# Greenhouse Gas Inventory 2025

Publication Date: 28th July 2026

Reimagining places
for people to thrive

Wates

# Context

## About Wates Group

Established in 1897, we are one of the UK's leading family-owned development, building and property maintenance companies. In 2025, we generated £29.2m in statutory profit before tax from a turnover of £2.56bn, working with a wide range of public and private-sector customers and partners. With 6,000 employees and now in our fourth generation of family ownership, we're committed to the long-term sustainability of the built environment and to making our industry more inclusive and representative of the communities we work in. We are an Investors in People Gold - accredited company and driven by our purpose of *reimagining places for people to thrive.*

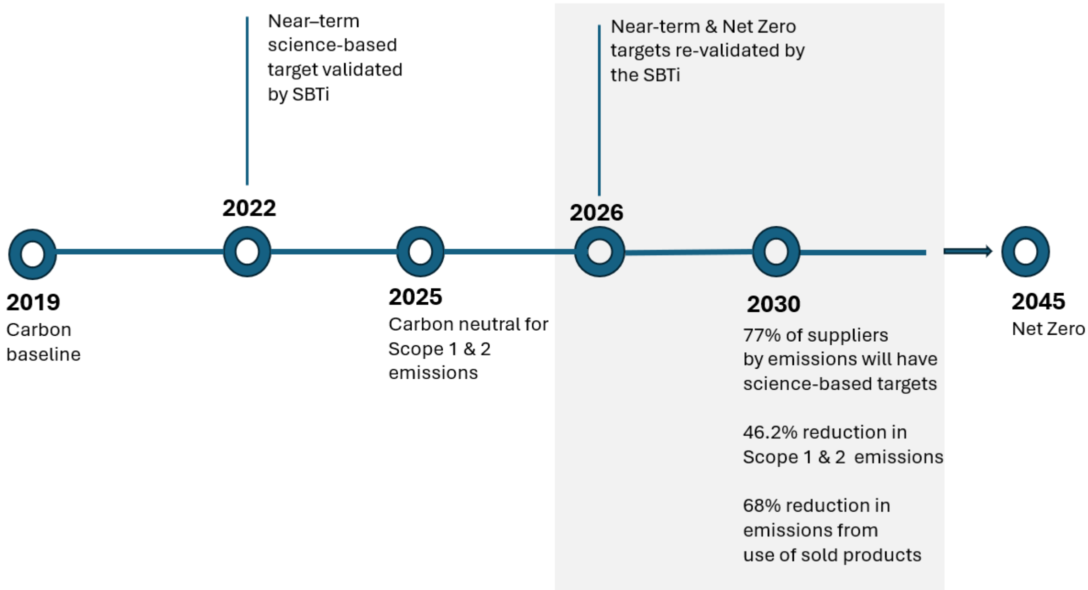
## Our purpose-driven ambition

In line with our purpose, Wates is becoming increasingly sustainable. In 2020, we set a target to be carbon neutral for Scope 1 and 2 emissions by the end of 2025, which we delivered. The following year, we committed to setting a near-term science-based target and a 2045 net zero target under the Science Based Targets initiative (SBTi).

The acquisition of Liberty Group towards the end of 2024 led to a revalidation of our targets to reflect the enlarged Group and emissions profile. As a result, by the end of 2030 we will:

- reduce Scope 1 and 2 emissions by 46.2%
- support 77% of our suppliers (by emissions) to set their own science-based targets
- reduce emissions from use of sold products by 68% by 2030, against a 2019 baseline.

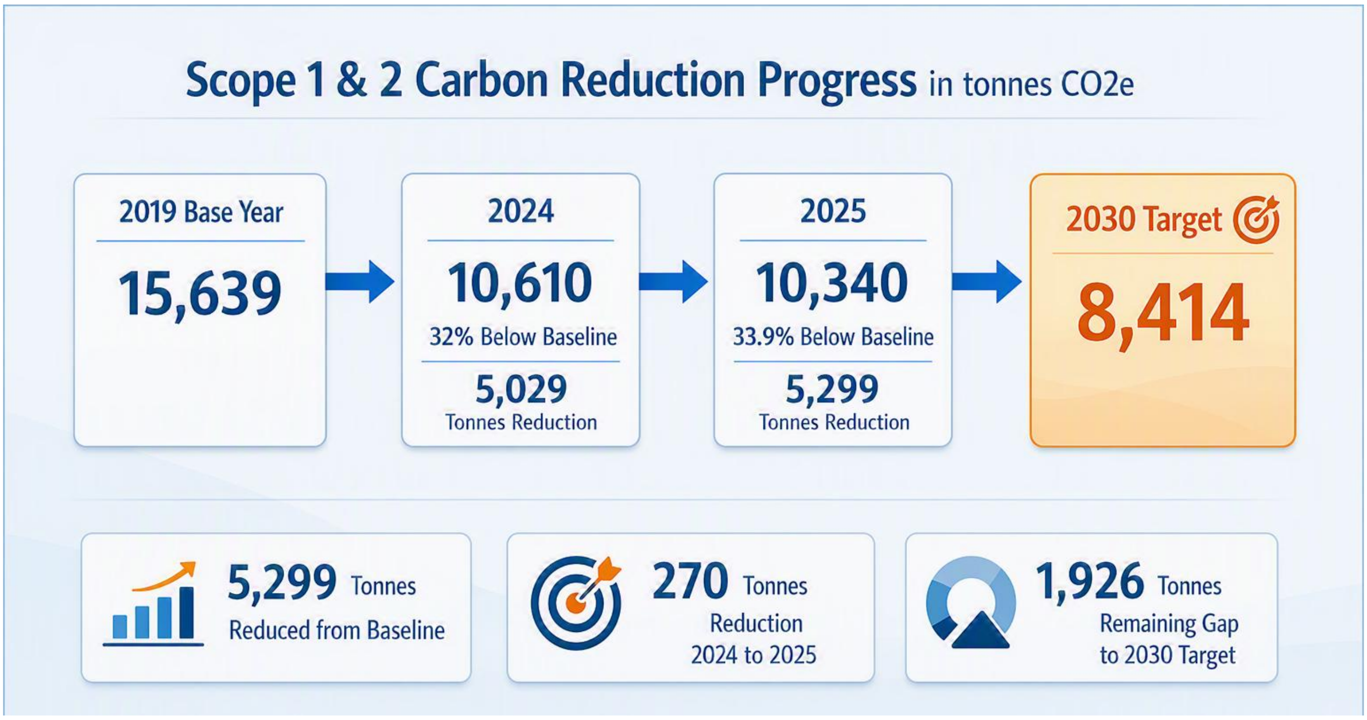
Our long-term net zero target, validated by the SBTi, requires us to reduce Scope 1, 2 and 3 emissions by 90% by the end of 2045. The target boundary includes land-related emissions and removals from bioenergy feedstocks. These targets create clarity within our own organisation and throughout our value chain regarding Wates' priorities.



# 2025 Scope 1 & 2 emissions

The Streamlined Energy and Carbon Report (SECR) in our annual sustainability statement explains how we have reduced Scope 1 & 2 emissions in 2025. As shown below, in 2025 we reduced Scope 1 and 2 emissions (market-based) by 33.9 per cent compared to the baseline year, from 15,639 tonnes of $CO_2$e, to 10,340 tonnes of $CO_2$e.

The acquisition of Liberty Group in Q4 2024, led to a rebaselining of our emissions for the 2019 baseline year. Full year emissions for Liberty Group during the baseline year, the full year 2024 and FY 2025 and our revalidated 2030 target are now included in Wates' figures.




*All emissions in the graphic are market-based.*

Wates Group committed to becoming Carbon Neutral in 2025 by offsetting its residual Scope 1 and 2 market-based emissions. This was successfully achieved by offsetting 10,340 t$CO_2$e through verified Gold Standard and Verra carbon removal projects internationally. These projects included soil carbon improvement through grassland management in South Africa, a safe water project in Zambia, afforestation of degraded grasslands in Colombia, and landfill gas collection and energy generation in Turkey.

# Assured Data

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.

We decreased Scope 1 emissions in 2025 by a further 2.5% against 2024. We achieved this by replacing internal combustion engine (ICE) vehicles with electric vehicles (EVs), implementing a diesel phase-out programme and technology alternatives to traditional equipment. We also reduced our scope 2 emissions by a further 10 per cent, year on year.

Table 1. Absolute Tonnes of $CO_2e$ for Scope 1, 2 and Scope 3 waste and business travel (Cat 5 & 6).

| Assured data scopes and categories | Base year 2019 | 2024 | 2025 |
|---|---|---|---|
| Scope 1 | 13,123 | 9,833 | 9,640* |
| Scope 2 (location based) | 5,243 | 2,747 | 2,225* |
| Scope 2 (market based) | 2,516 | 777 | 700* |
| Scope 3** for waste and business travel | 17,359 | 4,311 | 4,404* |

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

** Waste & Business travel categories only

| Totals | | | |
|---|---|---|---|
| Total Scope 1 and 2 carbon emissions (location-based) | 18,366 | 12,580 | 11,865 |
| Total Scope 1 and 2 carbon emissions (market-based) | 15,639 | 10,610 | 10,340 |
| Total Scope 1, 2 and 3** carbon emissions (location-based) | 35,725 | 16,891 | 16,269 |
| Total Scope 1 and 2 carbon emissions/per £m (market-based) | 9.5 | 4.6 | 4.2 |
| Total Scope 1, 2 and 3** carbon emissions per £m revenue (market-based) for waste and business travel | 20.0 | 6.5 | 5.9 |
| Total Scope 1, 2 and 3** carbon emissions per £m revenue (location-based) for waste and business travel | 21.7 | 7.4 | 6.5 |

** Waste & Business travel categories only

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.

## 2025 Scope 3 emissions

Scope 3 data for 2025 was calculated using an environmentally extended input-output (EEIO) model and supplier-specific emissions data where this could be obtained. In 2025, we sourced complete inventory data from 78 suppliers.

Scope 3 emissions are defined as those outside a company's direct operational control. Of the 15 Scope 3 categories identified by the Greenhouse Gas Protocol, 11 apply to Wates and these contributed 543,736 tonnes $CO_2e$ (98.1%) to Wates' total emissions in 2025 (2019: 98%).

As Category 1 constitutes most of our emissions, we have set a target for 77% of our suppliers by emissions to have science-based targets in place by the end of 2030. This will ensure that our supply chain partners decarbonise alongside us in alignment with climate science. In 2025, 10% of the emissions in our supply chain were covered by a science-based target.

Our initial focus is materials suppliers, which offer the greatest opportunity to reduce emissions. We have provided support through webinars and workshops to demystify the SBTi requirements and supported individual suppliers through follow-up sessions to facilitate a faster transition. The importance of decarbonising the supply chain is being actively communicated to all Wates' supply chain partners and now forms part of our formal tender evaluation process for preferred suppliers. Combined with the actions we are taking across the wider sector (see page 6), we expect this to accelerate progress towards this target from next year.

2025 Greenhouse Gas Emissions by Scope

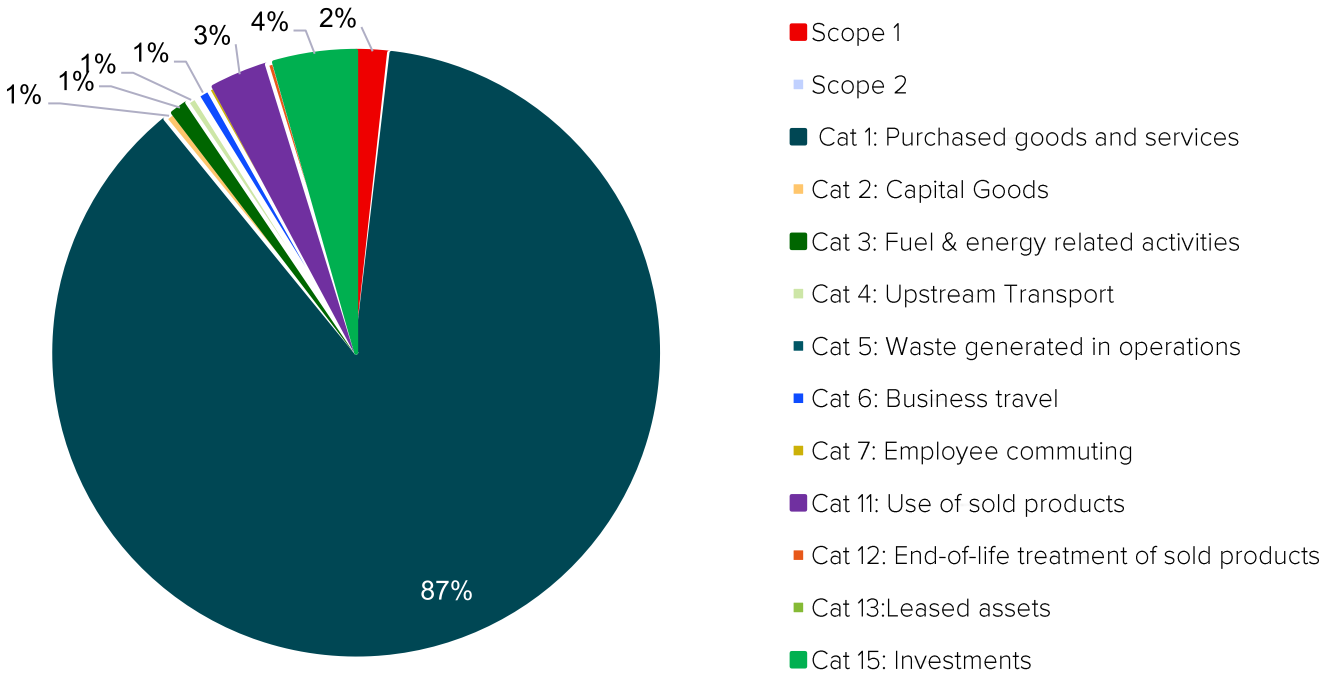



Table 2. Tonnes of $CO_2e$ for Scope 3 categories

| Key | Category | Scope 3 Category | Base year 2019 | 2024 | 2025 |
|---|---|---|---|---|---|
| Upstream | 1 | Purchased goods and services | 534,914 | 565,251 | 482,609 |
| | 2 | Capital Goods | 5,080 | 1,670 | 2,826 |
| | 3 | Fuel & energy related activities | 4,071 | 3,280 | 5,118 |
| | 4 | Transportation & distribution | 3,050 | 2,084 | 2,818 |
| | 5 | Waste generated in operations | 13,170 | 454 | 836 |
| | 6 | Business travel | 4,190 | 4,175 | 3,568 |
| | 7 | Employee commuting | 1,875 | 2,350 | 1,791 |
| | 8 | Leased assets | - | - | - |
| Downstream | 9 | Transportation & distribution | - | - | - |
| | 10 | Processing of sold products | - | - | - |
| | 11 | Use of sold products | 56,948 | 7,215 | 16,903 |
| | 12 | End-of-life treatment of sold products | 26,961 | 1,275 | 2,102 |
| | 13 | Leased assets | 6 | 94 | 60 |
| | 14 | Franchises | - | - | - |
| | 15 | Investments | 24,178 | 23,149 | 24,319 |
| Total Scope 3 emissions | | | 674,443 | 610,997 | 542,950 |
| Total Scope 1, 2 & 3 emissions | | | 690,082 | 621,607 | 553,290 |

As illustrated above, 87% of Wates' GHG emissions in 2025 are from "purchased goods and services," reflecting the emissions profile of the sub-sectors we work in. This category fell from

565,251 $tCO_2e$ in 2024 to 483,395 $tCO_2e$ in 2025, which reflects the carbon intensity of goods and services procured, and the use of more specific supplier data, as opposed to EEIO spend based government emissions factors which are inflation adjusted.

Recognising that the supply chain is a shared resource and a faster pace of decarbonisation will accelerate overall progress in our sector, we collaborate with peers and partners to develop shared resources that will lead to greater progress. We chair the Supply Chain Sustainability School's climate action working group, which is developing resources specifically to assist SMEs in quantifying and establishing science-based targets, including an e-learning module in 2025. We were also a project partner and part of the UKGBC Task Group on engaging the supply chain, resulting in the publication of this practical guide

The other notable shift year on year was in Category 11, Use of Sold Products, which relates exclusively to residential homes. The increase from 7,215 $tCO_2e$ in 2024 to 16,903 $tCO_2e$ in 2025 resulted from the completion of schemes designed in earlier years being delivered with gas boilers. Future schemes will incorporate heat pumps and low carbon district heating, which will lead to emissions in this category falling once again from next year.

We have reduced waste generated in operations, Category 5, by 93.7% since 2019, but saw an increase between 2024 and 2025 to 836 tonnes $CO_2e$. This was a result of the introduction of the Smartwaste across the Group, which improved the accuracy of reporting for our demolition and waste streams.

# Conclusion

Our continued investment in establishing more accurate data, introducing better tools, upskilling colleagues and our leadership team in partnership with UKGBC, collaborating with supply chain partners, transitioning our vehicle fleet, piloting and introducing innovative processes, materials and partnerships and convening to share and understand best practice with peers and partners across the sector has resulted in a strong improvement in emissions performance since our baseline year of 2019.

In 2025, our toral emissions performance across Scopes 1, 2 and 3 was 554,076 tonnes of CO2e (2019: 690,082t $CO_2e$). This reflects an overall reduction of 19.7% against our emissions baseline, which compares with Wates Group revenue growth in the same period of 57%.

In line with our purpose of *reimagining places for people to thrive*, we remain committed to accelerating the pace of decarbonisation, both within Wates and across our sector.

Signed on behalf of Wates Group:

Cressida Curtis, Group Sustainability Director

Date: 28 July 2026

Wates

*Wates Group's 2025 SECR and TCFD report can be accessed here.*