

Carbon Reduction Plan

Supplier name: Wates Construction Limited

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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

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, prisons, healthcare, parliamentary estates, commercial, data centres, blue light and mixed use development. 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 committed to the long-term sustainability of the built environment and, alongside reducing our own operational emissions, we are committed to supporting our customers in achieving lower carbon outcomes through sustainable design, low-carbon construction methodologies, and proactive supply chain engagement. This ensures that our Carbon Reduction Plan delivers measurable environmental value across the projects and communities we serve.

Wates Group has set a near-term science-based target that was externally validated by Science Based Target Initiative (SBTi) in 2022 and long-term Net-Zero carbon validated target in 2023.

Following the acquisition of Liberty group in 2024, the SBTi revalidated Wates Group's near-term targets in April 2026.

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 77% of our suppliers by emissions covering purchased goods and services, will have science-based targets by 2030.
- Wates group commits to 68% reduction in emissions from use of sold products by 2030, against a 2019 baseline.
- Wates Group commits to reduce absolute scope 1, 2 and 3 GHG emissions by 90% by 2045 against a 2019 baseline.

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.	
<p>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.</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 may recalculate the data in the future.</p>	
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

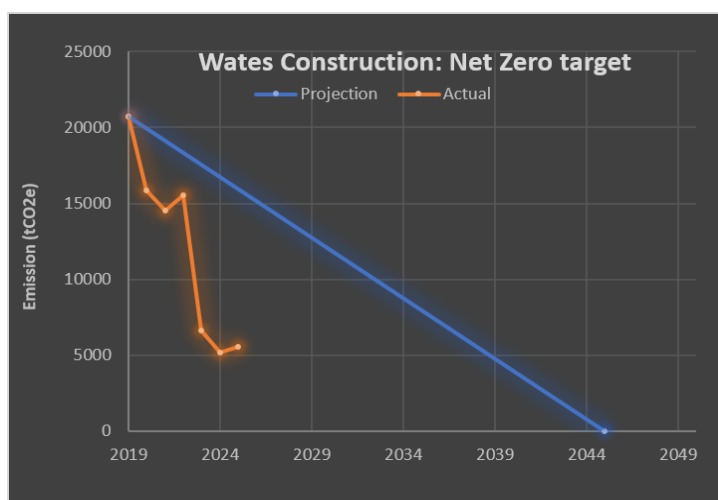
Reporting Year: 2025	
Emissions	TOTAL (tCO ₂ e)
Scope 1	1,253
Scope 2 (Market based)	335
Scope 3 (Included Sources)	Upstream Transport: 1,371 Waste: 523 Business Travel: 1,668 Employee Commuting: 393 Downstream Transport: 0* Total Scope 3: 3,955 *Downstream Transport is not applicable to Wates Construction Division as it did not sell products that were transported or distributed to the end consumer during the reporting year.
Total Emissions	5,543

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 commits that 77% of its suppliers by emissions covering purchased goods and services, will have science-based targets by the end of 2030. Also, Wates Group commits to 68% reduction in emissions from use of sold products by 2030, against a 2019 baseline.



Wates Construction Division comprises 48% of Wates Group by turnover. The progress against Net Zero target by the end of 2045 can be seen in the graph above.

We project that carbon emissions will decrease over the next five years to 5,084 tCO₂e by 2030. This is a reduction of 8%.

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 in 2025, compared to 2019 is 15,209 tCO₂e, a 73% 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
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

No	Emission Reduction Initiative	Action	Completion Date
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
12	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
13	100 % Renewable Electricity	Purchase all electricity used by the Group from renewable sources.	2025

Planned Carbon Reduction Initiatives

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.	2026
2	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
3	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
4	Adopt electric or other zero carbon plant and technology	Phasing out use of diesel for all plant across our projects by hiring electric plant for own hired plant, using battery and hybrid booms and replace small generators with battery alternatives. We will also trial electric Telehandlers. 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 process	2026
5	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
6	Establish initial construction waste intensity target	Establish construction waste baseline. Set initial construction waste intensity target e.g. $\leq 6.5t / 100m^2$	2026

No	Emission Reduction Opportunity	Action	Target Date
7	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	2026
8	PAS 2080	Investigate the adoption of PAS 2080 to help structure carbon reduction in the delivery of our projects.	2026
9	Adopt electric and hybrid operational vans	Switch from pure diesel operational vans to full electric and hybrid options for own leased vans	2026
10	100% electric operational vans	Switch all operational vans to full electric versions by working with OEMs and fleet team to explore options and charging infrastructure	2027
11	Sub-contractors using electric plant	Adopt small sized electric plant for sub-contractors on our sites to address air quality and scope 3 emissions	2027
12	Mandate carbon reporting for suppliers >£500k spend	Mandate carbon reporting for suppliers where we have >£500k/pa spend with. This ensures most of our suppliers and subcontractors are recording and reporting their carbon emissions	2027
13	Achieve Diesel Free Gold standard	All projects to achieve Gold standard on the Diesel Free matrix four weeks from mobilisation	2027
14	Implement take back scheme on each project	Implement >4 circularity initiatives e.g. takeback schemes on each project	2028
15	Operational net zero carbon	All new build and major refurbishments will achieve net zero operational carbon.	2029
16	Establish minimum standard for supply chain resource circularity	Establish and support value chain partners to reach a minimum standard for resource circularity across our project	2029
17	Achieve 100% of non-hazardous excavation arisings used for beneficial use.	Deliver 100% of non-hazardous excavation arisings used for beneficial use.	2029
18	Achieve zero avoidable waste	Achieve zero avoidable waste / circularity (≥99% landfill & EfW diversion for non-hazardous waste i.e. 100% reuse & high value recycling)	2030
19	Achieve <20kgCO2e per £100k spend	Achieve emissions to spend ratio in decreasing scale between 2028 and 2030, with a target of <20kgCO2e per £100k spend by 2030	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 Steff Battle on behalf of the board of directors.

Signed on behalf of the Supplier:



Steff Battle

Executive Managing Director

Wates Construction Division

Date: 17/06/2026

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>