

wood.

Our Sustainability approach

2022-2025

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1.0 Forward

Change can be a difficult thing – particularly for businesses that have once thrived on work that has contributed to climate change. Recognising that this cannot continue to be the future of the business is the first and arguably the easiest step.

I am proud to work for a company that is reimagining its future to be part of global solutions to its most difficult challenges. As well as working to reduce our own impact on the environment and play our part in global societal improvement. More than this we bring to market solutions to tackle carbon emissions; through the work we can do Wood has the potential to eliminate millions of tonnes of carbon dioxide and methane emissions.

We are all on a journey – we are still learning, but we have made progress. Globally our services are imperative to keep existing assets safe, minimise pollution potential and help clients to reduce the emissions footprint of their asset and product to as low as it can go as we transition to clean fuels.

We have invested to bring technologies and clean fuel technology to the marketplace, and this is an area of service provision we are growing. Supporting our clients to deliver a 'Net Zero' future as quick as we can is where our future lies – that future it here and now.

Our future generations are relying on us to make this a reality and we will make it happen!



“Sustainability is not an aspiration it is a business imperative – shaping our business, clients and investment.”

A handwritten signature in white ink on a teal background.

Linzie Forrester
Chief Sustainability Officer

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1.1 The business strategy & sustainability

Our approach to sustainability is an enabler in the long term future of our business, our future is centred around supporting our client's in achieving their sustainability goals in energy and materials.

Sustainability is at the heart of Wood's Strategy and strategic pillars and our sustainability programme is the path for us to achieve our strategy.

People: Improve lives

We commit to respect, nurture and the develop the people and places we impact. Creating an **inspired culture** aligned to our values that makes Wood a partner of choice.

Planet: Preserve the environment

Taking responsibility to manage our operations safely, to avoid harm to people and the environment around us. Demonstrating **performance excellence** in how we execute our work, to deliver more sustainable solutions for our clients.

Profit: Deliver sustainable growth

Creating sustained **profitable growth** that meets the needs of our stakeholders, whilst delivering solutions that transform the world.



2.0 What do we want to achieve?

Our approach is to steer a course for sustainable development, addressing near, medium and longer-term steps in our journey. To do this we have to be sure to take everyone with us on our journey, identifying and navigating all our key ESG risks and prepare the business to be ready to capitalise on the opportunities sustainability offers us. We will do this by putting sustainability at the heart of the business.

Great companies don't just contribute to their own business aims; they are a force for good. In developing our response to sustainability, we put UN Global Compact obligations at the forefront of our thinking and through our actions we will support global Sustainable Development Goals (SDGs).

We want sustainability to be at the heart of all key business decision making, considering the implications into the long-term. Thinking long term is good for our investors and Wood, we want stable long-term investment and our investors want a reliable and profitable business.

Sustainability is good business and must become the default way in which we operate, embedded into what we do and how we deliver it. To achieve this, we must have sound foundations in place across the organisation.

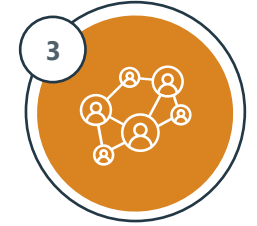
Our strategy will be successful when we have:



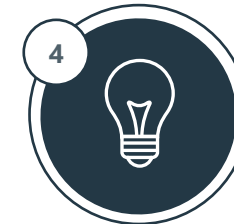
Enlightened and aware leaders genuinely passionate about building a sustainable future



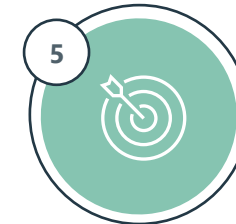
Clear line of sight and robust management of all key environmental, social and governance (ESG) risks



Authentic sustainable behavioural change across our workforce and partners



Measurable contributions to the worlds most pressing challenges defined by the SDGs



Market leader in supporting clients in their energy transition journeys towards 'Net Zero'

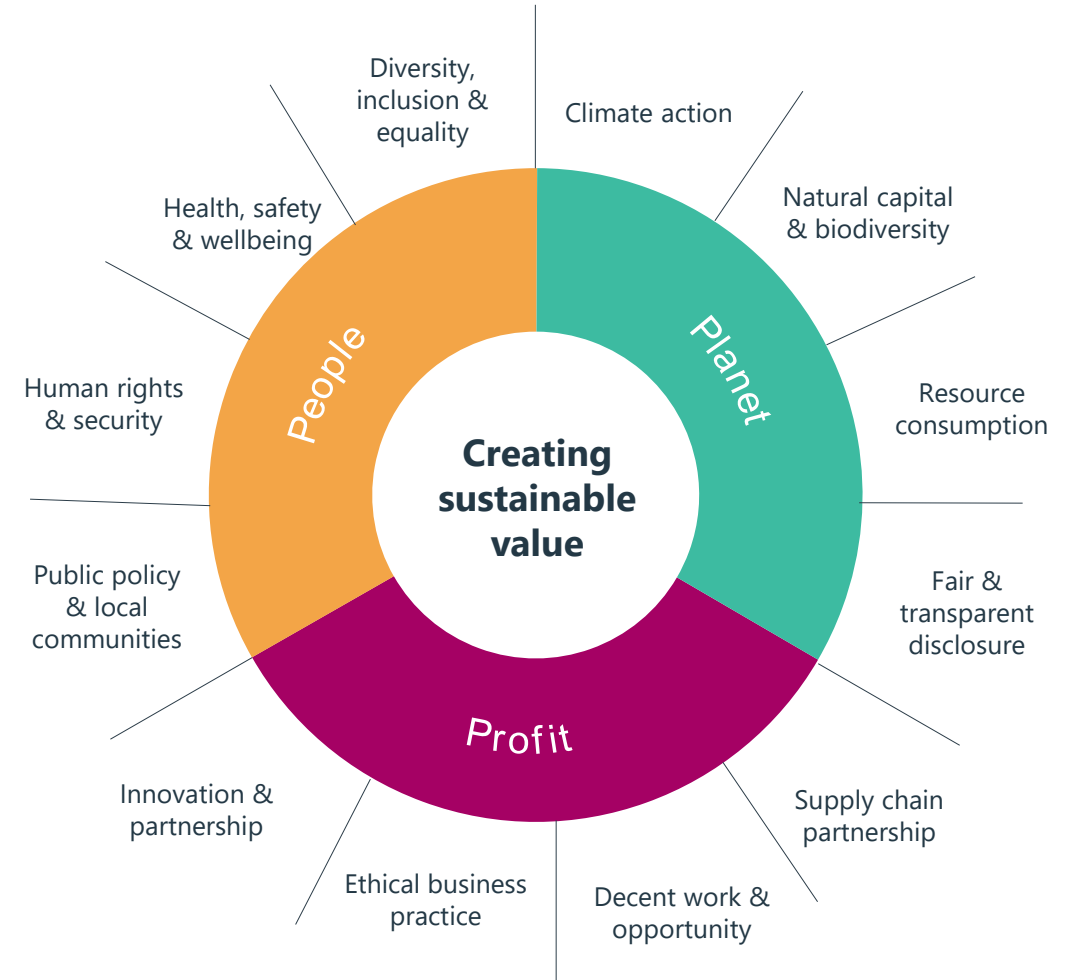
2.1 What's material to us?

Sustainability is a huge agenda touching every aspect of our lives from the air that we breath to the goods and services we consume.

We must ensure that Wood focuses on the right elements of the sustainability agenda. We do this through periodically undertaking a materiality assessment, these assessment are triggered over a 3-year cycle or in the event of a significant change to the business. If materiality changes too often then change programs do not have sufficient time to lay down new behaviours, change too little and we could miss 'big ticket' issues.

In 2022 we renewed our materiality assessment which follows KPMG's 7 steps of materiality and the Global Reporting Initiative (GRI) GRI 3 on material topics. For more information, please see to our latest [Materiality assessment](#).

Materiality is essential in the evolution of our strategy and sustainability programme to ensure it remains relevant to the organisation and stakeholder needs.

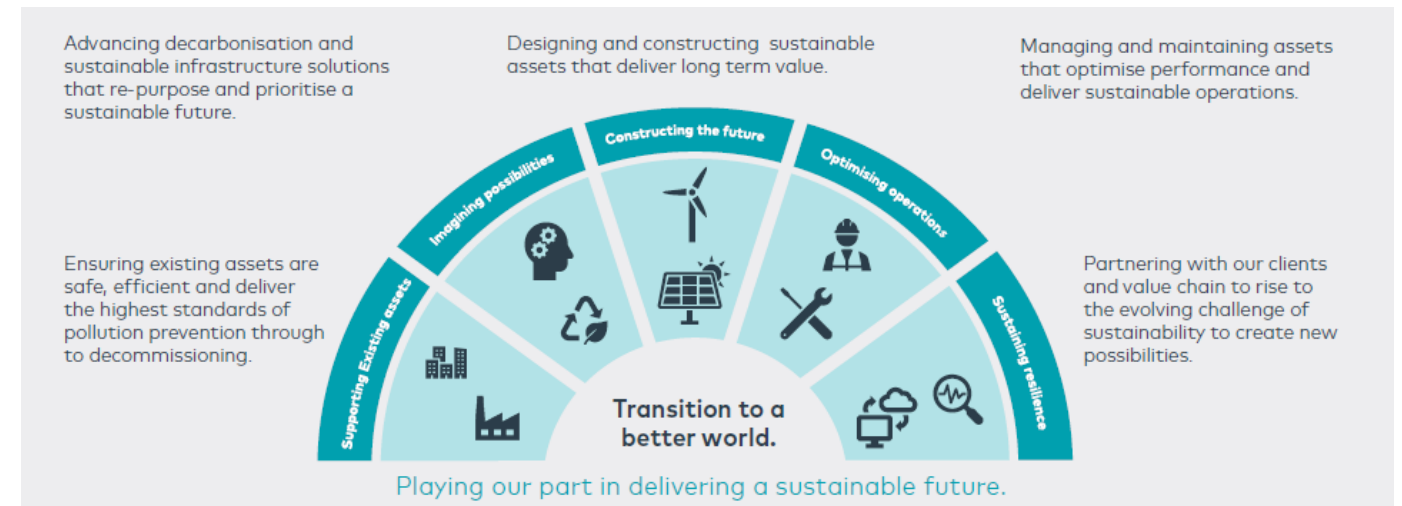


2.2 Sustainability and clients

Contributing to global sustainability through the services we offer is our biggest potential impact and an area we will continue to grow. Wood supports clients to design and build facilities which eliminate millions of tonnes of greenhouse gases, such as the hydrogen plants and implementation of carbon capture technology. Through our work we are contributing to the global decarbonisation journey.

We also must continue to support conventional energy during the decarbonisation journey, ensuring efficient, safety as well as tackling fugitive emissions enabling production with the lowest carbon footprint. Our aim is to support our clients in the best way possible on their journey towards a 'Net Zero' future; our business strategy will drive this forwards.

Our growth in sustainable materials compliments decarbonization by facilitating access to materials and metals underpinning renewable technology and digitization. Going further the life sciences aspect of our sustainable materials increases production of life saving medications with the potential to widen access to health care, a key part of SDG3.



2.3 How ESG fits in

Our investment community have become very aware of the impact on non-financial risk issues on the business. Investment decisions are affected by our management of ESG based risks. Having effective ESG mitigations is imperative. To enable this Wood has a dynamic ESG risk register, examples of these risks are shown below.

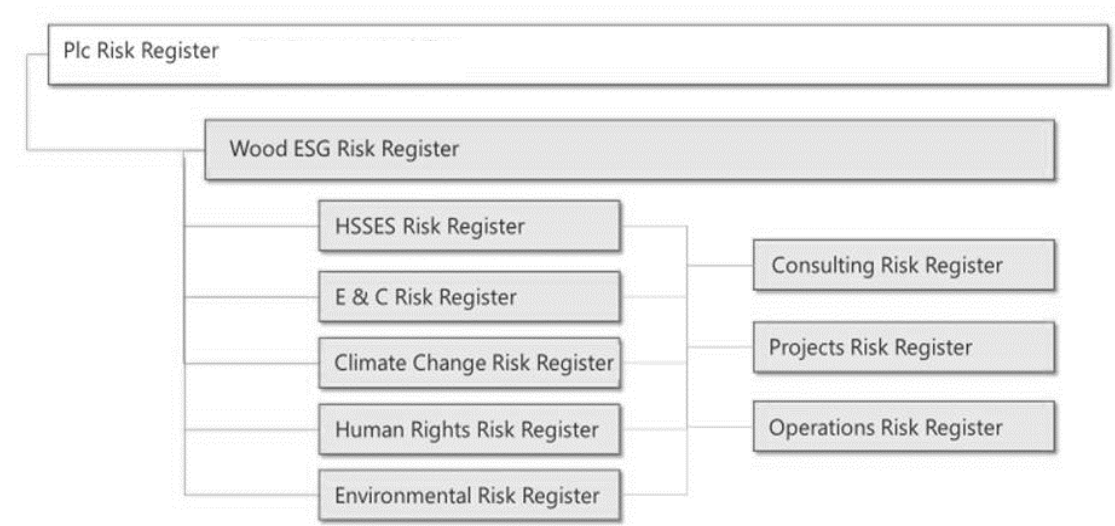
ESG risk can be described as transversal risks, they are not confined to an individual operation or function. However, they are merely a sub-set of risks managed through the same risk management processes that operate across Wood.

Environment	Social	Governance
<ul style="list-style-type: none">• Climate change• Water stress• EMS• Natural capital	<ul style="list-style-type: none">• Human rights• Modern slavery• Human capital• Diversity	<ul style="list-style-type: none">• Ethical conduct• ABAC• Sanctions

We capture ESG risks in a register and evaluate the impact of the risk on its potential to materially shareholder value and confidence. The register gives a clear line of sight to our most pressing risks. It is a dynamic document which is reviewed no less than quarterly or in the event of significant change or risk identification.

ESG risk management is a key component in sustainability management particularly in our response to climate change, modern slavery and ethical conduct.

Risk Registers:



2.4 Sustainable Development Goals (SDGs)



As members of the UN Global Compact the 10 Principles are embedded into the governance of the business. We use the sustainability programme as a vehicle to effect continuous improvement against each.

Great companies don't just contribute to their own business aims, they are a force for good. Coalescing our action around these 17 goals supports global aims. We have structured our approach guided by the SDG Compass tool, this ensures that what we do supports SDG intent. We will continue to evolve our approach and use our reporting to show progress against each element.

We are busy weaving these issues into the fabric of Wood's governance and management processes. Connecting our leaders into the wider global agenda is a key tenet of our program.

3.0 Progressing our ambitions

The foundations of our approach are built on our UN Global Compact Principles and global Sustainable Development Goals. These form an essential universe in our materiality assessments and their ambitions adopted into our approaches.

We believe that authentic sustainable development means that sustainability principles are weaved into the core structures of the business to form a solid foundation to build a sustainable organisation.

Our approach is built on a ‘triple bottom line¹’ model with our dynamic materiality assessment identifying key sustainability aspects of focus. Our areas of focus are those where we look to set ambitions, whether this is through annual cycles of improvement or longer-term focus.

Elements of sustainability, for example climate change, lend themselves to longer-term goals so where it is valuable for Wood and our stakeholders we set out longer term sustainability targets. Our targets are aligned to the worlds most critical challenges and link to one or more UN Sustainability Goals.

¹ John Elkington

To be successful sustainability must be embedded in our business strategy, we have laid out a structure to show how sustainability relates to our business below.



3.1 Wood's sustainability targets

Targets are important in steering the business and behaviours of the company. In setting our targets we have sought to address issues material to our business which:

- I. drive the direction of the business,
- II. focus on issues critical to our stakeholders, and
- III. we can contribute to global SDGs

We do not take the process of setting targets lightly; proposals are developed through engagement with our business. Once drafted, targets are presented to the Executive Leadership Team (ETL) for discussion and development.

Following engagement with our ELT they are presented to the Safety and Sustainability Committee before refinement and sign off at the ELT and endorsement by Board.

Our targets remain dynamic, in that they are constantly under review, if we believe we can do better, we will evolve them.



3.1 Wood's sustainability targets (continued)

<p>Trusted to solve the challenges of our changing climate and developing populations.</p>	<p>Recognise, welcome and celebrate diversity in thought, experience and background to find our boldest solutions and nurture our talent.</p>	<p>Take responsibility for the impact of the work we do and how we deliver it on the planet we share.</p>	<p>Work fairly, transparently and ethically through the trusted partnerships we create.</p>	<p>Lift up the communities around us using our energy and expertise to improve lives.</p>
<p>Consistently ranked in the Top Quartile ESG investment ratings within our peer group by 2025.</p> <p>KPI – rankings</p>	<p>Improve gender balance with 40% female representation in senior leadership roles, by 2030.</p> <p>KPI – male : female ratio</p>	<p>Reduce Wood's carbon emissions by 40% by 2030 on our journey towards 'net zero'.</p> <p>KPI – reduction against benchmark (Tonnes CO2e)</p>	<p>100% of Wood labour suppliers sign up and comply with the Building Responsibly Principles by 2025.</p> <p>KPI – absolute no. & %</p>	<p>We will contribute \$10 million to our global cause by giving our time, energy, resources and funding by 2030.</p> <p>KPI –\$ of direct / time / resource</p>
<p>Doubling client support aligned to the energy transition and more sustainable infrastructure, by 2030.</p> <p>KPI – TBC</p>	<p>Contributing to the following SGD's:</p>	<p>Ensure all Wood offices are single use plastic free by 2025.</p> <p>KPI – reduction against benchmark (# office certified free.)</p>	<p>100% all of our suppliers have Building Responsibly Principles into their supply chains by 2030.</p> <p>KPI – absolute no. & %</p>	
<div><div>7 AFFORDABLE AND CLEAN ENERGY</div><div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div><div>11 SUSTAINABLE CITIES AND COMMUNITIES</div></div>	<div><div>10 REDUCED INEQUALITIES</div><div>5 GENDER EQUALITY</div></div>	<div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div>13 CLIMATE ACTION</div><div>14 LIFE BELOW WATER</div></div>	<div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div></div>	<div><div>4 QUALITY EDUCATION</div></div>

3.2 Delivering on our targets

Critical to successful delivery is to ensure strong engagement with our operations and projects. In 2021 we appointed Sustainability Leads across our Business Units. Their role is to connect operations into the sustainability target delivery through an annual tactical program of actions described in the Business Unit / Business Grouping sustainability plan.

These documents set out the role of operations in delivering our sustainability targets and promoting sustainable behavioural change. We will continue to evolve and mature this approach through 2023 and beyond.

We are also tapping into the passion and enthusiasm of our employee base. We initiated a Sustainability Champion's network throughout the company. These individuals undertake a vital role in promoting sustainability targets and actions as well as supporting the work of our BU Sustainability Leads.

Successful delivery of sustainability targets has also been linked into Wood's bonus and incentives programs.



Each sustainability target is underpinned by a strategic delivery plan. This sets out the enterprise-wide levers that support the delivery of the target.

It also contains the short-term, medium and longer-term action plan at the functional level. These connect our strategic governance and leadership to the sustainability targets and wider sustainability program.

3.3 Measuring & monitoring progress

Strategic overview

The Executive President for Business Sustainability and Assurance monitors progress of the sustainability program on a bi-weekly basis. KPI and sustainability actions are monitored on a monthly basis and a narrative provided to the Executive Leadership Team (ELT) through the Executive. Sustainability is discussed at monthly ELT meetings on a needs basis. The Executive review the sustainability program, discuss suitability of targets and developments in the wider sustainability agenda.

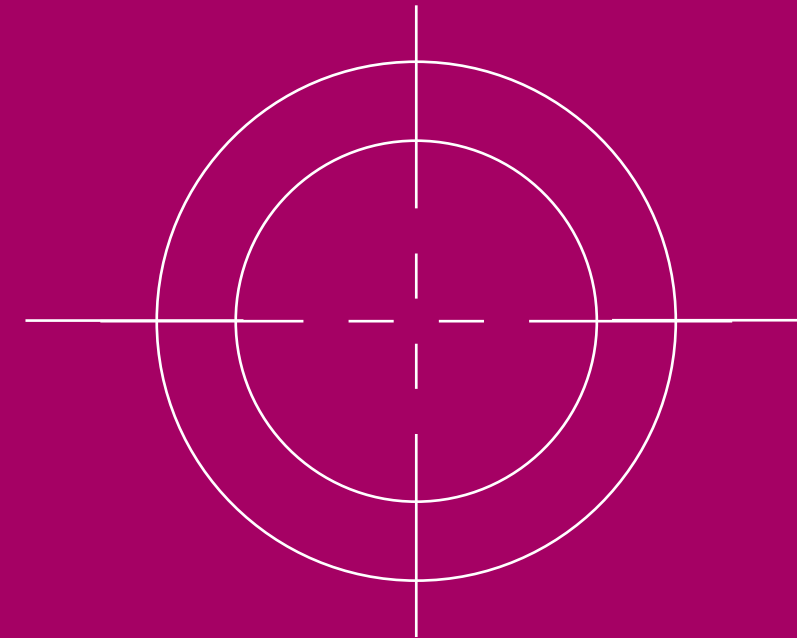
The Board receive a strategic narrative on sustainability progress on a quarterly basis. The President of Sustainability meets with the Safety and Sustainability Committee of the Board on a quarterly basis, sessions include a status report. On an annual basis sustainability performance is publicly reported in the Annual Report, Sustainability Report and more in-depth information provided in Wood's Sustainability Hub.

Tactical overview

On a day-to-day basis Business Unit Sustainability Leads monitor the implementation of tactical plans. Target strategy owners (incl. P&O, Strategy and Investor Relations) monitor the implementation of plans associated with delivery of the targets.

The President for Sustainability and central team have overview of the wider sustainability program, provide narratives for the ELT and Board as well as preparing disclosures for the Annual Report and Sustainability Report.

Each target has an established key performance indicator (KPI) which is detailed in the underpinning strategic plan. We have made efforts to utilise existing digitised data and data capture systems wherever possible, although these will need time to mature.



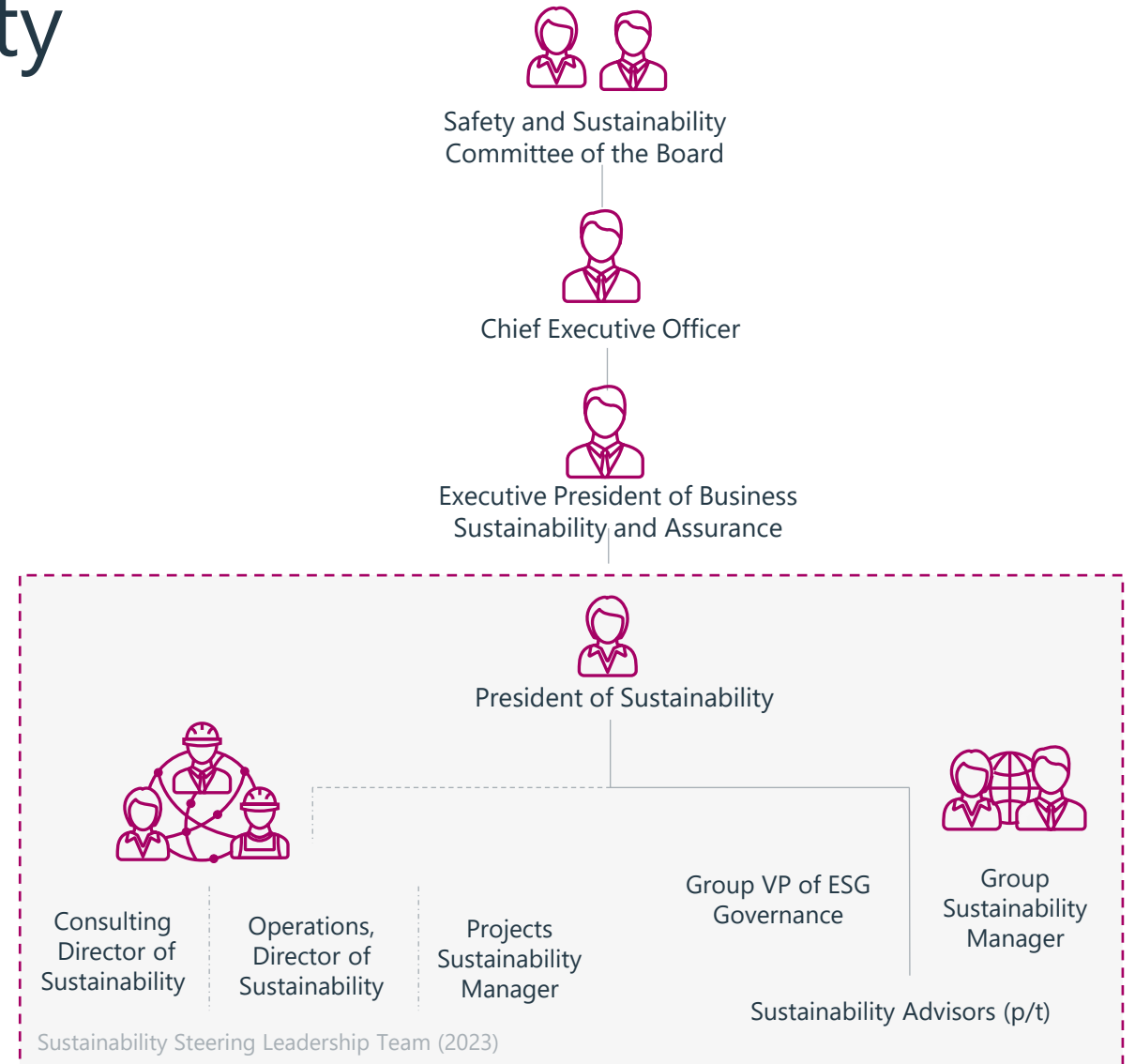
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3.4 Organising Sustainability

It is important to steer the sustainability agenda in a way which accentuates strengths, addresses weaknesses, builds on opportunities and guards against threats. Providing guidance and leadership to support the business to aid sound and effective integration of sustainability into everyday business decision making is vital.

In 2021 Wood appointed a President of Sustainability supported by the Group Sustainability Manager and Business Unit Sustainability Leads. Our Sustainability Advisers co-ordinates our carbon reporting and corporate environmental compliance. The team was strengthened in 2022 through the appointment of the Vice President for ESG & Sustainability.

These roles support and enable Wood's strategy. They also work together to steer the course of the sustainability program as the Sustainability Steering Leadership Team. Steering is done through a series of progress meetings and strategy days.



4.0 Annual objectives

Target delivery plans outline the actions to achieve our targets, they are reviewed on at least an annual basis. Programmes of work, objectives and targeted action are developed by the target leaders and associated working groups, we do not include these in this document (please refer to target strategies for details).

However, Wood's sustainability programme is wider and deeper than the published targets. The sustainability landscape is continuously changing with emerging mega trends, national and international obligations and opportunities to collaborate to drive positive change. It is important that we keep ahead of emerging issues, understand how they might impact us and to evolve the sustainability programme to meet future challenge and opportunity.

Setting annual objectives³ for sustainability flows from an annual strategic review undertaken initially by the Sustainability Steering Leadership Team. This is a process that looks across the agenda, progress and challenges us to critically review our progress against our ultimate goal of embedding sustainability at the heart of the business.

³ relating to actions in support of delivery of targets and ESG obligations

Wood's sustainability journey is relatively early in its maturity – first targets published in 2020, meaning there is still work to be done in providing sound foundations to the business. Our objectives will increasingly be influenced by 3rd party feedback through:



In the following sections we have disclosed our highest level objectives for the next 3 years, these will not remain static, they will evolve in line with our ambition and target setting.

4.1 Annual deliverables 2023



5.0 Objectives 2023-25

The overarching objectives will be to continue the pathway to deliver Wood's sustainability targets through the strategy and execution plans, in addition we will need:

Mid term objectives

Ref	Objective	Outcome	By
M1	Outpacing our goals and enhancing with BU/BG driven targets	Leadership in sustainability	2024
M2	Quantify impact of the program on behaviour and wider business	Leadership in sustainability	2024
M3	Engagement with Real Estate and Finance to look at options to improve carbon data capture.	Leadership in sustainability	2024
M4	Evolution of material targets aligned to client and investor ESG objectives	Leadership in sustainability	2025
M5	Business moves to a more self initiated sustainability improvement programs aligned to Wood's overall approach	Leadership in sustainability	2025
M6	Wood synonymous with excellence in sustainability practice	Leadership in sustainability	2025

Programme Review

Ref	Objective	Outcome	By
L1	Undertake programme review	Programme Health Check	End 2025
L2	Refresh in line with post 2025 business strategy	Strategy alignment	End 2025



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