

Carbon Reduction Plan

Supplier name: Wates Residential

Publication Date: 1 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 Residential

Wates Residential is one of the leading developers in London, the south of England, and south Wales working with public and private sector clients to build more and better-quality homes. Wates Residential applies a special type of regeneration to every scheme that it develops. This looks beyond bricks and mortar and is focused on supporting the wider long-term development of sustainable communities. By engaging with key stakeholder groups early, the team ensures that local needs are placed at the heart of every development. As a developer and contractor Wates Residential aims to leave a positive legacy in the communities where it operates by targeting local procurement, the creation of local training and employment opportunities, and investing in local charitable organisations and community groups. Developments are designed with whole life carbon in mind and designed to meet targets for embodied carbon, operational energy use intensity, and water use. Visit us at: www.wates.co.uk/residential. Wates Residential employs around 400 staff.

The scope of this report covers all of the operations under the Wates Residential business unit or brand. Previously, Wates Residential project contracts were signed under the Wates Construction Limited business entity. In future, contracts will be predominantly signed with either of two companies held under Wates Residential Limited. A description of these businesses is presented below.

About Wates Residential Limited and associated companies

Wates Residential Limited is the holding company of Wates Residential Construction Limited and Wates Residential Development Limited.

Wates Residential Construction Limited

Wates Residential Construction is a main contractor, specialising in building affordable residential buildings for local authority, housing association, other public body clients and the Wates

Residential Development Limited group company. Contracts are therefore signed with Wates Residential Construction Limited where Wates Residential performs a contractor role.

Wates Residential Development Limited

Wates Residential Development Limited is a housing developer operating primarily in London, the South of England and Wales. The company has been set up to invest, develop, build and sell homes, partnering with local authorities, housing associations and other public bodies. Contracts are signed under Wates Residential Development Limited (and any associated Joint Venture companies) where Wates Residential provides a developer role or works in partnership as a developer.

Commitment to achieving Net Zero

As part of Wates Group Ltd, Wates Residential 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 Residential 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 our long-term Net-Zero carbon target 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% by 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 baseline year and includes some reduction activities that took place in that year. Please note that baseline emissions reflect the boundary of the Wates Residential brand.

Baseline Year: 2023	
Additional Details relating to the Baseline Emissions calculations.	
<p>Wates Residential is a business unit 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 emissions data set out in this carbon reduction plan are based on emissions from the direct operations of Wates Residential in its operation for the reporting year. The waste data reporting represents waste removed by waste contractors directly employed by Wates Group and excludes waste removed by third parties employed through subcontractors. Scope 3 upstream transportation figures have been estimated based on a representative sample of projects. Business travel is based on actual recorded data for the business unit. The employee commuting figure has been estimated using the Department for Transport national travel database in line with the averaging method as recommended by the GHG Protocol.</p> <p>We continually review our greenhouse gas emissions data to improve data quality and reporting. In the case that we identify any material changes, we will review and consider recalculating the data in the future.</p> <p>2023 was the first year of reporting for Wates Residential, as carbon emissions for our Wates Residential offering were previously reported under the wider Wates Construction Limited's carbon reduction plan which was the contracting entity.</p>	
Baseline year emissions: 2023	
Emissions	TOTAL (tCO₂e)
Scope 1	449
Scope 2 (Market based)	130
Scope 3 (Included Sources)	Upstream Transport: 468 Waste: 38 Business Travel: 356 Employee Commuting: 107 Downstream Transport: 0* Total Scope 3: 969 *Downstream Transport is not applicable to Wates Residential as we did not sell products that were transported or distributed to the end consumer during the reporting year.
Total Emissions	1,548

Current Emissions Reporting

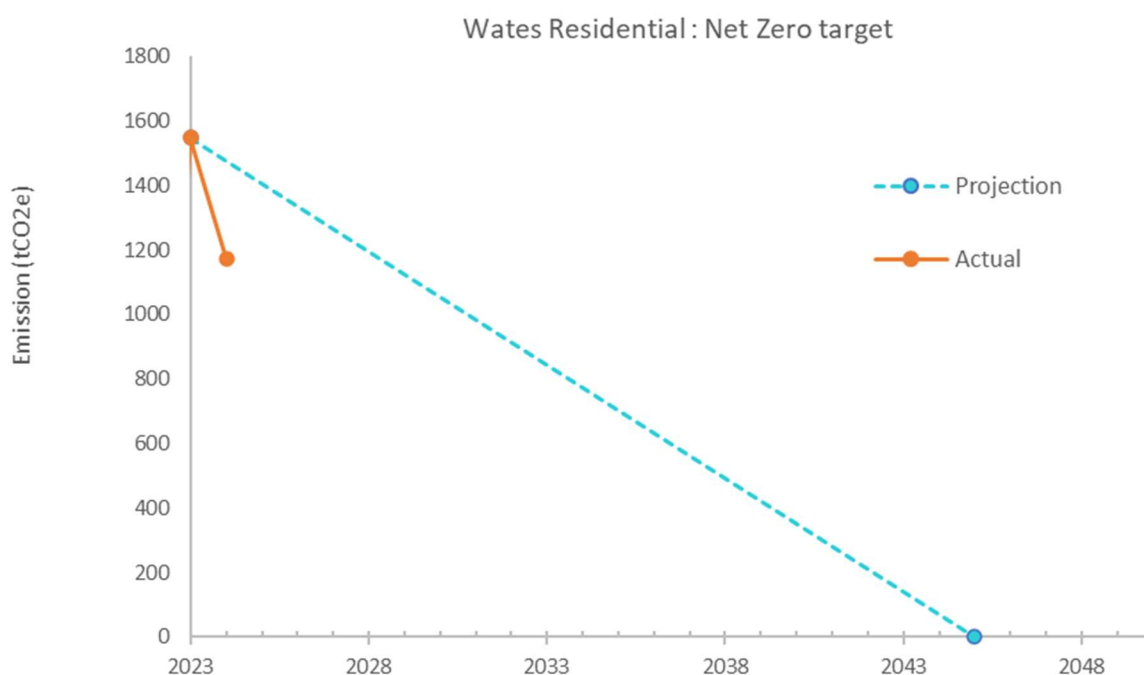
Reporting Year: 2024	
Emissions	TOTAL (tCO ₂ e)
Scope 1	454
Scope 2 (Market based)	98
Scope 3 (Included Sources)	Upstream Transport: 174 Waste: 14 Business Travel: 314 Employee Commuting: 119 Downstream Transport: 0* Total Scope 3: 621 *Downstream Transport is not applicable to Wates Residential as it did not sell products that were transported or distributed to the end consumer during the reporting year.
Total Emissions	1,173

Emissions Reduction Targets

Wates Group commits to achieve Net Zero by the end of 2045. The targets have been 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.

The financial year 2023 is the baseline year for Wates Residential, as its activities were previously covered under the Carbon Reduction Plan of Wates Construction Ltd.

Wates Residential comprises 12% of Wates Group by turnover. The progress against Net Zero target for Wates Residential 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 in the period 2023 – 2025 and will be in effect when performing the contract. The carbon emission reduction achieved from 2023 to 2024 is 375 tCO₂e, a 24% 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 2024 Wates environmental management system underwent a successful surveillance audit against ISO 14001:2015	2024
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	2025

No	Emission Reduction Initiative	Action	Completion Date
		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.	
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	Engaged 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	Established a technical excellence centre	Established a technical excellence centre to drive carbon reductions on our construction projects	2023
7	Trialled tools to measure Scope 3 emissions data	Trialled different approaches to capture category 1 Scope 3 data to allow more accurate reporting and benchmarking.	2023
8	Energy profiling	Developed an energy profiler to accurately forecast our power needs on projects and drive carbon reductions.	2023
9	Launched 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	Launched 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

In the future we intend to implement further measures in table below. The carbon emissions reductions will be achieved due to the carbon reduction initiatives outlined further below.

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
2	Engage with selected supply chain partners	Run dedicated workshops with select key supply chain partners to set science-based	2025-26

No	Emission Reduction Opportunity	Action	Target Date
	to set science-based targets	targets and report on their carbon emissions.	
3	Trial wider suite of tools and calculators to measure Scope 3 emissions data	Trial new emerging and different approaches to capture category 1 Scope 3 data to allow more accurate reporting and benchmarking.	2025-26
4	Adoption of Smartwaste	Adoption of Smartwaste across all projects from February 2025.	2025
5	Analysis of previous WLCA	Complete a study of representative previous projects to compare built form, construction methods, materials etc. and recommend preferred approaches, develop standardized solutions, and target operational and embodied carbon reductions.	2025-28
6	WLCA	All projects to have WLCA [Whole Life Carbon Assessment] at critical RIBA Stages and identification of carbon reduction measures.	2025-30
7	Potable Water	All development projects to be designed to reduce potable water usage.	2025-30
8	POE and occupants' behaviour	Improve understanding of occupants' energy use through POE and influence occupants' behaviour.	2025-30
9	100% Renewable Electricity	Purchase all electricity used by the Group from renewable sources.	2025
10	100% of plant electric or other zero carbon technology	Eliminate use of gas oil 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 generators. We are also taking steps to reduce diesel consumption on our projects through more efficient plant and site mobilisation processes.	2030

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 Executive Managing Director, Philippa Prongue on behalf of the Wates Residential board of directors.

Signed on behalf of the Supplier:



Date: 30/05/2025

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>