

Carbon Reduction Plan

Supplier name: Wates Construction Limited

Publication Date: June 2025

About Wates Group

The Wates Group, established in 1897, is the UK's leading family-owned development, building and property maintenance company. We employ almost 6,000 people and work with a wide range of public and private sector customers and partners. At Wates Group, we are committed to reimagining places for people to thrive by engaging with our customers, supply chain partners and the communities we serve. We are driven by our shared purpose and three enduring promises to ensure thriving places, people and planet.

In 2022 we won the Queen's Award for Enterprise in the Sustainable Development category, making it the third time we have received the award.

About Wates Construction Division

Wates Construction Division is a wholly owned subsidiary of Wates Group Limited. Wates Construction Division, the largest arm of the Group, works with our partners to create a more sustainable built environment and deliver legacies for the communities in which we work. We deliver complex projects across a range of sectors, including education, residential, healthcare, commercial, and the emergency services. We also specialise in the fit-out, refurbishment and management of commercial and business properties across the UK

Wates Construction Division comprises 3 distinct businesses that are covered by this plan. These are:

- Wates Construction
- Wates Smartspace
- Wates Fit Out

For more information, visit: <https://www.wates.co.uk/services/construction/>

Commitment to achieving Net Zero

As part of Wates Group Ltd, Wates Construction Division. is committed to achieving carbon neutrality for its Scope 1 and 2 emissions by the end of 2025 and Net Zero emissions by the end of 2045.

Wates Construction Division is committed to protecting the environment by demonstrating high standards of environmental responsibility in all our operations and minimising the environmental impacts associated with our activities and services. The whole of Wates Group is also committed to the long-term sustainability of the built environment and has set a near-term science-based target that was externally validated by Science Based Target Initiative (SBTi) in October 2022. This was followed by a long-term Net-Zero carbon validated target in 2023.

The targets are as follows:

- Wates Group commits to reduce absolute Scope 1 and Scope 2 GHG emissions by 46.2% by 2030 from a 2019 base year.
- Wates Group commits that 89% of our suppliers by emissions covering purchased goods and services, will have science-based targets by 2027.
- Wates Group commits to reduce absolute scope 1 and 2 GHG emissions 90% by 2045 from a 2019 base year & reduce absolute scope 3 GHG emissions 90% within the same time frame

The target boundary includes land-related emissions and removals from bioenergy feedstocks.

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 Year: 2019
Additional Details relating to the Baseline Emissions calculations.
Wates Construction Division is a bidding entity which is part of Wates Group Limited. Wates Group Limited collects and reports carbon emissions at a group level based on an operational control boundary as defined by the Greenhouse Gas Protocol. The baseline emissions data set out in this carbon reduction plan have been approximated by apportioning emissions based on the bidding entity and its share of Wates Group Limited total revenue. The baseline waste data reporting represents waste removed by waste contractors directly employed by Wates Group bidding entities and excludes waste removed by third parties employed through subcontractors and Logistic Work Packages. Scope 3 transportation figures have been estimated based on available financial figures. The employee commuting figure has been estimated using the Quantis tool, as recommended by the GHG protocol.
We continually review our greenhouse gas emissions data to improve data quality and reporting. In the case that we identify any material changes, we may recalculate the data in the future.

Baseline year emissions: 2019	
Emissions	TOTAL (tCO ₂ e)
Scope 1	7,141
Scope 2 (Market based)	1,937
Scope 3 (Included Sources)	Upstream Transport: 2,695 Waste: 95 Business Travel: 3,944 Employee Commuting: 4,941 Downstream Transport: 0* Total Scope 3: 11,674 *Downstream Transport is not applicable to Wates Construction Division as we did not sell products that were transported or distributed to the end consumer during the reporting year.
Total Emissions	20,752

Current Emissions Reporting

Reporting Year: 2024	
Emissions	TOTAL (tCO ₂ e)
Scope 1	1,654
Scope 2 (Market based)	265
Scope 3 (Included Sources)	Upstream Transport: 798 Waste: 79 Business Travel: 1,947 Employee Commuting: 436 Downstream Transport: 0*

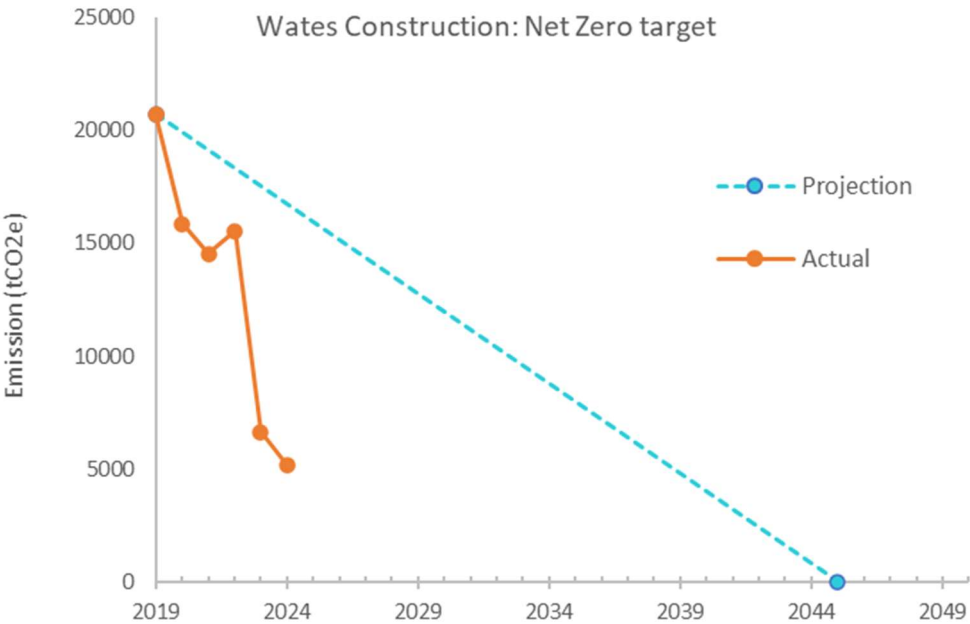
	<p>Total Scope 3: 3,260</p> <p>*Downstream Transport is not applicable to Wates Construction Division as it did not sell products that were transported or distributed to the end consumer during the reporting year.</p>
Total Emissions	5,178

The Quantis tool used for calculating employee commuting has been retired, therefore we have changed to using the UK Department for Transport’s modal comparisons TSGB01 statistical data set for calculating employee commuting.

Emissions Reduction Targets

Wates Group commits to achieve Net Zero by the end of 2045. The targets will be set in line with the reduction pathways for limiting global temperature rise to 1.5°C. We have set near-term science-based targets, which have been validated by the SBTi. This requires us to reduce our scope 1 and 2 emission by 46.2% by the end of 2030. For targets covering scope 3 emissions, Wates Group also commits that 89% of its suppliers by emissions covering purchased goods and services, will have science-based targets by the end of 2027.

Wates Construction Division comprises 56% of Wates Group by turnover. The progress against Net Zero target by the end of 2045 can be seen in the graph below.



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2019 baseline and will be in effect when performing the contract. The carbon emission reduction achieved from 2019 to 2024 is 15,573 tCO₂e, a 75% reduction against the baseline. This is due to the carbon reduction **initiatives** outlined below and some work streams moving to other business entities within the group.

No	Emission Reduction Initiative	Action	Completion Date
1	Environmental Management System	In 2023 Wates environmental management system underwent a successful surveillance audit against ISO 14001:2015	2023
2	Renewable Electricity	93% of the electricity supplied was sourced from renewable energy tariffs backed by REGOs	2024
3	External Assurance	In early 2025, The Carbon Trust was engaged to undertake limited assurance of Wates Group Ltd's 2024 Scope 1, 2 and selected Scope 3 emissions (for waste and business travel), using the international standard ISO 14064-3. The Carbon Trust's full statement is available at: https://www.wates.co.uk/GHGassurance To reach its opinion, the Carbon Trust undertook a range of procedures over the GHG data. A summary of this work is included within its assurance opinion.	2024
4	Long-term Net Zero Science-Based Target	Set Long term Net Zero science-based targets for Scope 1, 2 & 3 carbon emissions	2023
5	Engage with supply chain to set science-based targets	Run workshops with the Supply Chain Sustainability School to set science-based targets and report on their carbon emissions.	2023
6	Establish a technical excellence centre	Establish a technical excellence centre to drive carbon reductions on our construction projects	2023
7	Trial tools to measure Scope 3 emissions data	Trial different approaches to capture category 1 Scope 3 data to allow more accurate reporting and benchmarking.	2023
8	Energy profiling	Develop an energy profiler to accurately forecast our power needs on projects and drive carbon reductions.	2023

No	Emission Reduction Initiative	Action	Completion Date
9	Launch updated company car scheme	All new company cars to be electric. Older fossil-fuel powered vehicles will be phased out as their leases expire.	2023
10	Launch a new salary sacrifice scheme for EVs and PHEVs	Staff will be able to sacrifice part of their salary before tax to lease electric or plugin hybrid electric vehicles making these more affordable and reducing grey fleet emissions.	2023
11	Launch of SMART Waste	SMART Waste introduced to streamline the data collection and reporting of data relating to waste, materials, and energy use.	2025

In the future we intend to implement further measures such as:

No	Emission Reduction Opportunity	Action	Target Date
1	Develop a sustainable procurement policy to drive emission reductions	Produce a sustainable procurement policy that will drive emissions reductions through our procurement processes.	2025 - 2026
2	Engage with selected supply chain partners to set science-based targets	Run dedicated workshops with select top spend supply chain partners to set science-based targets and report on their carbon emissions.	2025
3	Trial wider suite of tools and calculators to measure Scope 3 emissions data	Trial different approaches to capture category 1 Scope 3 data to allow more accurate reporting and benchmarking.	2026
4	Wider adoption of whole life carbon assessments	To expand embodied and operational carbon measurement and reduction by carrying out whole life carbon assessments on a larger number of projects.	2026
5	100 % Renewable Electricity	Purchase all electricity used by the Group from renewable sources.	2025
6	100% of electric plant or other zero carbon technology	Eliminate use of diesel for all plant across the Group. This is dependent on suppliers offering alternative equipment and bringing these to market. At present, we are maximising the use of grid connections to minimise the need for diesel	2030

No	Emission Reduction Opportunity	Action	Target Date
		generators. We are also taking steps to reduce diesel consumption on our projects through more efficient plant and site mobilisation process.	
7	Embed circularity within our operations	Create an approach to increasing eth circularity of our projects, focussing on process and developing partnerships to facilitate materials reuse.	2026
8	Introduction of new Environmental Management System Portal (Touchstone)	New Environmental Management System portal will provide projects with tailored environmental management for their projects. Enabling the effective targeting of carbon emissions across the project delivery process	2025
9	PAS 2080	Investigate the adoption of PAS 2080 to help structure carbon reduction in the delivery of our projects.	2026

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 Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 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) Standard³.

This Carbon Reduction Plan has been reviewed and signed off by the Steff Battle on behalf of the board of directors.

Signed on behalf of the Supplier:



Date: 18/06/2025

¹ <https://ghgprotocol.org/corporate-standard>

² <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

³ <https://ghgprotocol.org/standards/scope-3-standard>