

Carbon Reduction Plan – 2024 update

Science-Based Targets

In 2023 WFW set near-term targets approved by the Science-Based Targets initiative (SBTi) to reduce absolute Scope 1 and 2 (Market Based) GHG emissions by at least 70%; and Scope 3 GHG emissions by 55% by 2032 from a 2019 base year. As part of this, the firm is aiming to source 100% renewable energy for all UK, US and European offices by 2026 and for all Asian Pacific (APAC) offices by 2030.

Progress to date

In 2023 the firm set out a global Carbon Reduction Plan and roadmap covering key actions across Offices, Travel and Supply Chain. The plan includes:

- moving to green energy contracts across all our global offices by 2030 at the latest;
- independent Energy and Environmental audits across our larger offices;
- an updated Procurement and Supplier Compliance Policy, to include third party support providing ESG due diligence and enhanced carbon measurement requirements;
- an updated Business Travel Policy and guidance to promote climate conscious travel; and
- a Global Environmental Charter setting out key principles and responsibilities for everyone in our firm to help meet our objectives.

2023 Data

Our global 2023 carbon data has been calculated and quality assured by WSP, in accordance with the Greenhouse Gas (GHG) Protocol.

For the purposes of GHG accounting, WFW's organisational boundary remains the same as our 2019 baseline and uses an 'operational control' approach as defined by the GHG Protocol. Using this approach, we account for any GHG emissions that arise from assets and activities over which WFW has the authority to introduce and implement in our own operating policies.

A GHG emissions inventory is a list of emission sources and the associated quantified emissions. WFW's 2023 emissions are categorised into 'scopes' in accordance with the definitions set out in the GHG Protocol. Table 1.1 depicts emission sources that have been included for quantification, following a scoping exercise.

Re-baselining

For the reporting calendar years 2019 and 2022, following guidance from WSP and in line with best practice, WFW disclosed its greenhouse gas (GHG) emissions from Scope 3 Purchased Goods and Services, Capital Goods, Upstream Transportation, Business Travel, Downstream Transportation and Downstream Leased Assets using a spend-based methodology and the GHG Protocol Scope 3 Evaluator Tool. The SBTi target for WFW was established based on this

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methodology. However, the GHG Protocol Scope 3 Evaluator Tool was decommissioned in August 2023, prompting us to update our approach to calculating emissions from spend-based data. The updated methodology for calculating these emissions is using DEFRA spend-based emission factors in line with best practice.

Due to the material impact of this change, we are required to re-baseline the data used in our SBTi target validation process as outlined in the SBTi Corporate Net Zero Standard. This re-baselining exercise is essential to align with the criteria set by the SBTi, which mandates adjustments to data sources or calculation methodologies that result in significant changes to an organisation's total base year emissions or the target boundary base year emissions. This process ensures that the emissions targets remain accurate and reflective of the current data and methodologies.

Therefore, for the baseline year of 2019, the firm commissioned WSP to undertake a re-baselining exercise which included the re-calculation of spend-based emissions using the DEFRA spend-based emissions factors methodology. Scope 3 re-baselining has been completed for 2019, and going forward the firm will seek to re-baseline Scope 3 for the 2022 data as well, to ensure consistency and comparable year on year data.

WFW's Carbon Footprint 2023 Inventory

N.B: Our Science-Based Targets are absolute targets; the comparison below is in the context of a 32% increase in headcount between 2019 and 2023 and tCO₂e per headcount is also included for reference.

Scope	Emissions Source	2019 tCO ₂ e	2022 tCO ₂ e	2023 tCO ₂ e
Scope 1	Company owned vehicles	4	4	1
	Fugitive emissions	3	10	3
	Subtotal	7	14	4
Scope 2 (Location Based)	Electricity	935	778	722
	District Heating	238	288	231
	Scope 2 (LB) Subtotal	1,173	1,066	953
Scope 2 (Market Based)	Electricity	1,003	503	574
	District Heating	238	288	231
	Scope 2 (MB) Subtotal	1,241	791	804
Scope 3	Cat.1 Purchased goods and services	738	To be re-calculated	897
Scope 3 (continued)	Cat.2 Capital goods	816	"	1,575
	Cat.3 Fuel & energy related activities	278	"	259

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Scope	Emissions Source	2019 tCO2e	2022 tCO2e	2023 tCO2e
	Cat.4 Upstream transportation and distribution	81	"	62
	Cat.5 Waste generated in operations	31	"	38
	Cat.6 Business travel	869	"	1,755
	Cat.7 Employee commuting	752	"	987
	Cat.8 Upstream leased assets	28	"	0
	Cat.9 Downstream transportation and distribution	55	"	55
	Cat.13 Downstream leased assets	95	"	83
	Scope 3 Subtotal	3,742	"	5,709
Total		4,989	"	6,518
Total per Headcount		4.9	"	4.8

Summary

Initial progress has been made on our Carbon Reduction Plan, with a 35% decrease in emissions from our offices putting the firm on track to achieve our Scope 1 and 2 Science-Based Targets. Nine offices are now on renewable energy contracts following our Energy Transition Review conducted in 2023 - these further reductions will be seen in subsequent reports.

However, like many firms, we saw the 'Covid bounce back' effect in 2023 with regards to Business Travel and Capital Expenditure as we grow as a firm. We will be setting out a refreshed travel policy in 2025 to further support our Global Environmental Charter and help achieve the necessary balance between connecting with our clients and people, and ensuring we are taking climate conscious decisions wherever we can.

We will continue to pursue energy efficiency objectives across our offices and embed the EcoVadis supply chain tool, to ensure we are assessing ESG risk in our supply chain and selecting suppliers who are aligned with our own environmental objectives.