

wood.

UK Government Supply Chain

Carbon Reduction Plan

August 2022



Commitment to achieving Net Zero

Wood is committed to achieving Net Zero emissions by 2050.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year - 2019	
<i>Additional details relating to our baseline emissions calculations</i>	
<p>Wood was formed in 2017 with the acquisition of Amec Foster Wheeler by Wood Group. The two heritage organisations reported their emissions with different boundaries meaning that the two were not comparable. We developed a strategy to enable Wood to produce one global footprint, in line with a single process. This was completed in 2019 and therefore forms our baseline year. Emissions stated are in line with market-based methodology.</p> <p>Our reported scope 3 emissions for 2019 initially only included business travel and fuel and energy related activities. In 2020, we commissioned an independent materiality assessment of our scope 3 emissions and review of our scope 1 & 2 target baseline. This work provided a GHG protocol compliant estimate of scope 3 from which we aim to adopt an additional target supporting evolutionally reduction of our scope 3 emissions.</p> <p>Our 2019 baseline was amended to reflect the findings of the independent review. This included a comprehensive evaluation of the contract for the operations of the Martinez Power Plant, concluding that Wood does not have sufficient operational control of the site for the purposes of emissions reporting. As such emissions from the plant have been reclassified from scope 1 to scope 3 'downstream leased asset' as advised by independent consultation.</p> <p>Our reporting of scope 3 emissions improved in 2020, considering the independent materiality assessment, and now provides full disclosure on all scope 3 categories found to be material to our business.</p>	
Emissions	Tonnes of CO ₂ e
Scope 1	78,084
Scope 2	95,501
Scope 3	(457,742)* 2,105,531
Total Emissions	(631,327)* 2,460,350

*Externally reported Scope 3 emission prior to undertaking materiality assessment, which have since been restated.

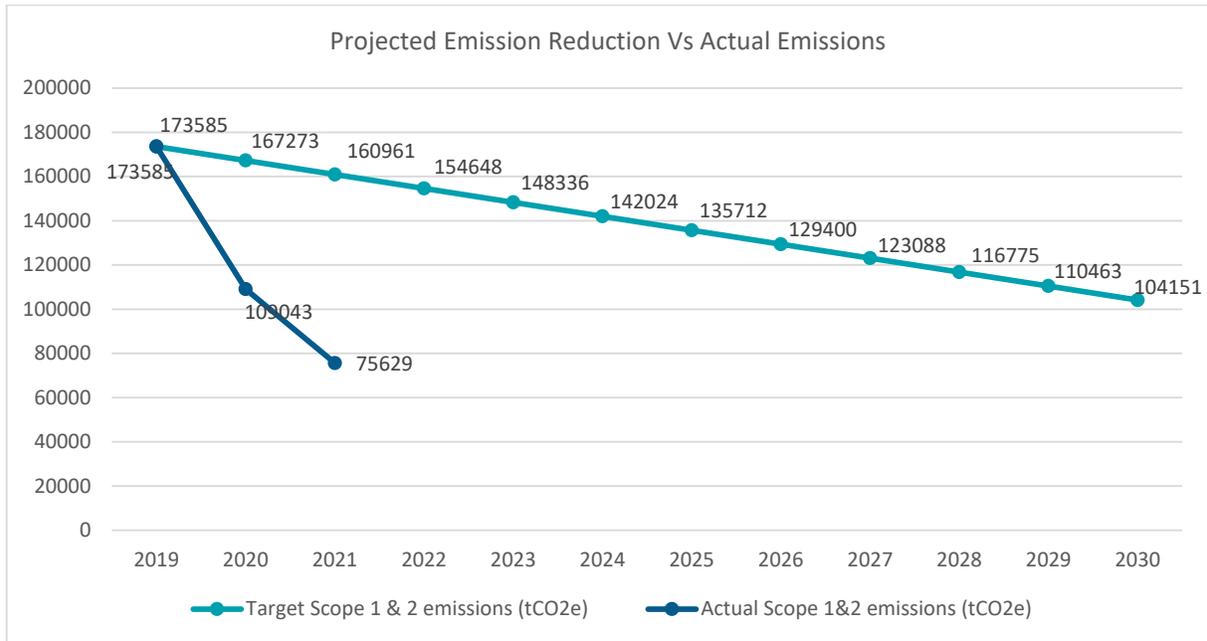
Current Emissions Reporting	
Reporting year - 2021	
Emissions	Tonnes of CO ₂ e
Scope 1	46,667
Scope 2 MB	28,962
Scope 3	1,524,919 Upstream transportation & distribution 881,936 Waste generated in Operations 81,646 Business Travel (inc home working) 15,645 Employee Commuting 94,978 Downstream transportation & distribution 0* Purchased goods & Services 881,936 Capital goods 158,343 Fuel & Energy related activities 22,585
Total Emissions	1,600,548

*In 2020 Wood conducted a third-party scope 3 materiality assessment and emissions from downstream logistics were not considered as relevant.

Emissions reduction targets

Wood has formally signed up to the ‘Pledge to Net Zero’ in recognition of our ambition to reach net zero emissions by 2050 or sooner.

Our first target on this journey is a 40% reduction in our scope 1 and 2 emissions by 2030. We project that our emissions will decrease over the next 10 years from 173,585 tCO₂e to 104,151 tCO₂e, a reduction of 69,434 tCO₂e. Set across a decade of change for Wood, our milestone goal will put Wood on a trajectory beyond the well below 2°C goal identified by the Paris Agreement and will be achieved without the use of carbon offsets, focusing on behavioural changes and absolute reductions in the short-term. Progress towards our target can be seen in the graph below.



Carbon Reduction Projects

The following environmental management measures and projects have been completed or implemented since the 2019 baseline. The carbon emissions reduction achieved by these schemes equate to a 16% reduction against the 2019 baseline and the measures will be in effect when performing the contract.

- Established internal Climate Change Focus Group, made up of key stakeholders from our Business Units and Functions, key to the delivery of our carbon reduction target.
- Sustainability Leads appointed in each business unit.
- Established fleet and real estate’s carbon reduction workstreams.
- External independent review of Scope 1 and 2 target trajectory against SBTi requirements.
- External independent scope 3 relevance assessment.
- External verification of Scope 1, 2 & 3 emissions from 2021 onwards
- Began a project to move all offices, where Wood procure electricity direct and it is available on the market, to renewable electricity tariffs. This currently includes our main locations in the UK, Houston, Italy and Spain.
- Office rationalisation and SQFT reduction programme.
- Internal communications campaign around our target and the issues associated with Climate Change.
- External communications campaign to launch of our scope 1 and 2 reduction target.

- Online employee climate change awareness training launched.
- Built and rolled out new carbon reporting software.
- Around 200 data providers around the business trained in carbon data reporting requirements.
- Restructured footprint in line with our new business structure.
- Improvements in data quality.
- Updated global Carbon Accounting and Reporting Standard now published externally on Wood's sustainability website.
- Roll out of master agreement for travel globally.
- Issue of the Energy Management Standard, setting the minimum expectations for energy management across the Wood property portfolio.
- Publication of a global Workplace Design Sustainability Guide and Energy Management Standard
- Appointment of Director Global Workplace & Sustainability
- Global flexible working policy implemented
- Business unit sustainability tactical plans, including carbon reduction actions

Our future plans include measures such as:

- Fleet policy to be drafted.
- Standardisation of data reported from our fleet portfolio.
- Efficient driving training and standard to be developed.
- EV's / Hybrid vehicles to replace traditional fleet in the UK and used as a test for further roll out where infrastructure allows.
- All offices (where the market allows, and Wood procures energy direct) will procure electricity generated by renewable sources.
- Energy efficiency of potential offices to be reviewed as part of selection criteria.
- Installation of renewable electricity technology at offices owned by Wood or on a long-term lease (over 5 years).

More granular detail of the carbon reduction plan is broken down in Wood's target strategy document. This includes the implementation of strategic and tactical actions taken/to be taken to meet our target.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Corporate Reduction Plans and the GHG Reporting Protocol corporate standard and uses the appropriate government emissions factors for greenhouse gas company reporting. Our emissions are reported within an operational control boundary.

Scope 1 and 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard.

Our latest third-party verification statement of Wood's scope 1, 2 and 3 emissions can be found at: www.woodplc.com/sustainability/data-and-reporting

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed



Name: **Linzie Forrester**

Position: President of Sustainability

Date: 24th August 2022