

Arcadis UK& I Carbon Reduction Plan 2024

Supplier name:Arcadis.....

Publication date: ...08th August 2024.....

Commitment to achieving Net Zero

Arcadis is committed to achieving Net Zero emissions across global operations by 2035.

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 emissions are the reference point against which emissions reduction can be measured. These baseline emissions have been updated to include the emissions associated with the acquisitions of 2022/23.

Furthermore, the dataset has changed from previous years, as we are now using data, where available, from the Sphera database which is populated globally as part of the Arcadis NV carbon footprint tracking and reporting activities and is externally audited as part of this process. This brings this document in line with Arcadis NV figures but does therefore show a deviation from previous plans.

The dataset changes include all of Scope 1 and 2, together with Working from Home/Commuting, Paper usage (2021-2023 only) and Business travel in Scope 3. Water and waste are not currently included in Sphera, although there are plans to change this in the future, therefore the data has been taken from readings and documentation provided by the Workplace team – no estimations have been used where services are provided in the rental costs.

Baseline Year: 2019	
Additional Details relating to the Baseline Emissions calculations.	
The carbon emissions baseline has been aligned with the Global business, each country has contributed to the Net Zero approach and will demonstrate how they will achieve a reduction in carbon emissions. The global approach has been to use Science Based Targets in demonstrating how we will meet the 1.5C reduction.	
To provide a fair summary against normal work activities for the business we have a baseline against our 2019 figures. These figures are pre-pandemic and when the business was fully operational and undertaking normal work in the office, sites and foreign travel activities as part of our everyday activities.	
Baseline year emissions 2019:	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	426
Scope 2	715

Scope 3 (Included Sources)	3,850.26
Total Emissions	4,991.26

Current Emissions Reporting

Reporting Year: 2023	
Additional Details relating to the Baseline Emissions calculations.	
<p>The dataset below has changed from previous years, as we are now using data, where available, from the Sphera database which is populated globally as part of the Arcadis NV carbon footprint tracking and reporting activities and is externally audited as part of this process. This brings this document in line with Arcadis NV figures but does therefore show a deviation from previous SECR submissions.</p> <p>The dataset changes include all of Scope 1 and 2, together with Working From Home/Commuting, Paper usage (2021-2023 only) and Business travel in Scope 3. Water and waste are not currently included in Sphera, although there are plans to change this in the future, therefore the data has been taken from readings and documentation provided by the Workplace team – no estimations have been used where services are provided in the rental costs. 2020 data has not been updated as it is not available from the Sphera database.</p> <p>Arcadis NV have calculated Scope 3 categories 1- 4 by spend and apportioned by FTE, these have been included in the table below for reference purposes but have not been included in the calculations as the data is not available for previous years. Categories 8-15 are deemed not relevant therefore no calculations are made for these categories.</p>	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	210.3
Scope 2	230
Scope 3 (Included new categories)	34,987.97 26,579 Cat 1 Purchased Goods & Services 610 Cat 2 Capital Goods 176 Cat 3 Fuel and Energy Related Activities 0 Cat 4 Upstream T & D
Total Emissions	35,428.27

It should be noted that the 2023 figures demonstrate an increase following a continued return to normal operations after these were skewed by the impacted of the pandemic and the restrictions imposed by

governments to protect personnel from the effects of COVID-19. They also include an increase due to business acquisitions and changes to business structure throughout 2023, which has led to a number of UK based employees having a global remit and associated increased international travel. Scope 2 emissions now include estimated emissions associated with serviced buildings, based on calculations against leased area. Scope 3 emissions now included categories 1-4 which are calculated using spend within these categories.

Other notable trends include:

- Scope 1 – the 13% reduction in total scope 1 emissions is related to our policy of exiting less efficient buildings and entering more efficient buildings with smaller footprints and our policy of reviewing our fleet vehicles attending site to complete works. Overall, this represents a reduction of 51% from the emissions recorded in 2019 (our baseline year).
- Scope 2 –our location-based emissions from electricity in 2023 is at 230 tCo2e (Tonnes), is a reduction of 21% from the previous year, again as a result of our office strategy to move into environments that are sustainable and SMART. A decision has also been made to include an estimated usage for serviced buildings where no usage is available, reflecting the Arcadis NV position. This represents a reduction of 68% from the emissions recorded in 2019 (our baseline).
- Scope 3 – our scope 3 emissions (excluding the new categories reported) have increased by 6% in 2023, this is because we have seen the return of the flights following the easing of restrictions that were in place during the pandemic as normal operations are returned and the company has won work outside of the UK borders, in addition to the business acquisitions. If the new data sets are removed, our scope 3 emissions would show a 24% increase against our 2019 baseline.
- Scope 3 – when including the new categories reported, our emissions show a reduction of 25% from 2022. Data for categories 1-4 is not available for our baseline year
- Scope 3 - Arcadis has also changed our structure to a more global focus leading to UK based employees have global roles which require more frequent travel. As one of our objectives is to reduce Air Travel by 50% by 2025, this data set is being reviewed closely at regular periods throughout the year, and is being highlighted to senior management levels.
- Scope 3 - since 2022, we have included emissions associated with working from home and commuting – these have been estimated from survey responses to a global survey issued by Arcadis in Q4 2023.

Emissions reduction targets

To continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets, in line with Arcadis NV.

- Net zero across value chain by 2035 (90% reduction in Scope 1,2 and 3 emissions)
- 70% reduction in absolute scope 1 & 2 global GHG emissions by 2026
- Reduce flight emissions by 50% by 2025
- 35% reduction of scope 3 (GHG) business travel related emissions by 2025 from 2019 base year
- Transition fleet vehicles to electric by 2030
- Reviewing and reducing office space
- Purchase 100% renewable electricity for offices
- 45% Reduction in absolute Scope 3 global GHG emissions by 2029
- No net biodiversity loss will occur at Arcadis sites (based on land intake changes and mean species abundance scores)
- For Arcadis sites with > 20% open area, Arcadis will deliver a biodiversity net gain of 10% by 2030

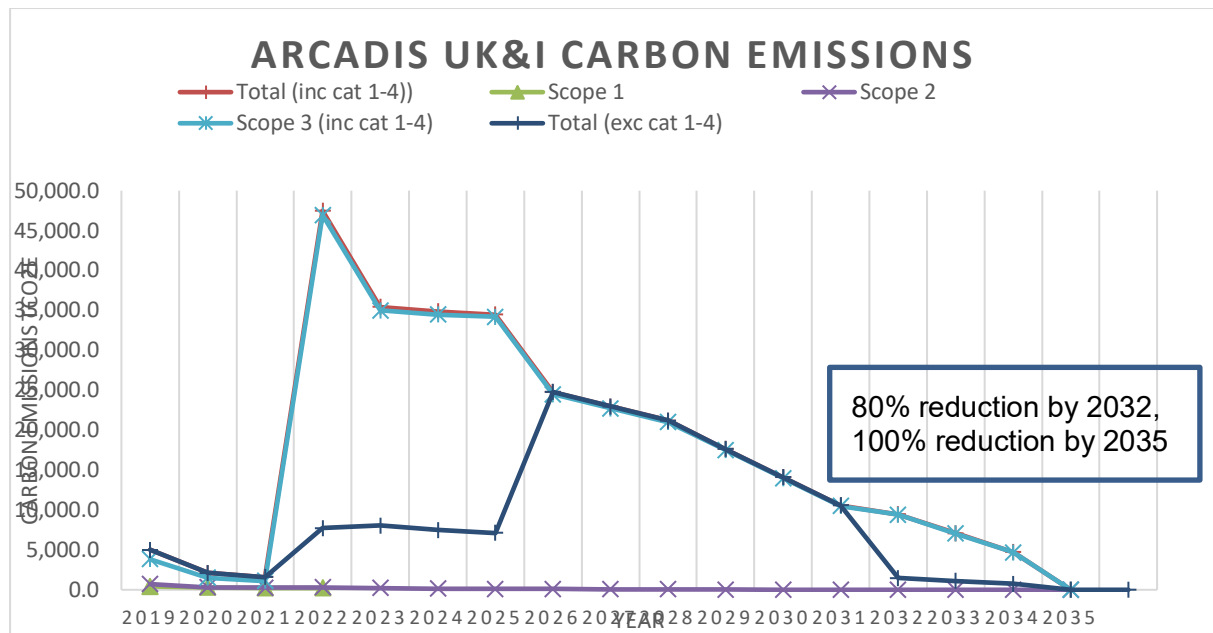
We project that carbon emissions would decrease over the next five years to 4767 tCO₂e by 2028. This is a reduction of 4.5%, which is lower than previously predicted, however we are now including carbon emissions associated with commuting and working from home, together with estimated consumptions for serviced areas. Our emissions have also increased due to our acquisitions and business changes

including more employees based in the UK having a global focus which requires more international travel.

We will continue to review the Scope 3 categories and data used to ensure this figure is as accurate as possible.

As we intend to reduce our emissions at source, and approach our target date, we are aware that the final percentage may become difficult to remove, at which point we will review alternative methods of removal, which may include a form of offsetting. This will be completed as a larger Group activity.

Progress against these targets can be seen in the graph below:



Carbon Reduction Projects and Initiatives

Arcadis is certified to ISO 14001 and maintain an integrated management system; within this we have objectives and targets that are reviewed and challenged each year and which demonstrate continuous improvement. Arcadis have set a Science Based Target Initiative approved commitment, are part of the Pledge to Net Zero and UN Race to Zero campaigns. Due to recent acquisitions, business changes and office consolidations, Arcadis will be resubmitting Science Based Target plans in 2024. Furthermore, the 2019 baseline has been reviewed in line with the recent acquisitions and discussions have started on aligning future carbon reduction plans and projects.

As part of our commitment to achieving net zero emissions across our global operations, we have implemented a carbon management policy which has been signed off by Senior Management and cascaded throughout the organisation. We are also implementing PAS2080 – “carbon management in infrastructure” throughout the business where applicable, with an objective of achieving certification by the end of 2024.

The following environmental management measures and projects have been identified in the UK:

- Operational (offices and procurement)
 - Where Arcadis is in control of procuring energy supply, renewable electricity is the preferred option, and we continue to work with landlords to encourage the switch to renewable electricity (Scope 2&3). Arcadis NV procure offsets for all offices where renewable energy is not procured as part of a global initiative.
 - Reducing the natural gas consumption in the office environment by 100% by 2025 (Scope 1)

- Reducing our office space and moving into Sustainable and Smart office environments, reducing emissions by 40% over the next 8 years (Scope 2)
- Travel
 - Baseline figure established to verify 50% reduction in Air travel by 2025 (Scope 3)
 - Promoting the use of public transport, to achieve a 75% reduction in travel emissions, when engaging with clients and attending the office by 2030 (Scope 1&3)
 - Transition our company fleet to electric vehicles by 2030, or sooner. This includes an expectation that when hiring vehicles they will be electric vehicles. (Scope 1&3)
- Home working
 - A written and approved new ways of working document, that enables employees to be flexible in the way in which they work and how we deliver projects with our clients. This way of working includes working from home initiatives. Although we recognise that through working from home, we are still contributing to carbon emissions and we have taken this into account in our figures. (Scope 3)
- Biodiversity
 - Review our office space for opportunities to increase biodiversity

The carbon emissions in 2023 have actually increased by 27.2% over 2022 figures due to the significant increase in emissions associated with air travel, and have increased by 61.5% since the baseline year of 2019 due to the inclusion of emissions associated with working from home and commuting.

If these emissions were excluded, there has been an increase of 4.7%, despite an increase of 108% of emissions associated with flights against the 2019 baseline. A new database was developed in early 2023 which provided more detailed travel emission data allowing more targeted efforts to reduce the number of flights taken. We will continue to regularly report on emissions providing quarterly updates, which are cascaded throughout the business. Individuals also receive personal quarterly travel footprints, and we are reviewing implementing carbon budgets throughout the business. A travel ban was implemented late 2023 which we are monitoring the results of, and we encourage purposeful travel globally, challenging ourselves to think critically about the necessity of travel, the tools we have for virtual collaboration, and how we can positively contribute to the communities we engage with.

Declaration and Sign Off

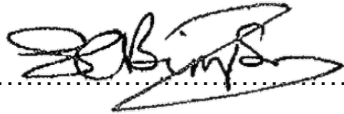
This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

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 board of directors (or equivalent management body).

Signed on behalf of Arcadis:



Date: 08.08.2024

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>