



Greenhouse Gas Inventory 2024

Publication date: 24 July 2025

About Wates Group

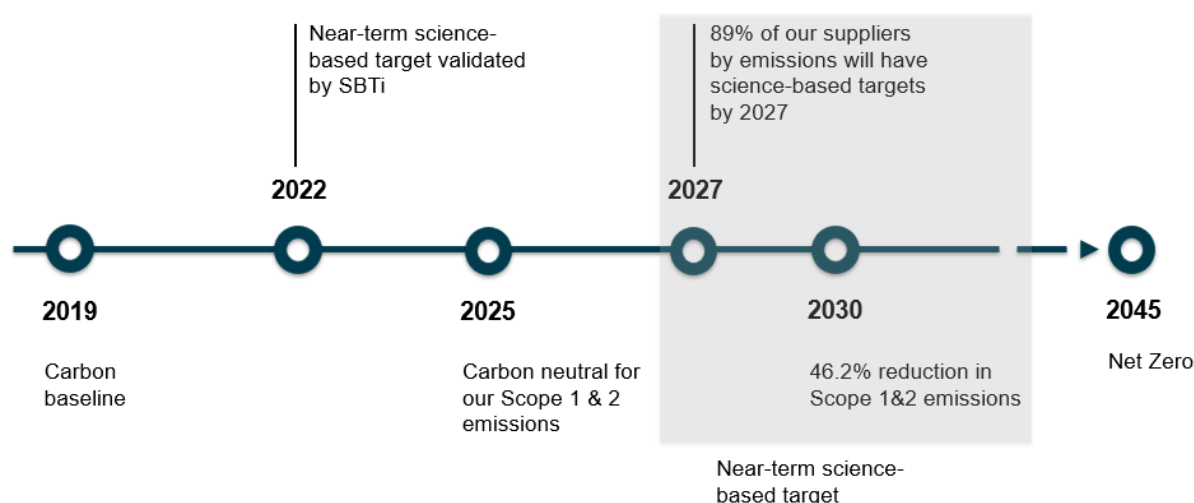
Wates Group, established in 1897, is the UK's leading family-owned development, building and property maintenance company. We employ almost 6,000 people and work with a wide range of public and private sector customers and partners. At Wates, we are committed to reimagining places for people to thrive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

2024 Greenhouse Gas Inventory for Scopes 1, 2 & 3

Our purpose commits the business to becoming more sustainable. In 2020, the Group set a target to be carbon neutral for Scope 1 and 2 emissions by end of 2025.

The following year, the Group committed to setting a Near-term science-based target and a Net Zero target under the Science-Based Targets initiative (SBTi).

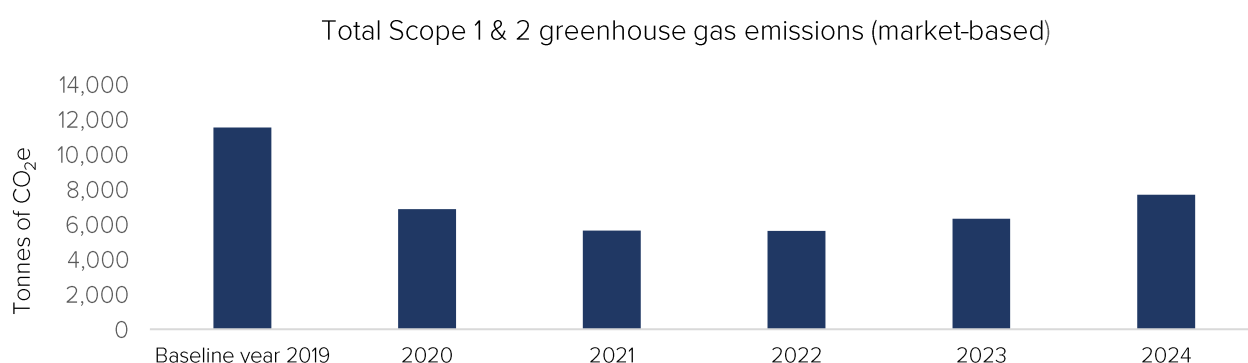
Our Near-term science-based target requires Wates to achieve a 46.2% reduction in Scope 1 & 2 emissions by YE 2030 and have 89% of our suppliers by emissions covering purchased goods and services, set science-based targets by YE 2027. This will ensure that our supply chain partners commit to reduction targets that follow climate science, capture robust data to evidence their decarbonisation and align to the objectives of the Paris Agreement. This will help the sector reduce Scope 3 emissions. Our goal is to be Net Zero by 2045.



In 2022, Wates Near-term science-based target was externally validated. This was followed in 2023 with the validation of our Long-term Net Zero target by the SBTi which requires us to reduce our Scope 1, 2 and 3 emissions by 90% by the end of 2045. The target boundary for both targets includes land-related emissions and removals from bioenergy feedstocks.

Scope 1 & 2 emissions

The Streamlined Energy and Carbon Report (SECR) in our annual report provides an overview of the carbon reductions we have achieved for our Scope 1 & 2 emissions, as well as the two selected Scope 3 emission sources for business travel and waste in 2024. As shown below, in 2024 we reduced our market-based Scope 1 and 2 emissions, measured in tonnes of CO₂e, by 33% from 11,557 tonnes of CO₂e in 2019 to 7,708 tonnes of CO₂e. For further information, on our Scope 1 & 2 performance, please review our [2024 Annual Report SECR Disclosure](#). It is important to note that Wates Group acquired Liberty Group in Q4 2024. Emissions from Liberty Group covering the period from 1 October to 31 December 2024 are therefore included in Wates' 2024 figures.



The Carbon Trust undertook limited assurance of the Group's Scope 1, 2, and selected Scope 3 emissions (waste and business travel), using the international standard ISO 14064-3 over the GHG data that has been highlighted in this report

Table 1. Absolute tonnes of CO₂e

	Base year 2019	2021	2022	2023	2024
Scope 1	9,091	5,335	5,231	5,836	7,068*
Scope 2 (location based)	5,182	1,370	1,527	2,116	2,745*
Scope 2 (market based)	2,466	314	392	482	640*
Scope 3 including business travel and waste	4,054	2,673	3,540	3,972	3,930*
Total Scope 1 and 2 carbon emissions (location-based)	14,273	6,705	6,758	7,952	9,813
Total Scope 1 and 2 carbon emissions (market-based)	11,557	5,649	5,623	6,318	7,708
Total Scope 1, 2 and 3 carbon emissions (location-based)	18,327	9,378	10,298	11,923	13,743
Total Scope 1 and 2 carbon emissions/per £m (market-based)	7.5	3.7	3.2	3.0	4.3
Total Scope 1, 2 and 3 carbon emissions per £m revenue (market-based) including business travel and waste	10.1	5.5	5.1	4.9	5.1
Total Scope 1, 2 and 3 carbon emissions per £m revenue (location-based) including business travel and waste	11.8	6.2	5.8	5.7	6.0

*Limited assurance conducted by The Carbon Trust to ISO 14064-3:2019

The Carbon Trust's full statement is available at [Wates Verification Statement](#). A summary of the work undertaken to arrive at their conclusion is included within their assurance statement.

Scope 3 emissions

We have calculated our Scope 3 data for the calendar year of 2024 using an environmentally extended input-output (EEIO) model, as we did for our 2019 baseline data set, with the addition of supplier-specific emissions data, where available. We are phasing out the use of EEIO conversion factors and switching to supplier specific carbon data as suppliers become able to produce it, and this year sourced data from over 130 suppliers: this is a 490% increase in suppliers providing data compared with the previous year.

Scope 3 emissions are defined as those outside a company's direct operational control. There are 15 Scope 3 categories identified by the Greenhouse Gas Protocol which companies are encouraged to report against. Eleven of these categories apply to Wates and contribute 597,917 tonnes CO₂e to (98.7%) Wates' total emission in 2024 (compared to 98% in 2019 baseline). Our total Scope 1, 2 and 3 emissions were 605,624 tonnes of CO₂e in 2024.

As illustrated below, 91.2% of Wates' GHG emissions are from "purchased goods and services," reflecting the emissions profile of the sector we work in.

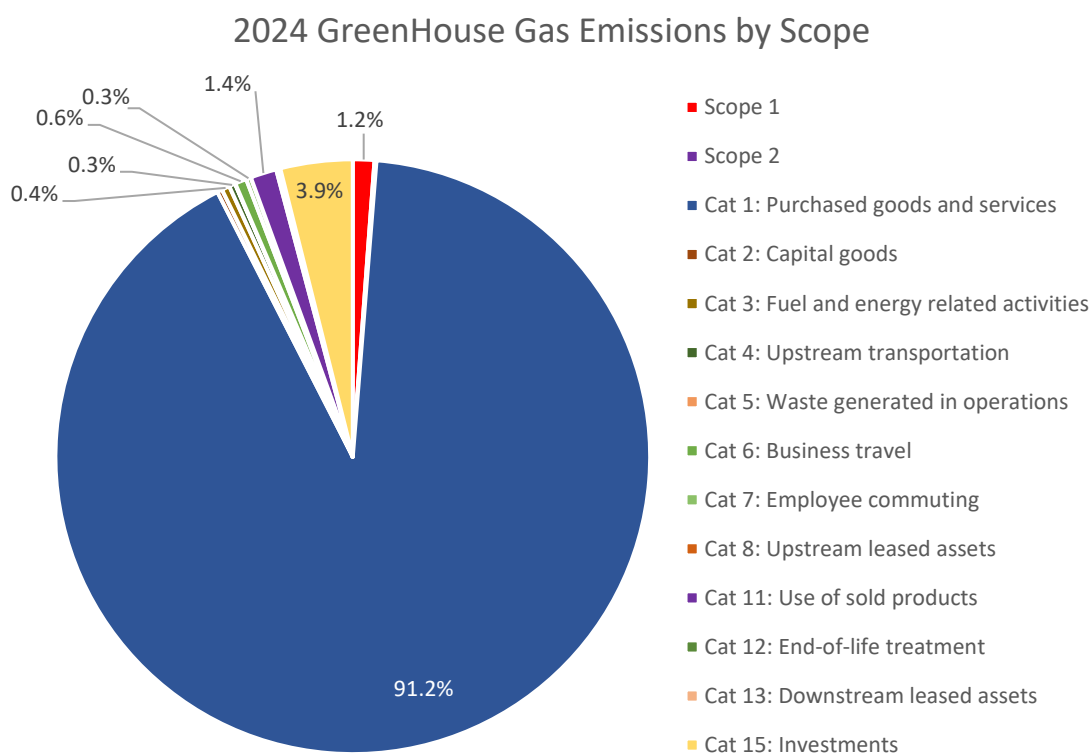


Table 2. Absolute tonnes of CO₂e for Scope 3 categories

Key	Category	Scope 3 Category	Base year 2019	2021	2022	2023	2024
Upstream	1	Purchased goods and services	465,121	337,177	399,772	481,258	552,343
	2	Capital Goods	3,894	2,122	1,663	2,211	1,670
	3	Fuel & energy related activities	3,131	1,785	1,764	2,092	2,607
	4	Transportation & distribution	3,431	3,388	3,111	3,104	2,025
	5	Waste generated in operations	121	133	167	309	118
	6	Business travel	5,021	2,540	3,373	3,758	3,798
	7	Employee commuting	6,290	6,290	6,290	1,186	1,614
	8	Leased assets	0	0	0	0	0
Downstream	9	Transportation & distribution	0	0	0	0	0
	10	Processing of sold products	0	0	0	0	0
	11	Use of sold products	77,463	19,596	5,040	3,714	8,615
	12	End-of-life treatment of sold products	26,961	7,235	2,150	928	1,275
	13	Leased assets	6.4	5.3	77	74	95
	14	Franchises	0	0	0	0	0
	15	Investments	21,193	21,527	20,882	23,741	23,758
Total Scope 3 emissions			612,631	401,799	444,289	522,375	597,917

As purchased goods and services constitute most of our emissions, we have set a target for 89% of our suppliers by greenhouse gas emissions to have science-based targets in place by the end of 2027. This will ensure that our supply chain partners capture their GHG data to a high standard and set reduction targets that follow climate science, helping us reduce our Scope 3 emissions. In 2024, 18% of our supply chain (Category 1) emissions were covered by a science-based target.

ERM CVS undertook limited assurance of our top 200 suppliers by spend that had set science-based targets, in support of our Sustainability Linked Loan. The percentage of these that had science-based targets has more than tripled from 4% in 2022, to 15% in 2024.

We have initially focused on material suppliers, where we have the greatest opportunity to reduce greenhouse gas emissions. Given the high bar for setting science-based targets, initial take-up is slow. We have been providing support through webinars and workshops to demystify the SBTi requirements and have supported some suppliers through follow-up sessions to facilitate a faster transition for suppliers. The importance of decarbonising the supply chain is being communicated to all supply chain partners and now forms part of our tender evaluation process for preferred suppliers. We chair the Supply Chain Sustainability School's climate action working group which is developing new resources to assist SMEs in quantifying and establishing science-based targets.

Our aim is to shift to supplier-specific carbon data reports, which will provide us with far more accurate Scope 3 data going forwards. Given the nature of construction, where every project is

different and has a multitude of suppliers and subcontractors, this is not straightforward. However, we are reviewing different approaches that will identify carbon hotspots within our supply chain and working directly with suppliers to find alternative solutions. This will help us achieve our objective of making Wates a net zero business across all scopes by 2045.

Overall, by FY 2024 we reduced Wates' total emissions for Scopes 1, 2 and 3 by 3% compared to the 2019 baseline. This is despite our turnover increasing by 48% over the same period.

Signed on behalf of Wates Group:



Cressida Curtis, Group Sustainability Director

Date: 24 July 2025