolio of locations we now have with the inclusion on Amec Foster Wheeler, and will look to consolidate further to continue with managing our risk and exposure to physical climate related risks.

It is difficult to place a management cost against this work as the cost across the business is not known or easily surmised; our efforts in Houston and our approach is replicated across our global footprint and where relevant risk is present.

Identifier

Risk 6

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Physical risk

Primary climate-related risk driver

Chronic: Changes in precipitation patterns and extreme variability in weather patterns

Type of financial impact

Reduced revenue from decreased production capacity (e.g., transport difficulties, supply chain interruptions)

Company- specific description

Changes in physical climate, extreme weather conditions and the gravity they can have on the environment and business are already mentioned in the previous risk identified. Another significant impact of climate change concerns alternations to precipitation. This may result in extreme and unpredictable weather patterns through droughts in some areas, while others may experience risk from exposure to flood and storm surges. Challenges come from increased average precipitation; a result of increased atmospheric moisture due to the emissions of GHGs. Average annual precipitation measured globally; indicate small but certain increasing trends for inland areas.

In 2017 total global economic losses from natural disasters and man-made catastrophes were USD 337 Billion, almost double that of 2016 and the second highest on record. In 2018, this reduced to 155 Billion but remained significant. Our previous example of hurricane Harvey is still relevant in this case where in a four-day period, many areas around the east coast of the United States received more than 40 inches of rain as the rain system moved over Eastern Texas, causing unprecedented flooding. More than 30,000 residents were displaced with over 17,000 rescues. Minimal damage was reported to Wood's buildings themselves, but the storm had more of a personal impact on our employees, with over 8000 Wood employees living in the Corpus Christi, Rockport, Kennedy, Houston, Lafayette areas as well as offshore in the Gulf of Mexico. Fortunately, all our employees remained safe, but many lost their homes, vehicles and more than 100 suffered severe flood damage to their homes. In Clute, our Infinity employees were unable to access both their own and customer sites due to flooding of both roads and sites in the region.

Although Wood reported minimal damage to infrastructure, we do count the cost of these incidents in the work hours invested into emergency planning meetings, as well as the several days employees faced working out with the office, as mentioned above, impacting work efficiency. This event echoes with similar events that occurred in 2013, in the Alberta region, and in 2014 in the Thames Valley. With a changing climate,

and change of rainfall patterns, these types of events indicate a potential shift in climate, changing lifestyles and working habits globally.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

254,125

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Using our 2014 Thames Valley example, as still relevant to mention in relation. The London floods resulted in a state of emergency declared, which remained in place for 6 working days bringing both direct and indirect costs. Direct costs related to implications of services hired in additional hardware installed to counter the immediate effects of the rising water; £25,000 of indirect costs due to the heavy rainfall reflected the loss of business, approximately 100 work hours were diverted from operations to manage the incident equating to about £10,000. Had the water reached the underground car park and penetrated the utility spaces, the main incoming HV power supply would have been cut and the office would have been non-operable with the estimated loss of more than 4,000 work hours. If we take into consideration average UK salary, this would equate to an indirect cost to business of approximately £200,000 (\$254,125).

Management method

Wood leverages both mitigation and adaptation strategies to meet client needs and implement integrated engineering solutions. As interlinked services, sustainability drives efficiency and costs related to waste, water and energy, and allows organizations to reduce their carbon footprint. Our scientists, geologists, engineers, biologists, environmental planners and other specialists offer a depth and breadth of capabilities to provide climate change mitigation and adaptation services.

In 2014, due to the severe rainfall in Thames Valley, legacy Wood Group businesses experienced the impact of increased precipitation. Although the business did not sustain any physical damage to equipment and facilities, the main result of the rainfall & floods was the loss of business. Legacy Wood Group developed a Flood Emergency Response Plan (FERP), to understand the most important steps to take and the most effective resources needed to reduce the impact of this natural disaster; the Local Business Continuity Team (LBCT) acted in line with the ISO 22301 standard on business continuity management. As a response to early flood warnings, LBCT guided by the Business Continuity Director sent out an SMS to all staff informing them about the situation on locality, reaching 94% of staff. As a response to the situation, Sandbags were in position and an IT employee s kept on standby overnight.

Cost of management

Comment

Management costs are connected to Wood's long term plans and strategy, reflected in our FERP. In the Thames Valley example used, to develop FERP, legacy Wood Group assessed all equipment and processes in the low-lying areas, considering the relocation of equipment and the cost of doing so has been reflected in the £200,000 potential financial impact but the true cost of this when applied to the wider business is unknown and therefor no cost has been given. true costs would be addressed and forecast within relevant projects/areas of operation.

Identifier

Risk 7

Where in the value chain does the risk driver occur?

Customer

Risk type

Physical risk

Primary climate-related risk driver

Chronic: Rising sea levels

Type of financial impact

Reduced revenue from decreased production capacity (e.g., transport difficulties, supply chain interruptions)

Company- specific description

Impact on long term design and engineering of projects which could be affected by sea level rises. As part of our products and services we work in a number of areas where our engineering and design must take into account the effects of climate change in relation to rising sea levels; this has a direct impact on our customers and the future resilience of projects to manage risk. In particular we are working on key resilience projects for major cities around the world that include projects such as our work for the city of Paris in supporting their resilience team to introduce an online data portal that provides secure access to analyse socio-economic vulnerability, flood storage potential and aid flood mitigation decisions. This work compliments our role as partner of 100 Resilient Cities (100RC), a global program aimed at providing urban centres around the world with access to innovative tools that allow them to better plan for potentially destructive weather events. Through our work with 100RC we have been able to provide numerous safe and sustainable project solutions around the globe that not only secure us work contracts but also gives us a platform to best utilise our sustainability and climate resilience expertise; a growing part of our business model and a key role in global sustainable solutions that tackle chronic physical risks such as rising sea levels.

Time horizon

Unknown

Likelihood

More likely than not

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The financial implications for this risk is monitored and reviewed as part of Wood’s on-going risk reviews and risk register. Potential costs/overheads in relation to business continuity and disaster recovery are identified and incorporated into on-going business continuity planning. This is a risk that impacts us directly and indirectly for both our clients and supply chain - dependent upon where our projects, and the suppliers we are using are located. The level of risk is highly dependent on how critical those suppliers are and the lead time of products. It is difficult to place a figure against this due to the vast number of variables at play but the financial implications are potentially large should we see continual rising sea levels.

Management method

Sustainability and resiliency planning and implementation are required in today’s climate change impacted world to reduce costs, drive efficiency, and manage risks. Wood leverages both mitigation and adaptation strategies to meet client needs and implement integrated engineering solutions. As interlinked services, sustainability drives efficiency and costs related to waste, water and energy, and allows organizations to reduce their carbon footprint. Resiliency addresses the expected climate change and extreme weather events that may impact operations and areas, providing engineering and planning solutions to address those identified risks. Our scientists, geologists, engineers, biologists, environmental planners and other specialists offer a depth and breadth of capabilities to provide climate change mitigation and adaptation services. Our climate resilience framework ensures that we are able to assess and incorporate resilience planning into the delivery of a project - and for on-going operation.

Cost of management

Comment

To be addressed and forecast within relevant project/ areas of operation. no figure can be given to the management costs due to the widespread nature of our business and the many variable at play.

Identifier

Risk 8

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Physical risk

Primary climate-related risk driver

Chronic: Changes in precipitation patterns and extreme variability in weather patterns

Type of financial impact

Increased capital costs (e.g., damage to facilities)

Company- specific description

Changes in climate patterns, and increased frequency of extreme events such as severe hail storms can cause serious damage to our facilities. As an example, In 2016, our sites in Killdeer, North Dakota and Baker, Montana suffered roof panel and doors damage due to a strong hail storm. While hail occurs frequently each year in these regions, there are often no warnings as to when and where it will occur. Even though our buildings are metal to minimize damage, unusually severe events such as those in 2016 can still have financial repercussions and may be increasingly frequent in the future.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

825,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Hail storms in 2016 resulted in property claims from damaged vehicles and building roofs totalling USD825000 (627,000GBP)

Management method

In order to prevent damage and mitigate extensive repair, our buildings are in most parts constructed in metal; yet unusually severe events such as those in 2016 can still have financial repercussions and may be increasingly frequent in the future. One action we can take to further minimize damage to vehicles in particular is to park vehicles and equipment indoors where possible whenever there is a likelihood of hail; actions like this fall into how we manage each site location and the storage of equipment and vehicles.

Cost of management

Comment

Hail storms in 2016 resulted in property claims totalling USD825000 (627,000 GBP). This cost may increase in the future if more frequent and more violent storms occur. The cost for management of this is difficult to quantify; changes to how we store equipment and vehicles would be part of the daily management on site and where possible may appear in operating procedures but the cost would be unknown and likely minimal.

Identifier

Risk 9

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Reputation: Increased stakeholder concern or negative stakeholder feedback

Type of financial impact

Other, please specify

Reduced stock price (market valuation)

Company- specific description

A company's approach to climate change directly impacts reputation as climate change is increasingly on the global agenda. An organization's reputation makes a firm more attractive to investors, customers, suppliers, exchange partners and employees. As Wood predominantly serves the oil and gas industry, perception of the impact of the industry on the environment and climate change has a clear and direct correlation to our reputation. While a company's internal endeavours towards minimizing their environmental impact can be considered key, for Wood, our services to clients in the oil industry are also of significance – we believe that successful delivery of our services enhances our reputation and strengthens customer relationships. Conversely, it's possible that an environmental incident could also impact Wood's reputation. Climate change influences our approach to working practices, specifically with regards to Health, Safety, Security and Environment (HSSE), our approach seeks to reinforce our reputation as a responsible company and an energy solutions provider. Through our commitment to transparent and responsible business we wish to maintain our reputation within the oil and gas industry and beyond built on trust and honesty.

In 2018, we continued to invest in our leadership training, mirroring our 2017 spend of circa £0.5million with an additional 648 senior leaders

trained through the course of the year. More detail on this can be found in our annual sustainability report, published in August 2019 and found at www.woodplc.com

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

2,200,000,000

Potential financial impact figure – maximum (currency)

3,300,000,000

Explanation of financial impact figure

Delivering a service that promotes best practice around HSE is the key for minimizing risks to our reputation by reinforcing our shareholders and clients view of Wood as a responsible organization. A Company can lose 20-30% of its value if its reputation is negatively impacted. Using this as base for estimation that would potentially present a £220-330 million impact on Wood, a fall in business and a potential profit loss over the next 3 years. In the case of an environmental incidents we could also face multi-million \$ fines from the regulators, this is not factored into our estimate, which is based on our 2018 \$11bn in revenue

Management method

As oil industry companies are important clients for Wood their reputational risk is inherent to Wood. We have a strong HSSEA support system and actively support clients in their management. Aligned to our vision and values all Wood projects have environment considerations factored throughout the project lifecycle, with much of the technology and practices deployed developed by our R and D expenditure and passion to continually innovate and lead on environmental issues. We believe our approach to integrity management and process safety ensures successful delivery of our services, helping to mitigate environment spills/pollution daily. Prevention of environment issues is core to maintaining our reputation, achieved by the mitigation, monitoring and assurance of environment aspects. We drive environment awareness through HSSEA alerts & environment initiatives. Any environment near miss/incident must be reported into the Groups centralized HSE management system, automatically notifying senior management depending on the severity, ensuring management awareness of the reputational impacts; providing access to relevant information, details of the investigation and corrective actions. Many of our businesses are ISO14001 certified or have an aligned environment/energy efficiency management system in place contributing to process safety and spills/pollution mitigation. In 2018 our spend on leadership training was circa £0.5million with an additional 648 leaders trained.

Cost of management

10,000,000

Comment

Due to the number of variables at play and the on-going R and D expenditure that will see future return it is difficult for us to place an estimated cost of management.

Excluding R and D budget we estimate a figure of \$10,000,000, however this is a very subjective figure.

Wood estimate management of this risk is in the region of £50 million per year through the variety of means outlined under the management method.

Identifier

Risk 10

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Market: Changing customer behavior

Type of financial impact

Reduced demand for goods and/or services due to shift in consumer preferences

Company- specific description

Increasing social demand to adapt and respond to the shift in demand for energy sources away from fossil fuels and the increasing demand for renewable energy sources and efforts to reduce energy consumption. A key focus for Wood is our work in the renewables sector as we seek to balance our energy portfolio to adapt to the changes in market demand and the shift towards more renewable, sustainable energy sources. The recent downturn in the Oil and Gas sector has proved the volatility of the sector and the need to ensure Wood adapts its service offerings to enable business continuity. At Wood we recognise the role we play in leading the global energy transition from traditional unsustainable fossil fuels to renewable and sustainable energy sources. We see two primary technology drivers of this transition: 1) Renewable Technology within the power sector; solar, wind and grid storage are becoming established on a rapid growth path and emerging as viable alternatives to fossil fuel-based supply. 2) Electric-based technology, such as battery-powered vehicles used for transportation. Through combining technical excellence with innovation, research and development, Wood's design and engineering expertise spans all forms of energy and supports the global transition to clean energy.

Time horizon

Unknown

Likelihood

More likely than not

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

5,170,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The financial implications for this risk is monitored and reviewed as part of Wood's on-going risk reviews and risk register. The potential reduced revenue in our Oil and Gas business line over the long term as shift away from fossil fuel use increases momentum. Based on our annual reported revenue of \$11bn, Oil and Gas revenues make up 47% of our total sector breakdown which equates to approximately \$5.17bn and is therefor the potential impact amount perceived should this sector prove to decline in years to come.

Management method

We have project experience across the key renewable sectors including wind, solar, hydro power, geothermal, biomass, bio fuels, and energy from waste, hydrogen, fuel cells, carbon capture and storage and clean coal and will continue to work with clients and governing bodies to address future energy demands. Our focus on growing our renewable capability has allowed us to be at the forefront of ground breaking advances in the renewable sector; we remain focused on maximising renewable energy assets; throughout the project life cycle to enhance production potential, safety and profitability. By adapting our business we retain our competitive edge within the industry and work towards industry and global sustainability goals, ensuring we remain profitable as a business and leveraging our passion for innovation to create new possibilities. Our work for example with Hydrogen solutions in the UK, involves us helping both provide renewable transport and renewable heat solutions. In 2018, Wood collaborated on a feasibility study to challenge the creation of 'Green' hydrogen, from remote renewable resources, to its electrification and use in the transport industry. Additionally, Wood's collaboration on the H21 Leeds City Gate feasibility study, led by Northern Gas Networks, is a key example of our work to advance the use of hydrogen as a renewable source of heat. Both projects are showcased in our annual sustainability report - available on our main website www.woodplc.com

Cost of management

Comment

cost of management will be addressed/ forecast with relevant projects/ clients; the cost is therefore unknown given the multiple variable at play.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Type of financial impact

Increased revenue through demand for lower emissions products and services

Company-specific description

General Environmental regulations including planning.

The Scottish Government (SG) Policy is to generate the equivalent of 100% of Scotland's gross annual electricity consumption and of 11% of Scotland's heat demand from renewable sources by 2020, with other governments around the world following suit. All large-scale generation plants must go through a planning permission and/or consent process as well as engaging with other relevant stakeholders once permission is granted whether onshore or offshore. The planning process, depending on the location, may be subject to consultations, Environmental Impact Assessments, specific Local Planning Authority applications, Crown seabed lease agreements, or planning consents. Wood's Clean Energy business provides capability around renewable generation recognizing a key opportunity in relation to climate change, driven by increased demand for green energy as consumer behaviour changes, but more critically to aid the transition to a low carbon economy. Our Clean Energy business provides end to end service for renewable installations, leveraging our knowledge to navigate our customers through the complex and many faceted processes that sit around the installation of a large scale renewable project. Since 2013 legacy Wood Group has purchased 100% of our energy in the UK, from renewable sources, supporting Scottish government targets for renewable use. We included our acquired legacy AFW portfolio to this UK master agreement in late 2018.

Wood is also a partner of 100 Resilient Cities (100RC), a global program aimed at providing urban centres around the world with access to innovative tools that allow them to better plan for potentially destructive weather events. Through our work with 100RC we have been able to provide numerous safe and sustainable project solutions around the globe that not only secure us work contracts but also gives us a platform to best utilise our sustainability and climate resilience expertise; a growing part of our business model and a key role in global sustainable solutions that tackle climate change issues. Wood's experience across key renewable sectors including wind, solar, hydro power, geothermal, biomass, bio fuels, and energy from waste, hydrogen, fuel cells, carbon capture and storage and clean coal means we work with clients and governing bodies to address shifting energy demands

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

1,430,000,000

Potential financial impact figure – maximum (currency)

1,460,000,000

Explanation of financial impact figure

The policy of Scottish Government is to generate 100% of Scotland's gross annual electricity consumption & 11% of Scotland's heat demand from renewable energy sources by 2020. Net value of this amount of energy, in terms of electricity sales, would be £14 billion by 2050. The large-scale development of offshore wind represents the biggest opportunity for sustainable economic growth in Scotland bringing potentially more than 50,000 related jobs & generating up to £7 billion for the Scottish economy by 2020. Our Clean Energy business enables Wood to exploit this opportunity. Financial implications also include increased revenue from the environment and infrastructure business line which currently reflects 13% of our business sector breakdown. Environmental consulting spend worldwide is predicted to grow at 2% per annum from 2015-2020, equating to a potential financial opportunity of between \$1.43bn and \$1.46bn based on our 2018 revenue breakdown.

Strategy to realize opportunity

Wood's Clean Energy business manages a number of renewable energy assets in the UK and Europe. Our portfolio has a wide range of technologies; offshore wind and tidal with the 7MW Levenmouth Development Turbine and the MeyGen tidal farm as well as the Senegal solar plants in Africa, helping the government work towards its renewable energy targets. The process of taking a wind farm through to application alone may include feasibility studies, consultation, environmental impact assessment, further consultation, installing a met mast to measure wind and a grid connection study, Clean Energy support customers through this process managing their legislative requirements for renewables projects. In partnership with various industry bodies, Wood is supporting businesses to diversify into the offshore wind supply chain and ensuring we remain at the forefront of advancing the energy transition. Our environment and infrastructure business draw on an experienced local footprint, with a wide geographical reach to support our customer's needs relating to environmental consulting, engineering design and construction management. Our Environment and Infrastructure business locations reach from northern Canada to southern Chile and across the

UK and Continental Europe. We provide a full range of services to clients in the power, government, industrial, mining, transportation, pharmaceutical, water, and oil & gas sectors.

Cost to realize opportunity

Comment

Wood has already invested in developing the company's capability for providing solutions to environmental and climate change adaptation related issues, as well as several strategic acquisitions over the past few years to expand capability in these sectors. We plan to continue enhancing our capabilities in this area and diversify our sector share towards more sustainable energy solutions.

Our activities support the development of opportunities arising from regulatory instruments connected to climate change; many of the costs in advancing our efforts are borne by our clients making it difficult to quantify the cost to our business direct. As an example, the costs for a client for a small to medium scale wind farm, onshore in the UK are between £100,000-500,000, and between 1.25-2.5% of a typical small to medium scale project's total cost. Wood supports this process to the point of application/compliance where the typical capital cost of a UK onshore wind farm is £1.2-1.6 million.

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

Type of financial impact

Increased revenue through demand for lower emissions products and services

Company-specific description

Arctic-based projects come with their own set of challenges: extremely cold temperatures, harsh winds, limited daylight in the winter, remote locations, specialized equipment, fragile environments and lack of infrastructure. These challenges all require emphasis on precise, well-defined approaches to planning, engineering, regulatory compliance, and on-going operations; any development of processes, technology and software must ensure it respects this fragile environment as large-scale permafrost degradation due to pipeline interference could lead to major environmental issues. As Arctic snow and ice increasingly thaws year by year, operations in this area become less harsh and more accessible; Wood capitalises on this less harsh environment to help support seabed stability and ice-gouging effects on flexible pipes and umbilical's and supports work on optimizing pipeline designs for Arctic projects to ensure the safety of both the pipeline and the environment. Wood's expertise includes some of the arctic engineering community's most well-regarded individuals. From the early exploration of the Beaufort Sea through the development of the NorthStar, Hibernia and Sakhalin projects, our personnel have been involved in some of the most innovative and ground-breaking frontier projects in the industry. Oil and gas developments in environmentally sensitive and challenging areas such as the Arctic waters must address environmental concerns through extensive contingency plans and the development of cutting edge technology to minimise the potential for environmental pollution or spills. Innovation and our passion for creating new possibilities has helped us to respond successfully to the developing and changing needs of our customers and their diverse operations promoting collaboration throughout the Group and learning from each other. We actively seek opportunities to acquire new skills and expertise in specialist and niche markets.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

50,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The Arctic holds around 90 billion barrels of undiscovered oil (US Geological survey), which is about 13% of the worlds undiscovered, recoverable oil resources and 30% of its undiscovered gas. The price of a barrel of oil in 2015, (the applicable year for our example) ranged from \$30 - \$65 The first subsea pipelines in the Arctic have been a success in providing safe and reliable transportation of oil and gas and Wood supports pioneering work in this area. For Hibernia project alone, for Phase I of the project (which is R and D) Wood invested \$2.35mln. As the potential financial impact is difficult to place a value against, we have used an indicative value of one of our major contracts in the region and the approximate contract value to Wood annually.

Strategy to realize opportunity

As part of a 5-year investment, Wood committed \$100,000/year for the calendar years 2010 through 2014 to support the Wood Chair in Arctic and Harsh Environments Engineering at Memorial University (MUN). The Research and Development Corporation (RDC) of Newfoundland and Labrador matched the \$100,000/year Wood investment. The mandate of the Research Chair is to develop a program of research promoting technology innovation that will seed the evolution of practical engineering solutions and unlock constraints hindering development of hydrocarbon resources in these harsh frontier environments. The research outcomes are integrated within engineering practices to enhance Wood's engineering services through a technology-based value proposition. The research program also promotes the training, mentoring and development of highly qualified personnel that have the technical capabilities to implement advanced technology-based solutions within engineering practice. Wood has since renewed its \$500,000 investment (2016-2020) at MUN. Dr. Hodjat Shiri now holds the Wood Research Chair in Arctic and Harsh Environments Engineering and is also an Associate Professor in the Faculty of Engineering and Applied Science at MUN. Wood provides a technical point of contact for the Wood Chair, this individual has considerable experience in ice-gouge modelling, having worked on an ice-gouge related R and D project for Hibernia in the past and displays the skillsets that differentiate our services.

Cost to realize opportunity

1,150,000

Comment

Woods current commitment and 5 year investment to support the Wood Chair in Arctic and Harsh Environments Engineering at Memorial University (MUN) comes at a cost of \$500,000. Wood also previously conducted joint test programs with MUN that focused on ice gouging in sand, costing in the region of \$0.65 million; this work complimented our work with the chair of arctic and harsh environments at MUN and advanced our knowledge and expertise in the field.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of climate adaptation and insurance risk solutions

Type of financial impact

Increased revenue through new solutions to adaptation needs (e.g., insurance risk transfer products and services)

Company-specific description

Changes in physical climate have had a serious impact in various regions around the world, mainly as a result of precipitation extremes and droughts. As much as this can be described as a risk for our business it can also be an opportunity due to an increased demand for our products and services that aid the mitigation of climate related events and promote climate resilience.

Wood's Environment and Infrastructure Services business focuses on environmental consulting, engineering design and programme and construction management. This part of the business has an extensive footprint across the US, Canada, UK, Europe, Australia and Latin America to support customers' needs across the power, government, industrial, mining, transportation, pharmaceutical, water and oil and gas sectors. A global group of experts from across the Environment & Infrastructure Solutions (E and IS) business have formed an innovative multi-sector Climate, Resilience and Sustainability (CRS) delivery team to implement climate, resilience and sustainability strategies and actions

for businesses, governments and cities. The aim is to enhance and protect the assets and investments of our customers through faster, more efficient response and recovery during and after climate-related shocks and stresses. The team provides services for customers such as the cities of Paris, New York, Nashville, Vancouver, London, Managua, as well the Bank of America, Heathrow Airport, High Speed 2 Railway, the Virgin Islands and partners across all sectors, including planning, water, transport, energy and power and major infrastructure. The CRS team also provides management support and expertise to assist organisations integrating sustainability into their operations. From economic analysis and planning, to carbon management and sustainability reporting, we combine technical expertise, industry knowledge and experience with resilience and sustainability to provide analysis and advice that reduces risks and improves performance.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

10,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

By systematically incorporating climate resilience into investments and operational decisions, it ensures a platform from which shocks and stresses can be quickly recovered from. It reduces disruptions to service provisions, minimises potential loss of income, reduced the risk of

environmental and economic damage, reduced insurance costs, the prospect of litigation and reputational damage and addresses regulation and due diligence requirements. Taking a proactive approach and action to protecting assets and investments reduces the need for additional capital expenditure and unnecessary increases in operational expenditure in the event of a climate related event. Wood has this service provision as a direct revenue stream from which we are able to capitalise on at times of climate related stress to support our customer base. Due to the numerous variables at play the potential financial impact is difficult to project; an approximate amount has been based upon a combination of projects

Strategy to realize opportunity

Our public infrastructure, urban development and resilience framework, provides in-depth analysis, practical implementation and development of solutions and opportunities throughout a projects life cycle. This framework, coupled with the Resilience Infrastructure Sustainable Communities (RISC) programme, which is focused on infrastructure and cities allows Wood to access and integrate global experts throughout the life cycle of any project. Our climate resilient practice embeds climate resilience into any project to manage risk and ensure the long-term viability of our client's operations and activities. Wood is also a partner of 100 Resilient Cities (100RC), pioneered by the Rockefeller Foundation, since 2015. 100RC is a global program aimed at providing urban centres around the world with access to innovative tools that allow them to better plan for potentially destructive weather events. Through our work with 100RC we have been able to provide numerous safe and sustainable project solutions around the globe that not only secure us work contracts but also gives us a platform to best utilise our sustainability and climate resilience expertise; a growing part of our business model. Following on from our partnership with 100RC, Wood is also in discussions with the United Nations Global Compact on the potential opportunity to partner with their UN Global Compact Cities Programme is already a part of a UN global expert working group, seeking to accelerate SDG investments in cities

Cost to realize opportunity

Comment

Investment for the business in building this community of practice internally and marketing our capabilities will help realise our potential impact and opportunity.

Cost of management will be addressed/ forecast with relevant projects/ clients; the cost is unknown given the multiple variable at play.

Identifier

Opp4

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of climate adaptation and insurance risk solutions

Type of financial impact

Better competitive position to reflect shifting consumer preferences, resulting in increased revenues

Company-specific description

Climate change has significant capacity to impact on water security and Wood perceives a growing market in water resources management and have invested to ensure the company is well placed to meet the needs of this marketplace. For example, Wood has been working with the 2030 water resource group since 2013 to undertake analyses to support the business case for sustainable water resource management in Tanzania, Peru, Mexico and Mongolia.

As Wood we have an expanded service offering that builds and compliments our legacy service line. We recognise the impact of climate change and the opportunity this presents for wood to not only grow our business but help drive innovative thinking to tackle water stewardship and other climate related issues.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Increased revenue stream in relation to climate resilience services and advising on water resource management globally. See our website for more information.

<https://www.woodplc.com/sectors/infrastructure/water>

Strategy to realize opportunity

By developing services, we can provide to our clients will not only strengthen our existing customer relationships but also make us more attractive as long-term partners for new clients, particularly those with a regulatory or stakeholder impetus to increase their use of clean energy. Wood has also invested by acquiring several water resource specialist environmental consultancy businesses, and in 2016 re-launched a new water services strategy to build upon the existing expertise within the business. At Wood we seek to be at the forefront of driving the mega trends we see today, that are shaping the global economy and we recognise the key role we play in helping to advance these in line with the global SDGs. We recognise 4 key mega trends that directly affect the long-term sustainability of our business, these include, Energy transition, Digital and Technology, Urbanisation and Sustainable Infrastructure and Future Skills; our work in 2018 and beyond will look at how these trends impact our operations, reflecting these against our long-term strategy to ensure Wood contributes to shaping a sustainable future for generations to come. Our Wood Strategy, detail in our sustainability report (www.woodplc.com), focuses on four elements, Agile Teams, Exceptional Execution, Commercial Acumen and Technological Advantage. Each of our business lines reflect these elements within their strategies, ensuring we align our strategic approach and better advance and connect our capabilities.

Cost to realize opportunity

Comment

Cost of management will be addressed/ forecast with relevant projects/ clients; the cost is unknown given the multiple variable at play.

To be reviewed and forecast as part of the on-going business strategy

Identifier

Opp5

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Shift in consumer preferences

Type of financial impact

Increased revenue through demand for lower emissions products and services

Company-specific description

Wood considers consumer or purchaser behaviour as a critical aspect in the transition towards a more sustainable energy landscape. Consumers, both individuals and organisations, are increasingly savvy in their decision making when considering the environment. This is manifested in their choices: purchasing energy efficient products; partnering with sustainable organisations; consuming less; and paying a premium for “greener” products. Wood delivers comprehensive services to support its customers across the complete life cycle of their assets, from concept to decommissioning, across a range of energy, process and utility markets. To support the transition to clean energy and in particular electricity generation from renewable sources we have invested in and continue to support the growth of activities in the renewable

sector through our Clean Energy and Environment and Infrastructure Services businesses. Our leading clean energy services provide engineering and technical advisory solutions in onshore and offshore wind, solar, wave and tidal and hydro projects. Our focus is on maximising renewable energy assets; from the early stages of site selection and feasibility, right through to operation and maintenance to enhance production potential, safety and profitability. The international team of experts within Wood have the capability to deliver at every phase of a project, supporting clients such as utilities, financiers, developers and many other public and private sector organisations. As an example, in 2017 Wood developed a new release of our ENVision software, created to help clients in the management of their emissions. The real-time environmental information management software system for process and industrial plants provides emissions monitoring, troubleshooting, data gathering, interpretation and complete reporting to regulatory agencies. The updated release now allows customers to access instant compliance information, pulled from a portfolio of downstream facilities, in one central location. Already successfully installed across 60 sites globally, this release marked the first phase of an advanced applications software portfolio for Wood. The power of ENVision's existing technology can now be used across a portfolio of assets, adding value for our customers and ensuring they are compliant with external regulatory bodies.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

300,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Our potential financial impact has been estimated using the percentage value share of Clean Energy to the overall Wood business. Wind energy accounted for 63% of the investments in renewable energy in 2018, up from 52% in 2017. Wind energy now accounts for 18.8% of the EU's total installed power generation capacity. The technology is seen as a major driver for moving beyond fossil fuels and conventional power assets. In 2017 Wood was awarded the construction management contract for Europe's largest single-site onshore wind farm. Appointed by GE Energy Financial Services and Green Investment Group Limited as the owner's engineer on the 650MW Markbygden ETT Onshore Wind Farm located in Swedish Lapland near the town of Piteå; The project, which comprises 179 3.63MW GE wind turbine generators, is set to become Europe's largest single-site onshore wind farm upon completion in 2019 and will increase Sweden's installed wind generation by more than 12.5%.

Strategy to realize opportunity

Our focus on renewable energy has led to Wood being involved in a number of ground-breaking advancements in the renewables sector and is a focus of our business strategy to continually diversify our service offering and provide innovative solutions for our customers and the industry as a whole.

To enhance transition to clean energy & electricity generation from renewable sources, legacy Wood Group acquired Clean Energy (former SgurrEnergy) in 2010. Wood already had experience in marine renewables involving energy generation through wave and tidal power and skills in carbon capture and storage. Clean Energy provides Wood with further capability in renewable energy projects, delivering at every phase of a project, from the early stages of site selection, feasibility and design, project management of the construction phase, operation and maintenance. Through the acquisition of Amec Foster Wheeler in 2017 Wood has increased its environmental expertise to compliment the service offerings in the renewable space with his new service line providing additional project experience across the key renewable sectors including wind, solar, hydro power, geothermal, biomass, bio fuels, and energy from waste, hydrogen, fuel cells, carbon capture and storage and clean coal. To strengthen our reputation legacy Wood Group in Oct 13 switched electricity supply to purchase 100% of its electricity from renewables in the UK, this is something that Wood has continued.

Cost to realize opportunity

3,800,000

Comment

To support the transition to electricity generation from renewable sources, Clean Energy (former SgurrEnergy) were acquired by Wood Group in 2010. Since the acquisition Wood has pursued growth in this company and as a result have seen the employee base increase to support demand. The continuing investment in Clean Energy is circa £3 million (\$3.8m) annually. Additionally, as we move through 2019 Woods expanded service offerings will mean an increase in our annual investment; this will be reviewed and forecast as part of the on-going business strategy.

C2.5

(C2.5) Describe where and how the identified risks and opportunities have impacted your business.

	Impact	Description
Products and services	Impacted	<p>Opportunities: To support the transition to clean energy and electricity generation from renewable sources we have invested in and continue to support the growth of activities in the renewables sector through our Clean Energy and Environment and Infrastructure Services businesses. The international team of experts within Wood have the capability to deliver at every phase of a project, supporting clients such as utilities, financiers, developers and many other public and private sector organisations. In 2017 Wood developed a new release of our ENVision software, created to help clients in the management of their emissions. The real-time environmental information management software system for process and industrial plants provides emissions monitoring, troubleshooting, data gathering, interpretation and complete reporting to regulatory agencies. The updated release now allows customers to access instant compliance information, pulled from a portfolio of downstream facilities, in one central location. Already successfully installed across 60 sites globally, this release marked the first phase of an advanced applications software portfolio for Wood. The power of ENVision's existing technology can now be used across a portfolio of assets, adding value for our customers and ensuring they are compliant with external regulatory bodies. In 2017 Wood was also awarded the construction management contract for Europe's largest single-site onshore wind farm. The project, which comprises 179 3.63MW GE wind turbine generators, is set to become Europe's largest single-site onshore wind farm upon completion in 2019 and will increase Sweden's installed wind generation by more than 12.5%. Climate related issues can also have an impact on business continuity.</p> <p>Risks: Storms in 2018 in the United States Although Wood reported minimal damage to infrastructure, we do</p>

		count the cost of these incidents in the work hours invested into emergency planning meetings, as well as the several days employees face working out-with the office. These events can have potential impacts to the continuity of our products and services.
Supply chain and/or value chain	Impacted for some suppliers, facilities, or product lines	<p>Wood's risks and opportunities in relation to climate related issues in most instances filtrate to our supply chain through a variety of means as a result of any increase or decrease in demand for our products or services. We have a wide reaching and diverse portfolio of approved suppliers and strategic partnerships spanning over 60 countries, approximately 30,000 suppliers across a range of energy, process and utility markets with an annual spend on third part materials and services of over \$4.5bn. Our continual expansion towards climate resilience and renewable energy projects means we can capitalise on the results of climate events, in turn increasing revenue and spend, past onto our supply and value chain;</p> <p>Conversely the drive towards a more sustainable energy landscape means a reduce in some sectors such as oil and gas, this in turn influences our supply and value chains through reduced demand. In recent years Wood has sought to diversify our portfolio to weather industry downturns and now sit at less than 47% oil and gas.</p>
Adaptation and mitigation activities	Impacted	<p>Opportunities: Sustainability and resiliency planning and implementation are required in today's climate change impacted world, to reduce costs, drive efficiency, and manage risks. Wood leverages both mitigation and adaptation strategies to meet client needs and implement integrated engineering solutions. As interlinked services. Sustainability drives efficiency and costs related to waste, water and energy, and allows organizations to reduce their carbon footprint. Resiliency addresses the expected climate change and extreme weather events that may impact operations and areas, providing engineering and planning solutions to address those identified risks. Our scientists, geologists, engineers, biologists, environmental planners and other specialists offer a depth and breadth of capabilities to provide climate change mitigation and adaptation services which increases our revenue stream in climate adaptation and mitigation.</p> <p>Risks: Changes in climate patterns, and increased frequency of extreme events such as severe hail storms can cause serious damage to our facilities. As an example, in 2016, our sites in Killdeer, North Dakota and Baker, Montana suffered roof panel and doors damage due to a strong hail storm. While hail occurs frequently each year in these regions, there are often no warnings as to when and where it will occur. Even though our buildings are</p>

		<p>metal to minimize damage, unusually severe events such as those in 2016 can still have financial repercussions and may be increasingly frequent in the future. We evaluate our global portfolio regularly to mitigate our exposure risk towards climate related events, in Houston for example we have offices located where we are best protected from the effects of flooding. In response to the 2014 Thames valley flooding as a business Wood developed a Flood Emergency Response Plan (FERP), to understand the most important steps to take and the most effective resources needed to reduce the impact of a natural disaster.</p>
<p>Investment in R&D</p>	<p>Impacted</p>	<p>Our investment in R&D continues to increase year on year due to both the risks and opportunities our business faces because of climate related issues. It is both beneficial for our business to invest in R and D to help expand our products and services as well as become more resilient towards the impacts of climate events. Wood has been at the forefront of some leading renewable energy projects, one such example would be our R and D spend on Wood's Galion Lidar, laser-based wind profiler device. Deployment of the technology continues to expand with the most recent being to install the first scanning devices on two floating wind turbines at the Hywind Scotland Pilot Park in Aberdeenshire, Scotland; this type of work both boosts our revenue, our reputation and expands our demonstrable expertise in the renewables market. Additionally, as part of a 5-year investment, Wood committed \$100,000/year for the calendar years 2010 through 2014 to support the Wood Chair in Arctic and Harsh Environments Engineering at Memorial University (MUN). The mandate of the Research Chair is to develop a program of research promoting technology innovation that will seed the evolution of practical engineering solutions and unlock constraints hindering development of hydrocarbon resources in these harsh frontier environments. Wood has since renewed its \$500,000 investment (2016-2020) at MUN and sees this a key mechanism to expand our capabilities, reputation and ultimately revenue from increased demand for our products and services.</p> <p>To aid with our own efforts to reduce energy consumption and reach our carbon compliance targets we also apportion R and D spend to improvements in our operational facilities. One example of this would be our efforts to install Zip Hydro Taps to replace individual kettles; it's estimated that a Zip Tap is about 40% more efficient than a standard water boiling kettle. This spend contributes to meeting our internal, group wide emission reduction targets and helps mitigate the risk of increased financial burden on the business to continually reduce our impact on the environment.</p>

Operations	Impacted for some suppliers, facilities, or product lines	<p>Opportunities: We continue to win and retain more operational work through our environmental and renewable energy capabilities. At times of climate stress, we are well placed to be reactive and support our clients. We have invested in and continue to support the growth of activities in the renewables sector through our Clean Energy and Environment and Infrastructure Services businesses. The international team of experts within Wood have the capability to deliver at every phase of a project, supporting clients such as utilities, financiers, developers and many other public and private sector organisations. In 2017 Wood developed a new release of our ENVision software, created to help clients in the management of their emissions. Already successfully installed across 60 sites globally, this release marked the first phase of an advanced applications software portfolio for Wood. The power of ENVision’s existing technology can now be used across a portfolio of assets, adding value for our customers and ensuring they are compliant with external regulatory bodies. In 2017 Wood was also awarded the construction management contract for Europe’s largest single-site onshore wind farm. The project, which comprises 179 3.63MW GE wind turbine generators, is set to become Europe’s largest single-site onshore wind farm upon completion in 2019 and will increase Sweden’s installed wind generation by more than 12.5%.</p> <p>Risks: Climate related issues can also have an impact on business continuity. Storms in 2018 in the United States Although Wood reported minimal damage to infrastructure in this instance, we do count the cost of these incidents in the work hours invested into emergency planning meetings, as well as the several days employees face working out with the office. These events can have potential impacts to the continuity of our operations both onshore and offshore globally.</p>
Other, please specify	Not evaluated	

C2.6

(C2.6) Describe where and how the identified risks and opportunities have been factored into your financial planning process.

	Relevance	Description
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Revenues	Impacted	<p>As part of on-going business strategy, we regularly update and assess at both a corporate and project level the risks and opportunities associated with climate change issues. In the examples given that showcase our advancements in the renewable sector and our work on climate resilience, each are approved via our internal governance process and strategy discussions at both a local management, business unit and senior leadership level. Our strategy and growth function internally aid the focus and overall direction of our business. We take a measured approach to risk management to hedge exposures wherever practicable to minimise any adverse financial impact on the company's performance. Risk management is carried out by the group treasury department in line with group policies which are approved by the board of directors. Wood recognises that to be a sustainable business we must adapt to remain sustainable over time, for this reason we've reduced our reliance on oil and gas revenues with a mix of renewable and environmental work streams, an increasing revenue stream as the effects of climate change dictates demand for alternative, sustainable energy.</p>
Operating costs	Impacted	<p>As part of on-going business strategy, we regularly update and assess at both a corporate and project level the risks and opportunities associated with climate change issues. In the examples given that showcase our advancements in the renewable sector and our work on climate resilience, each are approved via our internal governance process and strategy discussions at both a local management, business unit and senior leadership level. Our strategy and growth function internally aid the focus and overall direction of our business. We take a measured approach to risk management to hedge exposures wherever practicable to minimise any adverse financial impact on the company's performance. Risk management is carried out by the group treasury department in line with group policies which are approved by the board of directors. Wood recognises that to be a sustainable business we must adapt to remain sustainable over time, for this reason we've reduced our reliance on oil and gas revenues with a mix of renewable and environmental work streams, an increasing revenue stream as the effects of climate change dictates demand for alternative, sustainable energy. The shift towards more renewable energy and environmentally focused work introduces a level of scrutiny upon resource efficiency which in turn has a positive and negative effect on our operating costs. As with many renewable projects proving commercial viability is a key aspect and this reflects in the operating costs both in the work we undertake and bid for as well as our own internal overhead costs, placing greater focus on efficient operation.</p>
Capital expenditures / capital allocation	Impacted	<p>As part of on-going business strategy, we regularly update and assess at both a corporate and project level the risks and opportunities associated with climate change issues. In the examples given that showcase our advancements in the renewable sector and our work on climate resilience, each are approved via our internal governance process and</p>

		<p>strategy discussions at both a local management, business unit and senior leadership level. Our strategy and growth function internally aid the focus and overall direction of our business. We take a measured approach to risk management to hedge exposures wherever practicable to minimise any adverse financial impact on the company's performance. Risk management is carried out by the group treasury department in line with group policies which are approved by the board of directors. Wood recognises that to be a sustainable business we must adapt to remain sustainable over time, for this reason we've reduced our reliance on oil and gas revenues with a mix of renewable and environmental work streams, an increasing revenue stream as the effects of climate change dictates demand for alternative, sustainable energy. The shift towards more renewable energy and environmentally focused work introduces a level of scrutiny upon resource efficiency which in turn has a positive and negative effect on our operating costs. As with many renewable projects proving commercial viability is a key aspect and this reflects in the operating costs both in the work we undertake and bid for as well as our own internal overhead costs, placing greater focus on efficient operation. Our capital expenditure on Galion Lidar or our ENVision software are examples of an opportunity for Wood to financially benefit from reducing future capital expenditure through internal capabilities that will reduce our risk in times of financial constraint; conversely, we recognise the risk of capital expenditure on our property portfolio which we strive to mitigate risk through consolidation and a focus on asset light operations.</p>
<p>Acquisitions and divestments</p>	<p>Impacted</p>	<p>As part of on-going business strategy, we regularly update and assess at both a corporate and project level the risks and opportunities associated with climate change issues. In the examples given that showcase our advancements in the renewable sector and our work on climate resilience, each are approved via our internal governance process and strategy discussions at both a local management, business unit and senior leadership level. Our strategy and growth function internally aid the focus and overall direction of our business. We take a measured approach to risk management to hedge exposures wherever practicable to minimise any adverse financial impact on the company's performance. Risk management is carried out by the group treasury department in line with group policies which are approved by the board of directors. Wood recognises that to be a sustainable business we must adapt to remain sustainable over time, for this reason we've reduced our reliance on oil and gas revenues with a mix of renewable and environmental work streams, an increasing revenue stream as the effects of climate change dictates demand for alternative, sustainable energy. The shift towards more renewable energy and environmentally focused work introduces a level of scrutiny upon resource efficiency which in turn has a positive and negative effect on our operating costs. As with many renewable projects proving commercial viability is a key aspect and this reflects in the operating costs both in the work we undertake and bid for as well as our own internal overhead costs, placing greater focus on efficient</p>

		operation. We recognise the risk posed through acquisitions and the importance of due diligence that considers environmental risk factors. When acquiring renewable and environmental business streams such as those acquired through the acquisition of Amec Foster Wheeler and Sgurr Energy we assess the current and future risks in relation to our strategy, the measured risk impact on advancing our expertise in pioneering fields and the potential financial effect this may have both positive and negative. We also recognise the need to diversify our portfolio where risk or opportunity arises, such as the shift away from fossil fuels and reducing our reliance on oil and gas revenues.
Access to capital	Impacted	As part of on-going business strategy, we regularly update and assess at both a corporate and project level the risks and opportunities associated with climate change issues. In the examples given that showcase our advancements in the renewable sector and our work on climate resilience, each are approved via our internal governance process and strategy discussions at both a local management, business unit and senior leadership level. Our strategy and growth function internally aid the focus and overall direction of our business. We take a measured approach to risk management to hedge exposures wherever practicable to minimise any adverse financial impact on the company's performance. Risk management is carried out by the group treasury department in line with group policies which are approved by the board of directors. Wood recognises that to be a sustainable business we must adapt to remain sustainable over time, for this reason we've reduced our reliance on oil and gas revenues with a mix of renewable and environmental work streams, an increasing revenue stream as the effects of climate change dictates demand for alternative, sustainable energy. The shift towards more renewable energy and environmentally focused work introduces a level of scrutiny upon resource efficiency which in turn has a positive and negative effect on our operating costs. As with many renewable projects proving commercial viability is a key aspect and this reflects in the operating costs both in the work we undertake and bid for as well as our own internal overhead costs, placing greater focus on efficient operation. We recognise the risk posed through acquisitions and the importance of due diligence that considers environmental risk factors. When acquiring renewable and environmental business streams; we assess the current and future risks in relation to our strategy, the measured risk impact on advancing our expertise in pioneering fields and the potential financial effect this may have both positive and negative. We also recognise the need to diversify our portfolio where risk or opportunity arises, such as the shift away from fossil fuels and reducing our reliance on oil and gas revenues. Annually budgets are approved with our group risks and opportunities in mind, this allows for the correct allocation of funding.
Assets	Impacted	As part of on-going business strategy, we regularly update and assess at both a corporate and project level the risks and opportunities associated with climate change issues. In the examples given that showcase our advancements in the

		<p>renewable sector and our work on climate resilience, each are approved via our internal governance process and strategy discussions at both a local management, business unit and senior leadership level. Our strategy and growth function internally aid the focus and overall direction of our business. We take a measured approach to risk management to hedge exposures wherever practicable to minimise any adverse financial impact on the company's performance. Wood recognises that to be a sustainable business we must adapt to remain sustainable over time, for this reason we've reduced our reliance on oil and gas revenues with a mix of renewable and environmental work streams, an increasing revenue stream as the effects of climate change dictates demand for alternative, sustainable energy. The shift towards more renewable energy and environmentally focused work introduces a level of scrutiny upon resource efficiency which in turn has a positive and negative effect on our operating costs. As with many renewable projects proving commercial viability is a key aspect and this reflects in the operating costs both in the work we undertake and bid for as well as our own internal overhead costs, placing greater focus on efficient operation. We recognise the risk posed through acquisitions and the importance of due diligence that considers environmental risk factors. When acquiring renewable and environmental business streams; we assess the current and future risks in relation to our strategy, the measured risk impact on advancing our expertise in pioneering fields and the potential financial effect this may have both positive and negative. We are predominantly an asset light organisation due in part to the nature of our operations, centring mainly around service provision; this reduces risk to our business at times of industry downturns. Through our innovative products we can realise positive opportunities with little risk to our business.</p>
Liabilities	Impacted	<p>As part of on-going business strategy, we regularly update and assess at both a corporate and project level the risks and opportunities associated with climate change issues. In the examples given that showcase our advancements in the renewable sector and our work on climate resilience, each are approved via our internal governance process and strategy discussions at both a local management, business unit and senior leadership level. Our strategy and growth function internally aid the focus and overall direction of our business. We take a measured approach to risk management to hedge exposures wherever practicable to minimise any adverse financial impact on the company's performance. Wood recognises that to be a sustainable business we must adapt to remain sustainable over time, for this reason we've reduced our reliance on oil and gas revenues with a mix of renewable and environmental work streams, an increasing revenue stream as the effects of climate change dictates demand for alternative, sustainable energy. The shift towards more renewable energy and environmentally focused work introduces a level of scrutiny upon resource efficiency which in turn has a positive and negative effect on our operating costs. As with many renewable projects proving commercial viability is a key aspect and this reflects in the operating costs both in the work we</p>

		undertake and bid for as well as our own internal overhead costs, placing greater focus on efficient operation. We recognise the risk posed through acquisitions and the importance of due diligence that considers environmental risk factors. When acquiring renewable and environmental business streams; we assess the current and future risks in relation to our strategy, the measured risk impact on advancing our expertise in pioneering fields and the potential financial effect this may have both positive and negative. We are predominantly an asset light organisation due in part to the nature of our operations, centring mainly around service provision; this reduces risk to our business at times of industry downturns. Through our innovative products we can realise positive opportunities with little risk to our business.
Other	Not evaluated	

C3. Business Strategy

C3.1

(C3.1) Are climate-related issues integrated into your business strategy?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?

No, and we do not anticipate doing so in the next two years

C3.1c

(C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.

i&ii) Wood integrates climate change (CC) into its business strategy as follows: Our Values provide a sound basis on which to make decisions and assist us in considering the broad spectrum of risks and uncertainties that can impact operational and financial performance across the Group. Annually both legacy companies prior to the creation of Wood held Values awards to acknowledge employee contributions to Woods efforts in addressing, amongst other aspects, Climate Change, and social and environmental responsibility. Finalists and winners in both

schemes are publicised through digital employee newsletters & on our website. In 2019, we will combine these with the creation of our Inspire Awards. Annual Group HSSEA Objectives identify key areas of focus to support our strategic goals, including where relevant site-specific activities to support emission reductions. Progress is reported monthly at Group ELT level as part of the monthly HSSEA report & also features during the Global HSSEA Leadership Team meeting where the HSSEA strategy & plan is reviewed by senior HSSEA leaders within Wood. In 2018 we continued to improve our global emissions reporting and 3-year strategy towards setting targets. Through our HSSE Management System Standard our business units are required to align their environmental management system to ISO14001. Certified businesses are subject to external audits. Additionally, we committed to an interim 2.5% year on year emission reduction target on Scopes 1 & 2 (market-based) per unit revenue as part of our business strategy towards global target setting.

iii) Aspects of CC that influence Wood strategy: climate-change related regulations are driving increased reporting boundaries, and changes in consumer behaviour are influencing our own operations, products & services we bring to market. Additionally, fossil fuels combustion has a strong impact on climate change, due to the CO₂e emitted, driving Investors and countries around the globe to a transition towards renewable energy. These factors led us to enhance our renewable energy capabilities, through our continued expansion of our Clean Energy business and Environment and Infrastructure Services. An example being the deployment of the Galion Lidar (GL) wind energy survey system; ensuring rigor in operational practice and managing physical weather events by risk mitigation through building improvements in high risk areas; Additionally, our ENVision software helps clients in the management of their emissions.

iv) Short term strategy (1-3yrs): Annual Group objectives allow resources to be targeted effectively & business units to work on issues relevant to their operations such as building rationalisation and installing more efficient technology to support emission reductions. In 2018, this included expanding the roll out of our emissions reporting tool & ensuring the consistent upload of data. Wood operate an HSSE Management System Standard which all businesses must align to as well as conduct annual self-assessments, subject to further internal review. One of the standards key elements addresses HSSE leadership and defines leadership accountability in understanding and managing HSSE risks as well as their own personal involvement through management visits to site. We train all senior leaders via our Frontline Leadership Program, detailed more, in our annual sustainability report. In 2018, we held our first Sustainability week, an annual date in the Wood calendar that also helps raise awareness of environmental issues & encourages employees to reduce energy & emissions through interactive, local community events. Other regular communications are sent across the business to inform and aid awareness on Environmental reporting. Our Carbon Footprint program started in 2001 expanding its scope annually helping to improve our carbon management & reduction, this was then refreshed with our three-year strategy to align Wood towards setting group wide targets. Our R&D programs seek to improve our clean energy services, products and technologies to address the opportunities created by changing consumer behaviour and their interest in renewables.

v) Long term strategy (5–10yrs): The key CC influence is the transition towards a more sustainable energy landscape to meet changing consumer behaviour. To support this, we continue to invest in our Clean Energy business, developing our capabilities in the renewable energy sector. We remain committed to aggressive growth in this area. At Wood we believe technology will drive efficiency and have developed the Galion Lidar to ensure the most efficient operation of wind turbines, referred to in (iii) above. We have also renewed our commitment to support the Wood Chair in Arctic and Harsh Environments Engineering at Memorial University (MUN) with a \$500,000 investment (2016-2020). This research promotes technological innovation that will seed the evolution of practical engineering solutions and unlock constraints hindering development of hydrocarbon resources in these harsh frontier environments.

vi) Our long & short-term strategies influenced by CC are gaining us strategic competitive advantage by providing efficiency and cost savings from operational changes & adapting our offering of services products and technologies that help increase our market share within the growing green energy market. Evolutionary change has meant the inclusion of climate change associated risk to our strategy.

vii) How the Paris Agreement has influenced the business strategy: the EU and its Member States are committed to a binding target of an at least 40% domestic reduction in greenhouse gas emissions by 2030 compared to 1990. Together with this, new sector-specific methodologies are being created to help companies set targets in line with the Paris objectives. Wood is keen to establish a Science Based Target to efficiently participate in the global effort to limit temperatures raise post our 3-year carbon strategy to align our business. Wood also developed the Resilience Implementation Framework, providing in-depth analysis, practical implementation and development of solutions and opportunities throughout a project's lifecycle and beyond. This framework, coupled with the Resilience Infrastructure Sustainable Communities (RISC) programme, which is focused on infrastructure and cities allows Wood to access and integrate global experts throughout the life cycle of any project. Our climate resilience practice embeds climate resilience into any project to manage risk and ensure the long-term viability of our clients' operations and activities. Additionally, we have strengthened our efforts on reducing emissions by promoting the use of teleconference to help mitigate the need to travel. Most significantly this has meant less long-haul flights for senior level leaders.

C3.1g

(C3.1g) Why does your organization not use climate-related scenario analysis to inform your business strategy?

Wood doesn't yet utilise climate related scenario analysis as part of determining group strategy. We are still in the process of integrating our legacy businesses that will help us align our systems and processes; once this has been complete we will be better placed to assess and implement a more robust method of capturing climate related issues. In the interim period we continue to, as part of on-going business strategy, regularly update and assess at both a corporate and project level the risks and opportunities associated with climate change issues. We take a

measured approach to risk management to hedge exposures wherever practicable to minimise any adverse impact on the company's performance and this is applied across the varying factors of our overall performance. Wood recognises that to be a sustainable business we must adapt to remain sustainable over time, for this reason we've reduced our reliance on oil and gas revenues with a mix of renewable and environmental work streams, an increasing revenue stream as the effects of climate change dictates demand for alternative, sustainable energy. The shift towards more renewable energy and environmentally focused work introduces a level of scrutiny upon resource efficiency which in turn has a positive and negative effect on our operating costs. As with many renewable projects proving commercial viability is a key aspect and this reflects in the operating costs both in the work we undertake and bid for as well as our own internal overhead costs, placing greater focus on efficient operation. When acquiring renewable and environmental business streams, such as those acquired through the acquisition of Amec Foster Wheeler and Sgurr Energy, we assess the current and future risks in relation to our strategy, the measured risk impact on advancing our expertise in pioneering fields and the potential financial effect this may have both positive and negative. We also recognise the need to diversify our portfolio where risk or opportunity arises, such as the shift away from fossil fuels and reducing our reliance on oil and gas revenues. As we become a more aligned business we will re-assess our approach to strategy in terms of climate related risk and will likely look at climate related scenario analysis as a means of determining business strategy.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Intensity target

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Scope

Scope 1+2 (location-based)

% emissions in Scope

100

Targeted % reduction from base year

4

Metric

Metric tons CO₂e per unit revenue

Base year

2017

Start year

2017

Normalized base year emissions covered by target (metric tons CO₂e)

0.00001186

Target year

2018

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

% of target achieved

100

Target status

Achieved

Please explain

We are still in the process of integrating our legacy businesses that will help us align our systems and processes; once this has been complete we will be better placed to assess and implement a more robust method of capturing our carbon footprint. We have announced a three-year strategy that will align our carbon collection and reporting, beginning in October 2017 and ending in September 2020; at this point we will have a base year of emissions, based on our new global reporting basis to set more robust targets that will help us align with global targets. In turn this will also allow us to increase our scope of CDP reporting to expand to a global operational basis.

In the interim period as our three-year strategy is in progress we are setting an intensity target of 2.5% reduction, based on global revenue that will be supported through our HSSEA objectives and driven by our group sustainability programme. As mentioned previously, we will re-visit carbon targets at the end of our integration carbon strategy where we will look at setting more robust targets and the potential for science-based targets in aligning Wood with the global reduction commitments made at COP 21.

In the above calculation, from our base year intensity figure of 0.00001186, we have reduced by 4% based on the 2018 intensity figure, calculated to be 0.00001133. We anticipate the same target in 2018/19, until we reach the end of our carbon strategy to align our reporting processes and allow the reset of our base year and introduction of emission reduction targets.

% change anticipated in absolute Scope 1+2 emissions

2.5

% change anticipated in absolute Scope 3 emissions

0

C4.2

(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*		
Implementation commenced*		
Implemented*	1	5,368.5
Not to be implemented		

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative type

Low-carbon energy purchase

Description of initiative

Other, please specify

Solar, wind, hydro, biomass, anaerobic digestion

Estimated annual CO2e savings (metric tonnes CO2e)

5,368.5

Scope

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

115,927

Investment required (unit currency – as specified in C0.4)

0

Payback period

No payback

Estimated lifetime of the initiative

Ongoing

Comment

Wood purchases 100% green electricity across our legacy WG business. In 2018, we included a number of new facilities under our UK master agreement, and in 2019 this will be expanded to our acquired AFW locations, to include our full UK portfolio under a single master agreement. At present, Wood does not benefit from our decision to source electricity from renewable sources, although through the groups compliance with UK CRC legislation, if this were considered, the value placed at the compliance cost in 2018, would equate to a saving of \$115,927 (@ a buy to comply rate of £17.70)

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	Special budget dedicated to ensuring regulatory compliance with the mandatory national/international environment and climate change regulations.
Dedicated budget for energy efficiency	Special budget dedicated for energy efficiency activities within the group.
Dedicated budget for other emissions reduction activities	Special budget dedicated to emission reduction initiatives across the group.
Employee engagement	Special budget dedicated for employee engagement activities, i.e. Environment Day, Beach clean, Sustainability Week, Earth Day
Internal incentives/recognition programs	Specific budget allocated for employee awards, i.e. Living Our Values/President's Awards and upcoming Inspire Awards to be launched in 2019, combining both legacy recognition schemes.
Dedicated budget for low-carbon product R&D	Budget allocated at divisional level includes R&D budget allocated to renewable technology.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Group of products

Description of product/Group of products

Wood's Clean Energy business provides end to end renewable project support for our clients with wide ranging capabilities around On & Offshore Wind; Solar; Hydro; Wave & Tidal; & Bio Energy. Our environment and infrastructure business draw on an experienced local footprint with a wide geographical reach to support our customer's needs related to environmental consulting, engineering design and construction management

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Low-Carbon Investment (LCI) Registry Taxonomy

% revenue from low carbon product(s) in the reporting year

Comment

Our environment and infrastructure business line currently reflect 13% of our sector split alongside Clean Energy that makes up 3% of our sector breakdown. Environmental consulting spend worldwide is predicted to grow at around 2% a year from 2015-2020, double the rate in the preceding five years. This market has seen steady growth in recent years and this is forecast to continue.

Level of aggregation

Product

Description of product/Group of products

Wood's Galion Lidar is a laser-based wind profiler device for wind speed measurement & directional data capture, providing users simple & accurate means of assessing wind speeds. Galion wind speed Lidar technology represents a significant advancement in the technical capabilities of capturing wind data, the use of which ensures optimal configuration of wind turbines within the landscape & in relation to each other, resulting in maximised energy generation & minimal wear & tear on equipment.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Low-Carbon Investment (LCI) Registry Taxonomy

% revenue from low carbon product(s) in the reporting year

Comment

Our environmental spend is not broken down to detail the revenue gained but the use of Galion Lidar has continued to go from strength to strength with the latest deployment being to install the first scanning devices on two floating wind turbines at the Hywind Scotland Pilot Park in Aberdeenshire, Scotland; this type of work both boosts our revenue, our reputation and expands our demonstrable expertise in the renewables market.

Level of aggregation

Product

Description of product/Group of products

OptiWave - Financial and engineering optimisation software for wave energy systems.

Jointly developed by Wood and Exceedence, the OptiWave platform combines two software tools, Exceedence Finance, a techno-financial modelling package that performs detailed financial appraisals, and Flexcom Wave, an offshore marine energy engineering simulator that provides enhanced insight into power generation capabilities and structural designs.

Key benefits of OptiWave:

- Accurate performance metrics: all financial projections are based on detailed engineering models and real-world wave resources
- Design optimisation: explore potential advances in energy generation and identify opportunities for cost reduction
- Detailed understanding: gain key insights into annual energy production, local power fluctuations, loads in structural members and fatigue life expectancy
- Unlock investment: increase investor confidence by de-risking projects and providing financial information in investor's language
- Recognised by industry: validated via industry case studies and technical papers

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Evaluating the carbon-reducing impacts of ICT

% revenue from low carbon product(s) in the reporting year

Comment

Cost is a major factor in making tidal and wave energy commercially viable but advancements in technology are beginning to realise efficiencies that have attracted renewed interest in this form of renewable energy. At Wood, we are currently involved in some of the world's leading tidal projects, seeking to demonstrate the viability of the technology and its potential for growth, as well as helping to develop industry standards to support technological advancement and application.

Our OptiWave software brings many benefits, that advance the use of renewable energy:

- Accurate performance metrics: all financial projections are based on detailed engineering models and real-world wave resources
- Design optimisation: explore potential advances in energy generation and identify opportunities for cost reduction
- Detailed understanding: gain key insights into annual energy production, local power fluctuations, loads in structural members and fatigue life expectancy

- Unlock investment: increase investor confidence by de-risking projects and providing financial information in investor's language
- Recognised by industry: validated via industry case studies and technical papers

Level of aggregation

Product

Description of product/Group of products

Wood's Optimiser Service. Our optimiser services are available to wind and solar farm owners, operators, developers, and investors. These services can be applied to existing assets or during the pre-construction phase of a project and can increase annual energy production and financial returns.

Wind and solar farm developers and operators place increasing emphasis on ensuring assets deliver maximum return on investment. A number of standard approaches are already applied globally, but we can do even more.

Our services can be tailored for individual sites or portfolios to optimise production using:

- Aerodynamic enhancement
- Advanced noise management
- Control improvements
- Forestry restructuring
- Life extension
- Site optimisation
- Yaw alignment optimisation
- Individual blade control
- Control optimisation

In our experience, performance improvement measures can deliver between 4% and 9% enhancement at a typical wind farm. Bringing together our reputation of robust, proven performance assessment and our significant industry experience, our expertise is now applied to credible

measures that will fully enhance production and performance, and asset return on investment.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

Optimising existing renewable projects to extend their lifespan or increase operational efficiency

% revenue from low carbon product(s) in the reporting year

Comment

We have used our advanced technology to extend the life and performance of more than 50 wind farms around the world. Our optimiser services combines revolutionary LIDAR technology to visualise airflow, state-of-the-art computational models and real data from the turbines to extract greater performance from wind farm assets. These case studies show how we are helping our customers get the most from their investments.

As an example, We were appointed by an operator to investigate the performance of its Swedish wind farms. The forest around these sites creates complex wind flow that reduces performance. Optimiser was used along with state-of-the-art computational modelling to suggest felling plans that would maximise windfarm production while remaining commercially and environmentally acceptable to the forestry operators. We identified a genuine win-win with the felled areas replanted to modern standards, bringing biodiversity and other environmental benefits. The commercial value to the customer is in the region of \$25 million, an excellent gain on current production. Needless to say, the recommendations made by the clean energy team have been fully accepted and we are now managing the forestry restructuring activity on behalf of the operator.

The long-term gains from incremental improvements are significant over the life of these assets and we are excited to be at the forefront of developments in this field.

Level of aggregation

Product

Description of product/Group of products

eXpert - eWorking solution.

Our eXpert solution, a state-of-the-art video, audio and data streaming hardware and software package, brings teams from anywhere around the world, closer together. Through a dedicated hub, eXpert enables, experts in the office can collaborate with on-site staff in real time, to find a solution without the travel logistics and associated delay and costs.

eXpert is not limited by geographical restraints. With a satellite uplink, you can connect anywhere in the world whether or not you have a local network. The system also allows multiple locations to dial into a call, significantly enhancing collaboration capability. Our system is currently the only one on the market to enable such wide ranging connectivity.

The touch-screen technology allows you to take snapshots, highlight areas on screen or even mark up during live feed, directing the local operative to key areas for further inspection or identifying points around the site. This key feature helps you gain clarity and agreement with all parties in the room, confirming decisions and speeding up the operational process. Enhanced functionality allows sharing of diagrams, instructions or drawings to further enhance understanding of issues and resolutions.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Evaluating the carbon-reducing impacts of ICT

% revenue from low carbon product(s) in the reporting year

Comment

eXpert is a state-of-the-art hardware and software package for video, audio and data sharing. It enables an office-based expert to see first-hand site-based problem without the environmental burden of air or land travel. The solution was introduced to our UK based contracts in 2017 with significant results to date. Methodology: Over a total of 9 contracts, from 01/01/2017 to date there was an average of 140 hours of video data

shared per contract. This is the equivalent to 11.6 x 12-hour shifts – which is about the average length of a deployment. The average emissions burden per trip was calculated based on the 9 contracts that were the focus of analysis. The average emissions of a return trip were found to be 2.3 metric tonnes CO₂e. These values are an average based upon best available data at the time.

In 2018, roll out of eXpert continued, however we do not have updated figures to detail.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

October 1, 2016

Base year end

September 30, 2017

Base year emissions (metric tons CO₂e)

16,208.77

Comment

Wood came into existence on the 6th October 2017 through Wood Group's acquisition of Amec Foster Wheeler. Both legacy companies operate differing global reporting scopes; legacy Wood group on a financial basis and legacy Amec Foster Wheeler on an operational basis; as such we are unable to draw fair comparison between the combining companies. The Amec Foster Wheeler data has been aligned to fit with the WG data for the 2018 CDP report. Our approach towards carbon reporting at Wood will be a key focus as we progress through 2018 towards a combined method.

Based upon a carbon year from 1 October to 30 September, our three year strategy to align reporting commenced in October 2017 ensuring we are fully aligned by October 2020 ; this will allow us to utilise the data from year 3 in setting our baseline and allow us to set group wide carbon reduction targets.

Year one - Migrating to one reporting system and laying the process foundations to support data collection.

Year two - Align and begin reporting scope 1 and 2 emissions on an operational basis globally

Year three - Align and begin reporting scope 3 emissions based upon a materiality assessment of the business conducted in year 1.

Scope 2 (location-based)

Base year start

October 1, 2016

Base year end

September 30, 2017

Base year emissions (metric tons CO₂e)

18,860.4

Comment

Wood came into existence on the 6th October 2017 through Wood Group's acquisition of Amec Foster Wheeler. Both legacy companies operate differing global reporting scopes; legacy Wood group on a financial basis and legacy Amec Foster Wheeler on an operational basis; as such we are unable to draw fair comparison between the combining companies. The Amec Foster Wheeler data has been aligned to fit with the WG data for the 2018 CDP report. Our approach towards carbon reporting at Wood will be a key focus as we progress through 2018 towards a combined method.

Based upon a carbon year from 1 October to 30 September, our three year strategy to align reporting commenced in October 2017 ensuring we are fully aligned by October 2020 ; this will allow us to utilise the data from year 3 in setting our baseline and allow us to set group wide carbon reduction targets.

Year one - Migrating to one reporting system and laying the process foundations to support data collection.

Year two - Align and begin reporting scope 1 and 2 emissions on an operational basis globally

Year three - Align and begin reporting scope 3 emissions based upon a materiality assessment of the business conducted in year 1.

Scope 2 (market-based)

Base year start

October 1, 2016

Base year end

September 30, 2017

Base year emissions (metric tons CO₂e)

12,193.58

Comment

Wood came into existence on the 6th October 2017 through Wood Group's acquisition of Amec Foster Wheeler. Both legacy companies operate differing global reporting scopes; legacy Wood group on a financial basis and legacy Amec Foster Wheeler on an operational basis; as such we are unable to draw fair comparison between the combining companies. The Amec Foster Wheeler data has been aligned to fit with the WG data for the 2018 CDP report. Our approach towards carbon reporting at Wood will be a key focus as we progress through 2018 towards a combined method.

Based upon a carbon year from 1 October to 30 September, our three year strategy to align reporting commenced in October 2017 ensuring we are fully aligned by October 2020 ; this will allow us to utilise the data from year 3 in setting our baseline and allow us to set group wide carbon reduction targets.

Year one - Migrating to one reporting system and laying the process foundations to support data collection.

Year two - Align and begin reporting scope 1 and 2 emissions on an operational basis globally

Year three - Align and begin reporting scope 3 emissions based upon a materiality assessment of the business conducted in year 1.

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO₂e?

Reporting year

Gross global Scope 1 emissions (metric tons CO₂e)

12,739.89

Start date

October 1, 2017

End date

September 30, 2018

Comment

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)

16,208.77

Start date

October 1, 2016

End date

September 30, 2017

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

Woods UK business portfolio procures its UK consumption from renewable sources.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

12,423.72

Scope 2, market-based (if applicable)

7,055.22

Start date

October 1, 2017

End date

September 30, 2018

Comment

Woods UK business portfolio procures its UK consumption from renewable sources.

Past year 1

Scope 2, location-based

18,860.4

Scope 2, market-based (if applicable)

12,193.58

Start date

October 1, 2016

End date

September 30, 2017

Comment

Woods UK business portfolio procures its UK consumption from renewable sources.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Not relevant, explanation provided

Explanation

As an energy services provider, this is not applicable to Wood at this time.

Capital goods

Evaluation status

Not relevant, explanation provided

Explanation

As an energy services provider, this is not applicable to Wood at this time.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

901.14

Emissions calculation methodology

emissions associated to the transmission and distribution of purchased electricity.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Explanation

emissions associated to the transmission and distribution of purchased electricity.

Upstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Explanation

As an energy services provider, this is not applicable to Wood at this time.

Waste generated in operations

Evaluation status

Not relevant, explanation provided

Explanation

As an energy services provider, this is not applicable to Wood at this time.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

19,160.75

Emissions calculation methodology

Emissions are based on service providers emissions reports. These are using DEFRA methodologies to calculate emissions by transportation mode.

Note - we are still aligning our scope 3 reporting, as part of our 3 year carbon strategy to align our business on carbon reporting. In 2020, we will implement a combined approach to scope 3 reporting, however for 2017/18 this figure increased slightly, due in part to the inclusion of road travel on the legacy WG data portion, not previously captured. As we improve our data collection process, we see this figure becoming more accurate and in the short term increase. In 2020, we will be setting carbon reduction targets that will aim to reduce our overall emissions.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Explanation

The emissions listed here consider our total European boundaries

Employee commuting

Evaluation status

Relevant, not yet calculated

Explanation

As part of our 3 year carbon strategy, starting in October 2017, we aim to review employee commuting in year three (2019/20) and as such will be able to provide some data around this, once we survey our employee base. This ties into our strategy to review and collect data for scope 3 reporting in 2019/20 carbon year, to set group wide reduction targets in 2020.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Explanation

Wood chose to report in operational boundaries, therefore our emission tracking will only consider this scope. Upstream leased assets fall out of the scope of our reporting.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Explanation

As an energy services provider, this is not applicable to Wood at this time.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Explanation

As an energy services provider, this is not applicable to Wood at this time.

Use of sold products

Evaluation status

Not relevant, explanation provided

Explanation

As an energy services provider, this is not applicable to Wood at this time.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Explanation

As an energy services provider, this is not applicable to Wood at this time.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Explanation

Wood chose to report in operational boundaries, therefore our emission tracking will only consider this scope. Downstream leased assets fall out of the scope of our reporting.

Franchises

Evaluation status

Not relevant, explanation provided

Explanation

Wood or our subsidiaries are not subject to franchises

Investments

Evaluation status

Not relevant, explanation provided

Explanation

Investments are not included in our selected boundaries

Other (upstream)

Evaluation status

Not relevant, explanation provided

Explanation

no other upstream emissions identified

Other (downstream)

Evaluation status

Not relevant, explanation provided

Explanation

no other downstream emissions identified

C6.7

(C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO₂e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.00001133

Metric numerator (Gross global combined Scope 1 and 2 emissions)

25,163.61

Metric denominator

unit total revenue

Metric denominator: Unit total

2,220,700,000

Scope 2 figure used

Location-based

% change from previous year

4

Direction of change

Decreased

Reason for change

Reduction has been attributed to a rationalisation of our combined property portfolio, since the acquisition of AFW and the creation of Wood; as well as ongoing energy efficiency awareness programmes, run throughout 2018 across the business. Additional reduction has come from reduced onsite fuel use at our Transmission and Distribution business site projects and closure of our Global Power Group business and our manufacturing plants in Poland, Finland and Sweden in 2018.

Intensity figure

0.00000891

Metric numerator (Gross global combined Scope 1 and 2 emissions)

19,795.11

Metric denominator

unit total revenue

Metric denominator: Unit total

2,220,700,000



Scope 2 figure used

Market-based

% change from previous year

7

Direction of change

Decreased

Reason for change

Reduction has been attributed to a rationalisation of our combined property portfolio, since the acquisition of AFW and the creation of Wood; as well as ongoing energy efficiency awareness programmes, run throughout 2018 across the business. Additional reduction has come from reduced onsite fuel use at our Transmission and Distribution business site projects and closure of our Global Power Group business and our manufacturing plants in Poland, Finland and Sweden in 2018.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	12,597.44	IPCC Fifth Assessment Report (AR5 – 100 year)

CH4	18.82	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	123.63	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Ireland	2.69
Norway	5.51
Russian Federation	7.14
Slovakia	33.21
United Kingdom of Great Britain and Northern Ireland	12,017.87
Poland	0
Belgium	6.94
Sweden	0
Spain	267.55
Italy	298.96
Czechia	5.6
Finland	0
Germany	2.38
France	90.62
Switzerland	0.17
Romania	1.26

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

By facility

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Asset Solutions Europe, Africa, Australia & Asia	9,245.21
Specialist Technical Solutions	1,646.63
Environment and Infrastructure Services	124.76
Investment Services	
Group Functions	1,723.3

C7.3b

(C7.3b) Break down your total gross global Scope 1 emissions by business facility.

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
GPG PS and ;T - Poland - Site			
Unspecified Facility			
GPG P and ;T - Sweden - Plant			
O and G CP and AM-Glasgow, 3 Seaward Place	10.17	55.84858	-4.27756
GPG E and I - Madrid - Office	74.99	40.416775	-3.70379

SOUTHERN EUROPE - Italy - Milan, Sesto San Giovanni	26.22	45.464203	9.189982
O and G CPAM-Hull-Sovereign House	14.32	53.74783	-0.30962
SOUTHERN EUROPE - Italy - Milan, Via S.Caboto	272.74	45.464203	9.189982
O and G UAS-Aberdeen-111 Gallowgate	7.39	57.15131	-2.09894
O and ;G UAS-Aberdeen-SES Minto Drive Warehouse			
SOUTHERN EUROPE - Spain - Madrid, Gabriel Garcia Marquez	80.29	40.416775	-3.70379
O and G CP and ;AM-Darlington-Lingfield Point	257.24	54.528728	-1.55305
Clean Energy-Czech Republic-Brno-Krenova Street	5.6	49.192051	16.61319
Clean Energy-Slovakia&Czech Republic-UI. Piestanska	31.1	50.08781	14.42046
GPG PS and ;T - Finland Varkaus Manufacturing plant			
Clean Energy-Harwell, Building 150, Thomson Avenue			
Clean Energy-Birchwood-Newton House	0.47	53.2172	-0.60116
Clean Energy-Birchwood-Lovell House	0.68	53.2172	-0.60116
E and I-Leamington Spa, Gables House	0.22	52.29199	-1.53578
O and G CPAM- Buncefield Oil Terminal			
E and I-Penicuik, Doherty Innovation Centre			
E and I-Leeds,Prospect House, 32 Sovereign Street	0.13	53.79969	-1.5491
E&I-Bristol, Redcliff Quay			

O&IG UAS-TGT, Theddlethorpe			
T and D-Site Projects	1,567.97	54.528728	-1.55305
Clean Energy-Sellafield	157.35	54.42555	-3.50491
O and G UAS-Brechin CLIENT SITE			
GPG PS and ;T - Finland (Espoo) - Office			
E and I-Munich-Grobenzell, Munich	2.38	48.13913	11.58022
O and G CPAM-Hull-Unit 4 Stonetec Business Park, Stoneferry Road	3.29	53.74783	-0.30962
O and G CPAM- Hull- Unit H&L Strawberry Street	4.02	53.74807	-0.31896
O and G CPAM-Hull-Unit G Strawberry Street	2.37	53.74807	-0.31896
O and G CPAM-Hull-Unit D, Strawberry Street	3.6	53.74807	-0.31896
O and G CPAM-Hull-Bankside, Woodhouse Street	5.62	53.74783	-0.30962
O and G CPAM - Gt Yarmouth - Phase 02 - Edison Way	17.63	52.607689	1.73299
O and G CP and AM- Reading, Shinfield Park	125.74	51.41607	-0.95443
Clean Energy - Newbury - Lomond House	1.96	53.2172	-1.30702
Clean Energy-Birchwood-Birchwood Park	136.88	53.2172	-0.60116
O and G UAS-Aberdeen-City Gate			
T and D-Darlington-Haughton Road	155.31	54.528728	-1.55305
T and D-Swindon-Marshgate Trading Estate	0.02	51.558418	-1.78204
Clean Energy-Birchwood-Walton House	145.88	53.2172	-0.60116
O and G CPAM-Glasgow,FW House 5 Seaward Place	9.34	55.84858	-4.27756
RHi-Aberdeen, 10 Carden Place	11.11	57.149715	-2.094278
Clean Energy-Birchwood - MCLR Building	56.06	53.2172	-0.60116

Clean Energy-Birchwood-Giraffe House	6.44	53.2172	-0.60116
Clean Energy-Birchwood- Cavendish place, Unit 210C	2.43	53.2172	-0.60116
SOUTHERN EUROPE - Switzerland - Basel	0.17	47.559608	7.58061
E and I-Kaiserslautern			
Clean Energy-Bucharest-Grigore Alexandrescu Street	1.26	44.426765	26.102537
Centre-London-Queen Victoria Street			
Unspecified Facility			
6 Fellside Mews	0.1	53.71492	-2.05332
ATG - Nitra Slovakia	2.11	48.669025	19.699024
ATG - Silsoe	601.05	52.00854	-0.42475
ATG - Systems Division Northampton	29.91	52.23484	-0.89732
Bath Street			
Belfast Office	2.69	54.597286	-5.93012
Billingham			
Blackness Trading Estate			
BoM Building	7.14		
Buchanan House	2.74	57.149715	-2.094278
Caledonian House	4.44	57.149715	-2.094278
Craigshaw House	124.04	57.149715	-2.094278

Compass Point	110.63		
John Wood House	0.01	57.149715	-2.094278
Kirkstone House	5,855.53	54.95937	-1.60182
Sandefjord	5.51		
Sir Ian Wood House	113.25	57.149715	-2.094278
St Vincent Plaza (2nd Floor)	7.81		
Tyne House	8.94	54.95937	-1.60182
Wellheads Crescent	43.43	57.149715	-2.094278
Wellheads Place (incl. Annexe)	45.72	57.149715	-2.094278
Wood Fabrication Services	203.07	57.149715	-2.094278
Bedford	33.83	52.135975	-0.466655
Clean Energy UK	122.03	53.39266	-2.587
Clean Energy - Birchwood - Sankey House	1.43	53.2172	-0.60116
Clean Energy-Birchwood-305 Bridgewater Place	0.8	53.2172	-0.60116
E and I - UK	296.62	55.00712	-1.61972
Glasgow Shields road	4.14	55.86568	-4.25714
OGC - France	90.62		
OGC - Spain	112.27		
OGC - UK	16.2		
SOUTHERN EUROPE - Belgium - Antwerp	6.94	51.219448	4.402464
T&D - UK	912.4	54.528728	-1.55305

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO ₂ e)	Scope 2, market-based (metric tons CO ₂ e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
France	24.83	24.83	532.94	0
Germany	44.09	44.09	97.29	0
Ireland	88.95	88.95	236.32	0
Norway	1.33	1.33	156.88	0
Russian Federation	44.01	44.01	123.17	0
Slovakia	6.79	6.79	40.01	0
United Kingdom of Great Britain and Northern Ireland	10,486.32	5,150	14,702.49	18,820.4
Poland	3.98	3.98	5.27	0
Finland	0	0	0	0
Sweden	0	0	0	0
Spain	346.29	346.29	1,176.25	0
Belgium	8.14	8.14	35.79	35.79
Czechia	23.55	23.55	44.99	0
Romania	21.18	21.18	62.02	0
Switzerland	0.14	0.14	5.53	0
Italy	1,074.91	1,074.91	3,124.73	0

Turkey	249.22	249.22	563.2	0
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C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

By facility

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Asset Solutions Europe, Africa, Australia & Asia	9,290.87	1,748.72
Group Functions	356.51	0
Specialist Technical Solutions	2,552.67	146.26
Environment and Infrastructure Services	223.67	42.43

C7.6b

(C7.6b) Break down your total gross global Scope 2 emissions by business facility.

Facility	Scope 2 location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
GPG PS and ;T - Poland - Site	0	0
GPG PS and T - Finland Varkaus Manufacturing plant	0	0
GPG PS and T - Sweden - Plant	0	0

GPG PS and T - Finland (Espoo) - Office	0	0
GPG E and I - Madrid - Office	81.54	81.54
SOUTHERN EUROPE - Belgium - Antwerp, Noorderlaan 79	8.14	8.14
Clean Energy-Czech Republic-Brno-Krenova Street	23.55	23.55
Clean Energy-Bucharest-Grigore Alexandrescu Street	21.18	21.18
E and ;I-Frankfurt-Solmsstrabe	19.51	19.51
E and I-Kaiserslautern	12.31	12.31
E and I-Munich-Grobenzell, Munich	10.61	10.61
Clean Energy - Aix-en-Provence - 970 Rue Rene Descartes	0.94	0.94
T and D-Horsham-Bishops Weald House	9.12	9.12
Clean Energy-Birchwood-Walton House	135.18	135.18
Centre - Cheshire - Booths Park	76.93	76.93
Centre-London-Queen Victoria Street	0	0
O and G CPAM-Glasgow, 3 Seaward Place	38.85	38.85
O and G CPAM-Hull-Unit 4 Stonetec Business Park, Stoneferry Road	3.45	3.45
O and G CPAM- Hull- Unit H&L Strawberry Street	4.14	4.14
O and G CPAM-Hull-Unit G Strawberry Street	5.05	5.05
O and G CPAM-Hull-Unit D, Strawberry Street	7.24	7.24
O and G CPAM-Hull-Bankside, Woodhouse Street	21.56	21.56

O and G CPAM-Glasgow,FW House 5 Seaward Place	89.73	89.73
O and G CPAM-Hull-Sovereign House	41.02	41.02
E and I-Leamington Spa, Gables House	4.4	4.4
E and I-Penicuik, Doherty Innovation Centre	11.82	11.82
E and I-Leeds,Prospect House, 32 Sovereign Street	3.63	3.63
E and I-Bristol, Redcliff Quay	8.03	8.03
E and I-Gosforth, Partnership House	97.55	97.55
SOUTHERN EUROPE - France - Paris, Bercy	11.72	11.72
SOUTHERN EUROPE - France - Normandy	1.03	1.03
SOUTHERN EUROPE - France - Provence	2.68	2.68
SOUTHERN EUROPE - France - Paris, Charenton Le Pont	8.44	8.44
and G CP and AM-London, Canada Square	288.81	288.81
T and D-Leicestershire-Rayns House	0	0
RHI-Guildford-Ashborne House	0	0
SOUTHERN EUROPE - Spain - Madrid, Gabriel Garcia Marquez	264.75	264.75

SOUTHERN EUROPE - Switzerland - Basel	0.14	0.14
T and D-Leicester - Mercury Place	4.58	4.58
SOUTHERN EUROPE - Italy - Milan, Via S.Caboto	1,074.91	1,074.91
Clean Energy - Dorchester - Queen Mother Square	30.05	30.05
Clean Energy - Whitehaven - Westlakes Unit TG01	6.41	6.41
Clean Energy-Booths Park	138.32	138.32
Clean Energy-Birchwood-305 Bridgewater Place	145.66	145.66
Clean Energy-Birchwood-Newton House	120.32	120.32
Clean Energy-Birchwood-Lovell House	13.15	13.15
Clean Energy-Birchwood- Sankey House	4.07	4.07
Clean Energy-Westlakes- Derwent Water Pavillion	0	0
T and D-Darlington-Haughton Road	207.74	207.74
Centre-Bingley-Sewage Treatment Works	1.8	1.8
Clean Energy-Birchwood-Washington House	265.36	265.36
RHi-Aberdeen, 10 Carden Place	4.41	4.41
Clean Energy-Birchwood - Cavendish Place Unit 210B	13.7	13.7
O and G UAS-Aberdeen-Annan House	0	0
O and G UAS-Aberdeen-Pavillion 2 City View	0	0

Clean Energy - Whitehaven - Westlakes Unit TG06	2.97	2.97
Clean Energy-Harwell, Building 150, Thomson Avenue	38.23	38.23
Clean Energy-Slovakia&Czech Republic-UI. Piestanska	5.68	5.68
O and G UAS-Aberdeen-SES Minto Drive Warehouse	0	0
Clean Energy-Birchwood- Cavendish place, Unit 210C	14.28	14.28
Clean Energy-Birchwood-Birchwood Park	137.91	137.91
Clean Energy - Whitehaven - Westlakes Unit 10	10.34	10.34
Clean Energy - Whitehaven - Westlakes Unit TG09	5.47	5.47
Clean Energy - Whitehaven - Westlakes Unit TG08	5.51	5.51
Clean Energy - Whitehaven - Westlakes Unit TG06a	2.03	2.03
O and ;G UAS-Aberdeen-111 Gallowgate	6.46	6.46
T and D-Swindon-Marshgate Trading Estate	56.34	56.34
Clean Energy - Whitehaven - Westlakes Unit TG04	7	7
Clean Energy - Whitehaven - Westlakes Unit TG03	2.46	2.46
Clean Energy-Birchwood - MCLR Building	601.03	601.03
O and G CPAM - Ellesmere Port - Canalside Industrial Estate	8.65	8.65
Clean Energy - Whitehaven - Westlakes Unit TG02	1.79	1.79
E and I-Shrewsbury, Canon Court	37.1	37.1
O and G UAS-Aberdeen-City Gate	0	0
T and D-Southampton, Nursling	0	0

O and G UAS-Aberdeen-Pavillion 3 City View	0	0
O and G UAS-Aberdeen- Pavillion 1 City View	0	0
O and G CPAM - Gt Yarmouth - Phase 02 - Edison Way	50.4	50.4
O and G CPAM - Gt Yarmouth - Phase 01 - Edison Way	120.75	120.75
England - Norfolk - Central Stores Edison Way	43.38	43.38
O and G UAS-Aberdeen - Westgate	55.45	55.45
O and G CPAM- Reading, Shinfield Park	1,743.54	1,743.54
E and I; CLEAN ENERGY - UK - Ashford	0	0
O and G CPAM-Darlington-Lingfield Point	204.45	204.45
Clean Energy - Whitehaven - Westlakes Unit TF18	0	0
15-19 Rue des Mathurins	0.02	0.02
6 Fellside Mews	0.05	0
Admiral Court	0	0
Albert Drive	0	0
ATG - Kings Norton	21.09	0
ATG - Nitra Slovakia	1.11	1.11
ATG - Silsoe	78.25	0
ATG - Systems Division Northampton	29.09	0
Bath Street	0	0
Belfast Office	0.82	0.82
Blackness Trading Estate	6.2	0

BoM Building	27.68	27.68
Buchanan House	14.23	0
Caledonian House	39.88	0
Car Park Wellheads Place	1.54	0
CATS terminal	3,273.53	0
Compass Point	454.19	0
Craigshaw House	19.93	0
Crofton Road	6.76	0
Duart House	93.66	0
Export House	102.07	0
Golf Tower-Stavanger,Norway	0.11	0.11
HODEG Building	16.33	16.33
HydePark Street	0.29	0
JML	21.34	0
John Wood House	5.95	0
Kirkstone House	43	0
Kokstad Næringspark AS (K35) Bergen,Norway	0.06	0.06
Lilleakerveien	0.14	0.14
Moss	0.01	0.01
Porsgrunn	0.03	0.03
Sandefjord	1	1

SgurrEnergy Hamburg office	1.66	1.66
Sir Ian Wood House	673.13	0
Thornton Science Park	1.38	1.38
Trafalgar House 2	0	0
Tyne House	2.59	0
Wellheads Crescent	25.21	0
Wellheads Place (incl. Annexe)	301.34	0
WGK Galway, Block 4&5, Galway Technology Park	88.14	88.14
Wood Fabrication Services	109.01	0
Genesis House	8.05	0
Bedford, 50 Murdock Road	32.33	0
Bright House Court	18.71	18.71
Clean Energy-Gloucester- Barnwood	21.98	21.98
1E Haigh Park Road	1.36	1.36
Clean Energy-Czech Republic-Brno-Krenova Street	23.55	23.55
Europe-O and G UAS-Hull-Marfleet Environmental New	20.25	20.25
Europe-O and G UAS-Hull-Marfleet Environmental Office B	4.29	4.29
NE and CIS-Clean Energy-Warsaw,Poland	3.98	3.98
O and G CPAM- Upton Business Park Hull	1.79	1.79
NE and CIS-O And G UAS-Aberdeen, Scopus House, Howemoss Drive	91.77	91.77
Pavilion 4 - Craigshaw	4.4	4.4

SOUTHERN EUROPE - Turkey - Istanbul, Kucukbakkalkoy Mah	249.22	249.22
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C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO ₂ e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	645.44	Decreased	2.27	Due in part to the ongoing acquisition, more of our UK sites have been added to the electricity master agreement in place for the legacy WG business, this includes procurement of 100% renewable electricity. As we move into 2018/19, our legacy AFW business will become part of this master agreement and ensure this green procurement is applied across all Wood's UK sites.
Other emissions reduction activities				
Divestment	1,852.08	Decreased	6.52	Decrease is mainly attributable to closures of our GPG sites in Poland, Sweden and Finland. Additionally, we had closures of offices and projects associated with our Transmission and Distributions business.

Acquisitions	6,109.72	Decreased	21.51	The remaining decrease in our absolute emissions can be associated with the acquisition of AFW in 2017, to form Wood. The resultant sale of parts of the legacy AFW UK business to Worley Parsons, resulted in a number of office closures or disposal from the groups portfolio. Additionally, as part of the general integration of both businesses, we have seen a rationalisation of our global real estate portfolio.
Mergers				
Change in output				
Change in methodology				
Change in boundary				
Change in physical operating conditions				
Unidentified				
Other				

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	23,216.76	23,216.76

Consumption of purchased or acquired electricity		18,956.47	20,792.65	39,749.12
Total energy consumption		18,956.47	44,009.41	62,965.88

C8.2b

(C8.2b) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Diesel

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

12,789.76

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

Fuels (excluding feedstocks)

Petrol

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

102.33

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

Fuels (excluding feedstocks)

Natural Gas

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

10,263.31

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

Fuels (excluding feedstocks)

Propane Gas

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

61.36

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

Comment

C8.2d

(C8.2d) List the average emission factors of the fuels reported in C8.2c.

Diesel

Emission factor

2.62694

Unit

kg CO₂e per liter

Emission factor source

DEFRA 2018

Comment

<https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2018>

Natural Gas

Emission factor

0.184

Unit

kg CO₂e per liter

Emission factor source

DEFRA 2018

Comment

<https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2018>

Petrol

Emission factor

2.189

Unit

kg CO2e per liter

Emission factor source

DEFRA

Comment

<https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2018>

Propane Gas

Emission factor

1.519

Unit

kg CO2e per liter

Emission factor source

DEFRA

Comment

<https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2018>

C8.2f

(C8.2f) Provide details on the electricity, heat, steam and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.

Basis for applying a low-carbon emission factor

Contract with suppliers or utilities (e.g. green tariff), supported by energy attribute certificates

Low-carbon technology type

Solar PV

Wind

Hydropower

Biomass (including biogas)

Other low-carbon technology, please specify

Anaerobic Digestion

Region of consumption of low-carbon electricity, heat, steam or cooling

Europe

MWh consumed associated with low-carbon electricity, heat, steam or cooling

18,956.47

Emission factor (in units of metric tons CO₂e per MWh)

0

Comment

The heritage Wood Group sites purchase 100% green electricity through a master services agreement in the United Kingdom. In 2019, this will extend the legacy AFW business, as this is incorporated into the master agreement.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Energy usage

Metric value

3.98

Metric numerator

Total Mega Watt Hours (MWh)

Metric denominator (intensity metric only)

Mega watt hours per full time equivalent (FTE).

% change from previous year

1

Direction of change

Decreased

Please explain

This additional metric, provides an intensity measure against the fluctuation of our employee base. In calculating this, we have included both employee and subcontractor headcount.

Compared with last years intensity figure of 4.42, this equates to a 1% decrease.

This additional metric will be utilised going forward however an explanation to the increase is difficult to quantify due to the difficulties in tracking headcount in our legacy systems.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our customers

Yes, other partners in the value chain

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Education/information sharing

Details of engagement

Share information about your products and relevant certification schemes (i.e. Energy STAR)

% of customers by number

13

% Scope 3 emissions as reported in C6.5

0

Please explain the rationale for selecting this group of customers and scope of engagement

Promotion and sharing of information on a number of our innovative solutions, which have both climate related and commercial benefits. Sharing information on these products provides not only a commercial advantage for Wood but also aids our customers in providing more efficient solutions that help tackle climate related issues. Products such as the Wood Galion Lidar, a laser based wind profiler device for wind speed measurement & directional data capture, provides users with simple & accurate means of assessing wind speeds; this in turn helps improve efficiency of renewable wind turbine technology projects, advancing the commercial viability of renewable wind energy. In 2018 we continued to develop our eWorking concept; centred on connecting our people to the decision-making insights, knowledge and expertise where and when they need it most. This integrated system of remote working technology enables our operational teams and client base to make faster and better quality decisions and perform tasks more efficiently and safely.

Impact of engagement, including measures of success

Through client feedback and active monitoring throughout project lifecycles we are able to quantify measures of success in a variety of means. A number of the customer benefits to our products and services are not specifically tracked by Wood and often relate to in the case of our eWorking suite a combination of efficiency savings, most notably in carbon footprint. In regards to our wind energy products, we can estimate efficiency savings through use of the technology but again cannot specifically quantify a value but rather measure success through the advancement and use of these products in the industry. As an example, deployment of our Galion Lidar technology continues to expand with the most recent deployment being to install the first scanning lidar (light detection and ranging) devices on two floating wind turbines at the Hywind Scotland Pilot Park, located 25 km off the coast of Peterhead in Aberdeenshire, Scotland. The 30MW project, which is the world's first commercial floating wind farm, comprises five floating turbines and has the capacity to power approximately 20,000 households.

Type of engagement

Collaboration & innovation

Details of engagement

Other – please provide information in column 5

% of customers by number

13

% Scope 3 emissions as reported in C6.5

0

Please explain the rationale for selecting this group of customers and scope of engagement

We recognise the role that business needs to play in delivering the Sustainable Development Goals, and also the opportunities for growth that they can offer. The Sustainable Development Goal relating to Climate Action is one area where our expertise and innovative services can support the delivery of the targets associated. Wood has an all-encompassing approach to climate resilience. The company provides services across the spectrum, from climate modelling, asset management, business continuity, urban water resilience and risk mapping to economic cost-benefit analysis, resilience engineering and carbon capture and storage. We have seen that incorporating better awareness of, and action on, climate resilience into business, government and infrastructure systems reduces costs via efficiencies such as:

- More effective management processes;
- More efficient infrastructure design;
- Saves money in the future through the protection of assets, faster recovery during and aftershocks;
- Infrastructure and supply chains are better equipped to cope with the vast array of global risks and hazards. We work with our clients to help them understand what climate resilience means to them and the benefit of this being embedded in their projects. This framework allows Wood to integrate world-class experts and regional resources to support our clients within any stage of a project. By systematically incorporating climate resilience into investments and operations decisions, it ensures a platform from which shocks and stresses can be quickly recovered from. It provides numerous benefits including:
- Reduces disruptions to service provision
- Minimises potential loss of income
- Reduces the risk of environmental and economic damage
- Reduces insurance costs, the prospect of litigation and reputational damage
- Addresses regulations and due diligence requirements

Taking a proactive approach and action to protecting assets and investments reduces the need for additional capital expenditure (CAPEX) and unnecessary increases in operational expenditure (OPEX) in the event of a climate related event. Clients increasingly require climate resilience be part of project delivery.

Impact of engagement, including measures of success

Through client feedback and active monitoring throughout project lifecycles we are able to quantify measures of success in a variety of means. An example of this would be our recent project in New York city to introduce a Clean soil bank Dashboard, helping the city of New York better track and manage clean soil exchange to enable the recycling of clean native soil in construction projects; helping in turn to:

- Replace manual paper forms with an online, instant submission process
- Map out identified soil and material opportunities to improve visibility
- Improve associated logistics with soil transfer, which alone:
- Reduce transportation

impacts – 6,140 miles per 1000 tons reused • Reduce GHG emissions – 10tons CO2 per 1000 tons reused • Improve air quality, reduce noise impact and improve pedestrian safety With more than 60% of the clean soil in the city exchanging through the NYC Clean Soil Bank the project has made NYC more resilient to climate impacts and saved the city government \$3.3 million in soil purchase costs to date. Wood has been a partner of 100 Resilient Cities (100RC), pioneered by the Rockefeller Foundation, since 2015. Through our work with 100RC we have been able to provide numerous safe and sustainable project solutions around the globe that not only secure us work contracts but also gives us a platform to best utilise our sustainability and climate resilience expertise; a growing part of our business model.

Type of engagement

Collaboration & innovation

Details of engagement

Other – please provide information in column 5

% of customers by number

3

% Scope 3 emissions as reported in C6.5

0

Please explain the rationale for selecting this group of customers and scope of engagement

Wood's collaboration with eight other organisations on the Enabling Future Arrays in Tidal (EnFAIT) project, led by Nova Innovation, aims to prove that the reliability and availability of tidal energy arrays can be significantly increased and that the cost of tidal energy can be reduced by at least 40%. The project builds on Nova's existing operational tidal power station in Bluemull Sound off the Shetland Islands in Scotland, which was the world's first grid-connected offshore array of tidal energy turbines.

Wood is the independent technical and commercial expert on the project, commissioned to verify each stage of the development process from project engineering design to operation in the tidal stream environment. Over the next four years, the EnFAIT project will extend the Bluemull Sound array to six turbines and demonstrate that high array reliability and availability can be achieved using best practice maintenance regimes.

The layout of the turbines will be adjusted to enable array interactions and optimisation to be studied for the very first time at an operational tidal energy site.

Impact of engagement, including measures of success

Wood's collaboration with eight other organisations on the Enabling Future Arrays in Tidal (EnFAIT) project, led by Nova Innovation, aims to prove that the reliability and availability of tidal energy arrays can be significantly increased and that the cost of tidal energy can be reduced by at least 40%. The project builds on Nova's existing operational tidal power station in Bluemull Sound off the Shetland Islands in Scotland, which was the world's first grid-connected offshore array of tidal energy turbines.

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Type of engagement

Collaboration & innovation

Details of engagement

Other – please provide information in column 5

% of customers by number

3

% Scope 3 emissions as reported in C6.5

0

Please explain the rationale for selecting this group of customers and scope of engagement

Wood's collaboration on the H21 Leeds City Gate feasibility study, led by Northern Gas Networks, is a key example of our work to advance the use of hydrogen as a renewable source of heat. Northern Gas Networks are responsible for supplying and delivering natural gas to 2.7 million

homes across the North of England. The H21 Leeds City Gate Project is a feasibility study, led by Northern Gas Networks (NGN) and supported by several project partners, including Wood. The project aims to establish if it is technically and economically possible to convert the existing natural gas supply in Leeds, one of the largest UK cities, to hydrogen.

Impact of engagement, including measures of success

The report's initial findings confirmed nationwide conversion to a hydrogen gas grid is technically possible, economically viable and will be a significant contributor to meeting the UK's de-carbonisation targets. The report goes on to outline that a hydrogen gas grid could use the existing underground gas pipes already installed in the UK, and that household appliances can be converted to run on hydrogen with far less disruption and expense than converting to alternative energy sources. The H21 project predicts that a hydrogen gas network could become an anchor for further innovations in the sector, and in other industries such as transport and electricity generation.

C12.1c

(C12.1c) Give details of your climate-related engagement strategy with other partners in the value chain.

Wood requires all our directors, officers, and employees along with those working on our behalf to comply with all laws and to act ethically and with integrity always. Our supply chain team seeks to only work with companies who understand and share our commitment to the principles outlined in our supply chain code of conduct. Working together we will build a sustainable business relationship that will enable us all to be successful and add value to our business and the industries in which we operate. We require our supply chain partners to adhere to these principles and to reflect these same principles upon their suppliers as part of Woods supplier pre-qualification process. Our supplier code of conduct specifically requires our supply chain partners to manage their operations so any potential negative impact to the environment or community is prevented or minimised where unavoidable. We recognise the importance of transparency in our approach to reporting environmental matters, where possible we seek to add value to our business through responding in a transparent manner to investor and analyst questions, whether this is direct or through our annual sustainability reporting. At Wood we believe we play a key part in managing global climate related issues and firmly believe this begins with an open approach to how we report, manage and communicate these issues and aid global mitigation efforts.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Direct engagement with policy makers
Trade associations
Funding research organizations
Other

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Mandatory carbon reporting	Support with major exceptions	Mandatory Carbon Reporting regulations covering all geographies in line with financial reports. Response to minister in charge of climate change Participation at the Defra Greenhouse Gas Reporting Regulation Guidance Workshop December 2012.	We support the Mandatory Carbon Reporting regulations in principle however the expansion of the regulations to all geographies covered by the financial reports is a big step in the initial outline of the regulations and would have been better phased in.
Clean energy generation	Support	Clive White - President of our Clean Energy business sits on the Nuclear Industry Council, the role of the council is to provide strategic leadership to the nuclear industry.	General support of clean energy policies and position of nuclear new build projects in the UK.
Other, please specify Energy Policy	Support	Regular engagement with members of governments and public sector officials including the Department of Energy and Climate Change as both customers and through formal meetings and briefings as well as at public policy events. It is important that we understand what new areas of policy are being developed so that we are able to discuss any undesirable or unintended consequences.	Supporting a number of external stakeholders through policy through our role as a service provider as well as engaging through wider forums to better understand our role as a company.

<p>Other, please specify United Nations Global Compact</p>	<p>Support</p>	<p>An important part of our sustainability ethos continues to be our support for the United Nations Global Compact Principles. These were launched in 2000 and cover human rights, labour, environment and anti-corruption. We continue to support and contribute to the UK Global Compact network, which provides opportunities to discuss and share best practices on topics relevant to the principles of the UN Global Compact. Global Compact Local Networks in Europe, their participants and stakeholders came together to discuss the future of corporate sustainability and the UN Global Compact in Europe.</p>	<p>Supporting the UN Global Compacts Ten Principles on Human Rights, Labour, Environment and Anti-Corruption.</p>
<p>Adaptation or resilience</p>	<p>Support</p>	<p>Wood has been an important 100 Resilient Cities (pioneered by the Rockefeller Foundation) Platform Partner since 2015 and has leveraged this global program to support cities and clients with our integrated sustainability and climate resilience services. 100RC is a critical component within the Wood international climate resilience business and has served to drive collaboration, innovation and secure work contracts</p> <p>The 100RC program has played an important part in leveraging Wood Expertise to Identify Climate Change Impacts, Prioritize Projects and Complete Resilience Programs to reduce our Clients Risks. In addition to catalysing the Wood global climate resilience segment, our partnership has aligned our firm with several strategic teaming partners that have added value our</p>	<p>General support of climate resilience projects and advancements.</p>

		projects.	
Clean energy generation	Support	<p>In 2018, Wood and four of our employees joined the British Standards Institution (BSI) as committee members on the UK working group providing input into the International Electrotechnical Commission's (IEC) marine energy committee.</p> <p>The BSI committee, part of the UK national standards body, provides the UK with input into the IEC marine energy committee, and is responsible for the development of standards in the field of marine energy – wave and tidal energy converters.</p>	<p>The BSI committee, part of the UK national standards body, provides the UK with input into the IEC marine energy committee, and is responsible for the development of standards in the field of marine energy – wave and tidal energy converters.</p> <p>Gaining support from the industry expert community is vital to developing strong standards that will enable industry growth and generate commercially viable opportunities to advance wave and tidal energy.</p>
Other, please specify Low carbon power generation, hydrogen with Carbon Capture and Storage (CCS) and CCS from industrial sources	Support	<p>Tony Tarrant, Midstream Manager within our STS business sits on the board of the Carbon Capture and Storage Association (CCSA), a non-technical trade association, focusing on the business side of CCS and efforts to ensure commercial-scale CCS projects can play a part in moving towards a low-carbon global economy.</p> <p>As an example, CCSA, including Woods input are currently in a briefing with the UK Government Department for business, Energy and Industrial Strategy (BEIS), on the national CCUS strategy consultations.</p>	<p>Wood has worked closely with the UK Government Department for business, Energy and Industrial Strategy (BEIS) for a number of years. We have undertaken extensive capital and operating cost estimating of power plants with Carbon Capture and Storage (CCS), hydrogen plants with CCS, and application of CCS to industrial sources which BEIS have used to input to policy decision making.</p> <p>Wood has been able to make the case for CCS deployment in the UK, through our work with BEIS, to include CCS in the technology mix. The case for using CCS technology is seen as key to the UK meeting its 2050 net zero emissions target. BEIS have asked Wood to present this work for them at discussion forums</p>

			on policy and business models.
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C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

Oil & Gas UK

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Influencing governments and policy makers is an important part of Oil & Gas UK's day to day work. The legislators set the framework in which the industry must work including licensing, taxation and regulations relating to health and safety and the environment.

How have you influenced, or are you attempting to influence their position?

Dave Stewart, the CEO for Asset Solutions Europe, Africa, Asia & Australia, Wood plc, is a member of the Oil & Gas UK Board. With the other members, Wood engage with Oil & Gas UK as it is deemed their goals are consistent with our own. We support trade associations as they typically represent views that are a common position, driven and built by the members.

Trade association

Scottish Renewables

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Scottish Renewables is the voice of renewable energy in Scotland and is committed to realising the full economic, social and environmental benefits of renewable energy for our country.

How have you influenced, or are you attempting to influence their position?

Longstanding members, Wood works alongside a wide variety of organisations involved in the generation, supply and distribution of heat, power and fuels from renewable sources. Membership of this organisation spans large, multi-national suppliers, developers and manufacturers to sole traders and community associations.

Trade association

Carbon Capture and Storage Association (CCSA)

CCSA is a non-technical trade association, focusing on the business side of CCS and efforts to ensure commercial-scale CCS projects can play a part in moving towards a low-carbon global economy. To this end, the Association benefits from a close working relationship with the UK Government and European Commission in developing an appropriate regulatory framework for CCS and influencing policy developments on an international level.

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The Carbon Capture & Storage Association (CCSA) was launched in March 2006 to represent the interests of its members in promoting the business of capture and geological storage of carbon dioxide (known as Carbon Capture and Storage, or CCS) as a means of abating atmospheric emissions of carbon dioxide and tackling climate change.

From its base in London the CCSA brings together specialist companies in manufacturing & processing, power generation, engineering & contracting, oil, gas & minerals as well as a wide range of support services to the energy sector such as law, banking, consultancy and project management. The Association is a model for sectoral cooperation in business development and its existence is welcomed by government.

As a non-technical trade association, the CCSA is unique in its focus on the business side of CCS and efforts to ensure commercial-scale CCS projects can play a part in moving towards a low-carbon global economy. To this end, the Association benefits from a close working relationship with the UK Government and European Commission in developing an appropriate regulatory framework for CCS and influencing policy developments on an international level.

Tony Tarrant, Midstream Manager within our STS business sits on the board of the Carbon Capture and Storage Association (CCSA).

How have you influenced, or are you attempting to influence their position?

Tony Tarrant, Midstream Manager within our STS business sits on the board of the Carbon Capture and Storage Association (CCSA). Our legacy Amec business, was a founding member of the association and we continue to be an active participant, driving change in this field.

As an example, CCSA, including Woods input are currently in a briefing with the UK Government Department for business, Energy and Industrial Strategy (BEIS), on the national CCUS strategy consultations.

Wood has worked closely with the UK Government Department for business, Energy and Industrial Strategy (BEIS) for a number of years. We have undertaken extensive capital and operating cost estimating of power plants with Carbon Capture and Storage (CCS), hydrogen plants with CCS, and application of CCS to industrial sources which BEIS have used to input to policy decision making.

Wood has been able to make the case for CCS deployment in the UK, through our work with BEIS, to include CCS in the technology mix. The case for using CCS technology is seen as key to the UK meeting its 2050 net zero emissions target. BEIS have asked Wood to present this work for them at discussion forums on policy and business models.

C12.3d

(C12.3d) Do you publicly disclose a list of all research organizations that you fund?

No

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

Our legacy Amec Foster Wheeler business has been a signatory member of the United Nations Global Compact since 2009 and this commitment has been continued as Wood with our renewed commitment to the United Nations Global Compact in 2018. In our recent letter to the secretary general of the United Nations, our Chief Executive Robin Watson confirmed Woods support of the Global Compact ten principles with respect to human rights, labour, environment and anti-corruption. With this communication, Wood has expressed our intent to advance those principles within our sphere of influence. We are committed to making the Global Compact and its principles part of our strategy, culture and day to day operations of our company, and to engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Sustainable Development Goals. As part of our annual communication on progress that describes our companies' efforts to implement the ten principles, our first Wood Sustainability report for 2017 is available publicly and provides a transparent window into our organisation to aid the global effort for sustainable development and climate related issues. Published in August 2018, this report has since been refreshed in 2019 and is available at <https://www.woodplc.com/who-we-are/sustainability>

Through Woods work with the United Nations Global Compact we can demonstrate our commitment to sustainable development, tackling climate related issues and the part Wood plays in Global sustainable development. We believe our association with the United Nations Global Compact helps advance Climate related issues and shape public policy to drive sustainable long-term solutions.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Through our internal management structure and reporting mechanisms we ensure that all direct and indirect activities that influence policy are consistent with our overall climate change strategy. Our leadership reports facilitate two way communication between the senior leaders of our organisation and lower level management to ensure we make informed decisions both at a corporate and operational level that align our approach and strengthen our overall strategy. Internal promotion of our approach to climate related issues is made clear through our annual Wood Sustainability Report, facilitating internal and external general awareness; management specific awareness is generated through our

monthly leadership reports which are consistent across our internal business structure and feed directly to the top level reports that guide our leaders on business direction and action towards climate change issues.

Woods business strategy, detailed in our publicly available sustainability report, outlines the 4 key competencies of our strategy, which will help realise our vision to inspire with ingenuity, partner with agility and create new possibilities:

Agile Teams - Deploying our most talented people with agility to deliver the right solutions now and in the future. Our ability to adapt keeps us relevant and offers great opportunities for our people.

Exceptional Execution - We are differentiated by our shared commitment to consistently deliver exceptional outcomes that add value and build trust with our stakeholders.

Commercial Acumen - We are rewarded for the value we bring; we balance risk and reward and use our extensive experience to allocate capital where it impacts most.

Technological Advantage - Continuously finding greater efficiencies and creating new solutions by uniting our ingenuity and deep heritage with game-changing technologies.

Supporting the business, our internal strategy and analysis function within Wood seeks to provide our global senior leadership with the insight, people, process, tools and culture required to produce an aligned strategic direction and engaged strategy community, all supporting strategy execution.

At Wood we see the importance of actively addressing key global mega trends, reflecting these against our own business to shape our long-term strategy. We recognise 4 key mega trends that directly affect the long-term sustainability of our business; Energy Transition, Digital and Technology, Urbanisation and Sustainable Infrastructure and lastly Future Skills. Our work in 2018/19 and beyond will look at how these trends impact our operations, reflecting these against our long-term strategy to ensure Wood contributes to shaping a sustainable future for generations to come. Through

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

 Wood_Annual_Report_and_Accounts_2018.pdf

Page/Section reference

Pages 24-38 cover our environmental reports, as well as social and safety performance. Our principle risks and opportunities covered on pages 39-42 and detail on our governance processes on pages 43-76

Our annual report can also be found at:

https://www.woodplc.com/__data/assets/pdf_file/0026/65771/Wood_Annual_Report_and_Accounts_2018.pdf

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

Publication

In mainstream reports, in line with the CDSB framework (as amended to incorporate the TCFD recommendations)

Status

Complete

Attach the document

Page/Section reference

Our report is split into our simplistic People, Planet and Profit structure. Emissions detail and carbon figures can be found in our environment section, as well as detail on our approach to climate change. In the profit section of our report, we also place a focus on climate resilience and renewable energy in the latter projects section.

The introduction to this report includes our materiality assessment , governance and strategy.

Content elements

- Governance
- Strategy
- Risks & opportunities
- Emissions figures
- Emission targets
- Other metrics

Comment

The file size of our sustainability report is 31MB, therefor too large to upload. The report can be accessed through our external website:
<https://www.woodplc.com/who-we-are/sustainability>

Our annual sustainability report is published in August each year, 2018 is our second reported year and this report is continually developing.



C14. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C14.1

(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Robin Watson, Chief Executive	Chief Executive Officer (CEO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

Wood is a global leader in the delivery of project, engineering and technical services to energy and industrial markets. We operate in more than 60 countries, employing around 60,000 people, with revenues of around \$11 billion. We provide performance-driven solutions throughout the asset life cycle, from concept to decommissioning across a broad range of industrial markets, including the upstream, midstream and downstream oil and gas, power & process, environment and infrastructure, clean energy, mining, nuclear, and general industrial sectors. Wood delivers comprehensive services to support its customers across the complete lifecycle of their assets, from concept to decommissioning, across a range of energy, process and utility markets. Wood came into existence in October 2017 with the Wood Group acquisition of Amec Foster Wheeler. The rich heritage of our founding organisations makes us a respected presence in global industrial markets, combining unrivalled

technical knowledge and a drive for outstanding delivery. We have a powerful global network of professionals focused on delivering services, safely and cost-effectively that help our customers get the best from their assets to meet their performance goals. We have long-standing relationships with customers based on our ability to deliver consistently successful outcomes, combining our global experience, innovative ideas and solutions, and a flexible approach, from specialist consultancy services, to project-based delivery or through long-term contracts. Coupled with an endless curiosity and hunger for new ideas to help our customers solve their business challenges, we have a culture of improvement and best practice that infuses all our operations. Wood has three values supported by our six behaviours; they are at the heart of our business defining who we are, how we work, what we believe in and what we stand for. These values and behaviours guide us in our daily interactions. They help create our culture. They're our common set of principles. They are fundamental to our success. We care for the environment and our responsibility to protect and minimise the impact of our operations; our HSSE policy states how we do this to ensure we leave a positive legacy in the areas we operate. The policy underpins our approach to environmental management and is regularly reviewed and approved by our board of directors. Environmental management is not new to us, with many parts of the business holding ISO 14001: 2015 certification; however, the formation of Wood has created the opportunity for us to re-assess how we currently manage our environmental responsibilities and enhance it. An environmental strategy taking us to the end of 2019 has been developed based on the environmental risks we have identified as being associated with our operations; the strategy has three areas of focus:

- Managing Environmental Risk
- Reducing our environmental impact
- Raising environmental awareness and competence amongst employees

In 2018 we launched our environmental standards, to ensure we align on the minimum standards around environmental management. The Environmental Standards apply to all operations where Wood have environmental responsibility. Compliance with the requirements contained within the standards is mandatory.

We are focused on integrating our legacy businesses to align our approach on several fronts, one of which being our carbon management process. In October 2017 we launched a three-year strategy to align both legacy scopes and boundaries that will allow us to utilise the data in year three to set a combined baseline and enable more focused group wide reduction targets:

Year 1: Migrate onto one reporting system and laying the process foundations to support data collection.

Year 2: Align and begin reporting combined scope 1 & 2 emissions on an operational basis.

Year 3: Align and begin reporting scope 3 emissions based upon a materiality assessment of the business conducted in year 1

The data in this report has been aligned where possible for the reporting year in question and we aim to provide more comprehensive emissions data in coming years. We've taken the decision to drive an interim annual 2.5% reduction intensity target for scope 1 & 2 emissions through our new sustainability programme until we are able to set more challenging targets for the aligned business. Due to the differing legacy reporting

boundaries and included scopes, we feel our strategy to align is timely and appropriate to ensure we set a strong baseline from which to better manage down our emissions in setting more stringent group wide targets.

SC0.1

(SC0.1) What is your company’s annual revenue for the stated reporting period?

	Annual Revenue
Row 1	11,036,000,000

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

Yes

SC0.2a

(SC0.2a) Please use the table below to share your ISIN.

	ISIN country code (2 letters)	ISIN numeric identifier and single check digit (10 numbers overall)
Row 1	GB	00B5N0P849

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member

Endesa

Scope of emissions

Scope 1

Allocation level

Company wide

Emissions in metric tonnes of CO2e

90.44

Uncertainty (±%)

20

Major sources of emissions

Site diesel consumption, natural gas and company vehicle mileage

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Our carbon capture process tracks all scope 1 & 2 sources of emissions with selected scope 3 elements. To attribute emissions to specific customers we have taken the prevalent location where we provide services to each and based upon revenue for that customer, and revenue for that specific region, we have derived a percentage share that we have then applied to emissions for that region; this gives a rough proportional share of emissions based on contract value.

Requesting member

Endesa

Scope of emissions

Scope 2

Allocation level

Company wide

Emissions in metric tonnes of CO₂e

117.06

Uncertainty (±%)

20

Major sources of emissions

Purchased electricity

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Our carbon capture process tracks all scope 1 & 2 sources of emissions with selected scope 3 elements. To attribute emissions to specific customers we have taken the prevalent location where we provide services to each and based upon revenue for that customer, and revenue for that specific region, we have derived a percentage share that we have then applied to emissions for that region; this gives a rough proportional share of emissions based on contract value.

Requesting member

National Grid PLC

Scope of emissions

Scope 1

Allocation level

Company wide

Emissions in metric tonnes of CO₂e

39.31

Uncertainty (±%)

20

Major sources of emissions

Site diesel consumption, natural gas and company vehicle mileage

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Our carbon capture process tracks all scope 1 & 2 sources of emissions with selected scope 3 elements. To attribute emissions to specific customers we have taken the prevalent location where we provide services to each and based upon revenue for that customer, and revenue for that specific region, we have derived a percentage share that we have then applied to emissions for that region; this gives a rough proportional share of emissions based on contract value.

Requesting member

National Grid PLC

Scope of emissions

Scope 2

Allocation level

Company wide

Emissions in metric tonnes of CO₂e

34.3

Uncertainty (±%)

20

Major sources of emissions

purchased electricity

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Our carbon capture process tracks all scope 1 & 2 sources of emissions with selected scope 3 elements. To attribute emissions to specific customers we have taken the prevalent location where we provide services to each and based upon revenue for that customer, and revenue for that specific region, we have derived a percentage share that we have then applied to emissions for that region; this gives a rough proportional share of emissions based on contract value.

Requesting member

SSE

Scope of emissions

Scope 1

Allocation level

Company wide

Emissions in metric tonnes of CO₂e

131.33

Uncertainty (±%)

20

Major sources of emissions

Site diesel consumption, natural gas and company vehicle mileage

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Our carbon capture process tracks all scope 1 & 2 sources of emissions with selected scope 3 elements. To attribute emissions to specific customers we have taken the prevalent location where we provide services to each and based upon revenue for that customer, and revenue for that specific region, we have derived a percentage share that we have then applied to emissions for that region; this gives a rough proportional share of emissions based on contract value.

Requesting member

SSE

Scope of emissions

Scope 2

Allocation level

Company wide

Emissions in metric tonnes of CO₂e

114.59

Uncertainty (±%)

20

Major sources of emissions

Purchased Electricity

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Our carbon capture process tracks all scope 1 & 2 sources of emissions with selected scope 3 elements. To attribute emissions to specific customers we have taken the prevalent location where we provide services to each and based upon revenue for that customer, and revenue for that specific region, we have derived a percentage share that we have then applied to emissions for that region; this gives a rough proportional share of emissions based on contract value.

Requesting member

Stanley Black & Decker, Inc.

Scope of emissions

Scope 1

Allocation level

Company wide

Emissions in metric tonnes of CO2e

0.25

Uncertainty (±%)

20

Major sources of emissions

Site diesel consumption, natural gas and company vehicle mileage

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Our carbon capture process tracks all scope 1 & 2 sources of emissions with selected scope 3 elements. To attribute emissions to specific customers we have taken the prevalent location where we provide services to each and based upon revenue for that customer, and revenue for that specific region, we have derived a percentage share that we have then applied to emissions for that region; this gives a rough proportional share of emissions based on contract value.

Requesting member

Stanley Black & Decker, Inc.

Scope of emissions

Scope 2

Allocation level

Company wide

Emissions in metric tonnes of CO2e

0.25

Uncertainty (±%)

20

Major sources of emissions

Purchased Electricity

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Our carbon capture process tracks all scope 1 & 2 sources of emissions with selected scope 3 elements. To attribute emissions to specific customers we have taken the prevalent location where we provide services to each and based upon revenue for that customer, and revenue for that specific region, we have derived a percentage share that we have then applied to emissions for that region; this gives a rough proportional share of emissions based on contract value.

Requesting member

Bank of America

Scope of emissions

Scope 1

Allocation level

Company wide

Emissions in metric tonnes of CO₂e

482.26

Uncertainty (±%)

20

Major sources of emissions

Site diesel consumption, natural gas and company vehicle mileage

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Our carbon capture process tracks all scope 1 & 2 sources of emissions with selected scope 3 elements. To attribute emissions to specific customers we have taken the prevalent location where we provide services to each and based upon revenue for that customer, and revenue for that specific region, we have derived a percentage share that we have then applied to emissions for that region; this gives a rough proportional share of emissions based on contract value.

Requesting member

Bank of America

Scope of emissions

Scope 2

Allocation level

Company wide

Emissions in metric tonnes of CO₂e

30

Uncertainty (±%)

20

Major sources of emissions

Purchased Electricity

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Our carbon capture process tracks all scope 1 & 2 sources of emissions with selected scope 3 elements. To attribute emissions to specific customers we have taken the prevalent location where we provide services to each and based upon revenue for that customer, and revenue for that specific region, we have derived a percentage share that we have then applied to emissions for that region; this gives a rough proportional share of emissions based on contract value.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

We do not publish any emissions detail against our suppliers, only Wood's overall emissions in our annual sustainability report, available through our external website - <https://www.woodplc.com/who-we-are/sustainability>

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Customer base is too large and diverse to accurately track emissions to the customer level	We have 60,000 employees globally supporting our clients. Most do not work distinctively for one client and therefore it is very difficult to break down office emissions to the client. Travel associated to a project is associated to an individual travelling to a set project and therefore could be broken down to the client however due to the scale of individuals who travel it is not practical to break it down to an individual level, therefore travel is grouped at the business line level.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

No

SC1.4b

(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.

Given the scale of the task to do this we do not feel currently that there is adequate business case to do so.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC3.1

(SC3.1) Do you want to enroll in the 2019-2020 CDP Action Exchange initiative?

No

SC3.2

(SC3.2) Is your company a participating supplier in CDP's 2018-2019 Action Exchange initiative?

No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

No, I am not providing data



Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	Public or Non-Public Submission	I am submitting to	Are you ready to submit the additional Supply Chain Questions?
I am submitting my response	Public	Investors Customers	Yes, submit Supply Chain Questions now

Please confirm below

I have read and accept the applicable Terms