

Mott MacDonald Group Limited

Qualifying Explanatory Statement

in support of the

Achievement of and Ongoing Commitment to Carbon
Neutrality

Application Period: 1st January 2020 – 31st December 2020

Project: Group Carbon Neutral

Prepared by: Bethan Hutchinson

Date: 09/12/2021

Approved by: Kim Yates

Checked by: Alicia Winter

Subject: PAS 2060 QES

Qualifying Explanatory Statement

Application period: 1st January 2020 – 31st December 2020

1 Executive summary

This document is the Qualifying Explanatory Statement (QES) which provides collected evidence in support of the declaration that Mott MacDonald Group Limited:

1. has achieved carbon neutrality for its scope 1 and 2 operational emissions (over which we have control), and selected scope 3 emissions for the period commencing 1st January 2020 to 31st December (see Section 3); and
2. is committed to maintaining carbon neutrality for its scope 1 and 2 operational emissions (over which we have control), and selected scope 3 emissions (see section 4).

The carbon neutrality declaration has been made and the collected supporting evidence has been provided in accordance with the requirements prescribed by PAS 2060:2014 – Specification for the demonstration of carbon neutrality.



Mike Haigh

Executive Chair

10 December 2021

2 General information

PAS 2060 Requirement	Information Relating to the Carbon Neutral Declaration
Entity making PAS 2060 declaration:	Mott MacDonald Group Limited* <i>*Note: this excludes the Mott MacDonald Bentley Contracting (MMBC) region of Mott MacDonald Group Limited. MMBC is our contracting arm which are undergoing their own verification.</i>
Subject of PAS 2060 declaration:	Scope 1 and 2 (direct and indirect) emissions (over which we have operational control), and scope 3 (indirect) emissions from: <ol style="list-style-type: none"> a) Business travel, b) Fuel/ energy related activities, c) Employee commute (incl. teleworking)**
Description of Subject:	<p>Our operational boundaries are set in accordance with the Greenhouse Gas Protocol:</p> <ul style="list-style-type: none"> • Direct scope 1 emissions from sources owned or controlled by Mott MacDonald Group Limited. • Indirect scope 2 emissions from the generation of purchased electricity by Mott MacDonald Group Limited (reported using both market and location- based approaches, but offsets made in accordance with marked-based reporting). • Scope 3 indirect emissions from the supply of energy to our offices and business travel. This year, due to the impacts of Covid-19, we have expanded our boundary to include emissions from employee commute and teleworking. <p>This inventory methodology has been followed as it aligns with the GHG Protocol Corporate Standard.</p> <p>Mott MacDonald Group Limited includes all of our global offices.</p>

****Due to data collection approaches, the emissions reported within this document for 'employee commute (incl. teleworking)' include the entirety of Mott MacDonald Group Limited, including MMBC.**

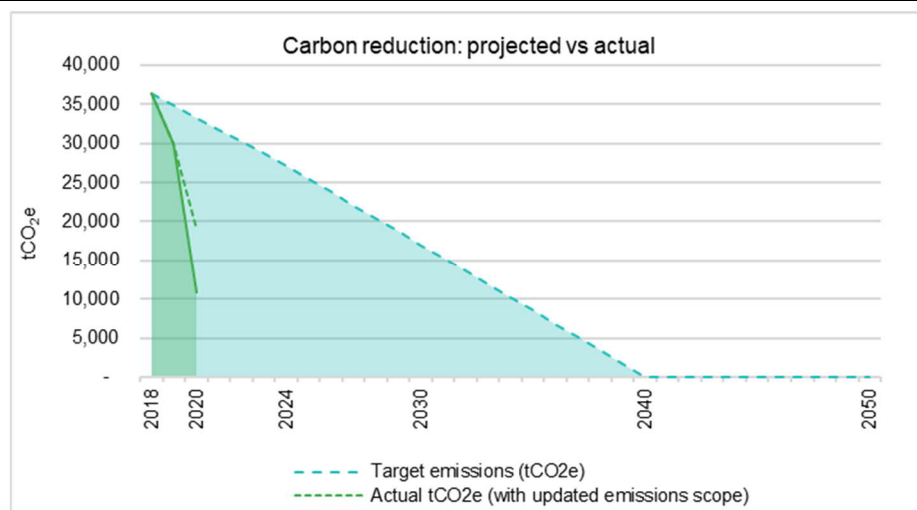
PAS 2060 Requirement	Information Relating to the Carbon Neutral Declaration
Rationale for selection of the subject:	<p>Our organisational boundaries are set according to the control approach, under which Mott MacDonald accounts for 100% of GHG emissions from operations over which it has operational control. This includes all offices we own and lease and the business travel of our global staff. In this way, we also have control over the reduction efforts we put in place.</p> <p>Due to the global restrictions as a result of Covid-19, our reporting boundary was expanded for the 2020 application period to include emissions from employee commute and teleworking. The boundary was expanded as it was anticipated that these emissions would be significant during this anomaly year, given that the emissions included within our original scope were largely reduced.</p> <p>GHG sources are excluded from the data collection process where they are deemed to contribute a non-material portion to the carbon footprint. This includes emissions from some very small offices for which data is not collected – instead these are included on a pro-rated basis.</p>
Control approach:	Operational Control
Type of conformity assessment:	Independent third-party certification (see Appendix B)
Baseline date for PAS 2060 programme:	1 st January 2019
Individuals responsible for evaluation and provision of data necessary for declaration:	<ul style="list-style-type: none"> • Sally Sudworth (Global Head of Sustainability & Climate Change) • Kim Yates (UK & Europe Sustainability Lead) • Natalie Francis (Senior Carbon Management Consultant) • Ben Skinner (Environmental Consultant) • Bethan Hutchinson (Carbon Management Consultant) • Natacha Johnson (Product Manager)

3 Declaration of achievement of carbon neutrality

PAS 2060 Requirement	Information Relating to the Carbon Neutral Declaration
Declaration of achievement:	Carbon neutrality of scope 1 (direct) and 2 (indirect) emissions (over which we have operational control), and selected scope 3 (indirect) emissions achieved by Mott MacDonald Group Limited in accordance with PAS 2060 in 2021 for the period commencing 1 st January 2020 to 31 December 2020, certified by Carbon Trust Assurance.
Recorded carbon footprint of the subject during the period stated above	<p>Market-based: 19,110 tCO₂e</p> <p>See section 3.2 for further details.</p>
Carbon footprint reduction target for period	The Science Based Targets initiative (SBTi) certified that our carbon emission targets are aligned with a with a 1.5°C pathway. Mott MacDonald Group Limited commits to reduce absolute Scope 1 and 2 GHG emissions and Scope 3 GHG emissions from fuel & energy related activities and business travel 25% by 2024 from a 2018 base year.
Carbon footprint reduction achieved for period	In 2020, we achieved a 70% reduction in absolute market-based emissions compared to a 2018 market-based baseline, and a 64% absolute emissions reduction compared to the 2019 market-based footprint. Noting that these are the results when not including emissions from employee commute or teleworking in the baseline or reporting years' footprint.

PAS 2060 Requirement

Information Relating to the Carbon Neutral Declaration



Whilst supported by our commitments within our Carbon Neutral Plan (for example, switching to renewables has resulted in a ~30% reduction in global Scope 2 emissions), the reductions achieved in 2020 were largely as a result of changes to business-as-usual following global Covid-19 restrictions.

Therefore, in light of Covid-19, we have recently expanded our scope of emissions reporting to include scope 3 emissions from employee commute and teleworking. When including these additional sources in our 2020 market-based footprint, a 47% reduction in absolute emissions has been achieved compared to the 2018 market-based baseline and a 38% absolute emissions reduction compared to the 2019 market-based footprint (the 2018 baseline and 2019 footprints not including the additional employee commute and teleworking emissions).

See section 3.3 for further details.

Carbon offsets purchased

19,110 (tCO₂e)

See section 3.4 for further details.

3.1 Carbon footprint methodology

PAS 2060 Requirement

Information Relating to the Carbon Neutral Declaration

The methodology for calculating the carbon footprint is as follows:

Emission factors

- To compile our 2020 group carbon footprint, we primarily used the emission factors published by BEIS UK (2020), the International Energy Agency (2020) and the Association of Issuing Bodies (2020) to estimate our impacts. Where available, we used national publications to source emission factors, such as from the US Environment Protection Agency and the Australian National Greenhouse Accounts Factors. Note that we include the effect of radiative forcing in our calculations for air travel.
- Emissions are reported in units of tCO₂e.

Scope 1 and 2 emissions

• Energy and fuel consumption:

- **Mott MacDonald controlled offices:** we gather information using billed or metered energy consumption. Some offices are not able to meter energy use (for example charged through rent) – these are estimated based on emissions by floor area benchmarks from known offices. In addition, there are a number of small offices where we do not collect data,

Description of the standard and methodology used to determine GHG emissions and reductions

PAS 2060 Requirement

Information Relating to the Carbon Neutral Declaration

instead these are included on a pro-rated basis, based on number of FTE's in the offices where we collect data versus number of FTE's within the business.

- **Scope 2 dual reporting:** from October 2018 we purchased renewable electricity for a portion of our UK offices. This means we now report our emissions using both a location-based (using national average grid factors) and market-based (using residual emission factors for non-renewably sourced electricity, where supplier specific emission factors are unknown, and contract specific emissions factors for renewably sourced electricity). Note that the reported market-based emission factors were for 2019 grid year in some cases (where sourced from AIB). Residual emission factors are slightly higher than the corresponding grid averages as they represent the average emissions from unclaimed energy. Market-based reporting therefore reflects reductions made from purchasing renewably sourced electricity and drives the transition to low carbon electricity.
- **Refrigerant gases:** evidence of refrigerant gas top-ups was collated from office managers where available. A benchmark based upon office floor area was calculated using the data available. Where offices had an air conditioning unit top-up but were unable to provide evidence of gas usage, the benchmark was used to estimate these emissions. In line with the GHG protocol, emissions from refrigerant gases cover only those detailed under the Kyoto Protocol. The emissions were calculated using the BEIS (2020) emission factors.

Scope 3 emissions

- **Scope 3 business travel:** we have access to travel agencies for booking air travel, rail travel, and car hires which contains details on journeys made. Data on business travel by personal car and other travel modes is obtained from business expense claims.
- **Scope 3 fuel/ energy related activities:** data is gathered using the approach explained above for Mott MacDonald controlled offices. Please note that both location and market-based emissions include scope 3 Transmission & Distribution and Well To Tank emissions.
- **Scope 3 employee commute and teleworking:** data is collected using a MS Forms survey, the results of which are cleansed and analysed before extrapolating to account for the global business. In 2020, the survey was disseminated to ~2,700 Mott MacDonald employees. The response rate resulted in a confidence level of 95%, and a margin error (degree of accuracy) of 3.5%. Employee commute emissions are determined through collecting data on primary and secondary modes of transport and typical transportation distances. The methodology to estimate teleworking emissions is extracted from the Eco Act Whitepaper, following the guidance for 'enhanced case' calculations. For teleworking emissions, data is collected to account for typical home heating and cooling energy use, heating and cooling duration, and information on shared occupancy. Where data is not available, the Eco Act base case assumptions are applied. Note that respondent's average number of days working from home per week in the reporting year assists with apportioning the emissions.

We are confident that our methodology, detailed above, presents a reasonable worst-case scenario of our group carbon footprint.

This methodology was developed to be in accordance with the requirements of the Greenhouse Gas Protocol.

The provisions of the methodology for calculating the carbon footprint was applied as detailed and the principles set out in PAS 2060 were met.

Justification for the selection of the methodologies chosen

Our methodology has been developed to align with the GHG Standard and ISO 14064-1. The methodology aligns with that of previous years but is continually reviewed, alongside data collection procedures, to reflect best-practice.

We have used uncertainty data from the IPCC to assess the sources of uncertainties likely to occur within our emissions inventory and calculations. The GHG Protocol uncertainty tool was used to calculate a cumulated uncertainty of +/- 13.7% (Good), based on conservative confidence levels for sources of activity data and emissions factors.

The uncertainty rating has moved from 6% in 2019 to 13.7% in 2020 due to the inclusion of refrigerant, employee commute and home working emissions. We will look to improve our confidence in the data collection techniques for these emissions sources moving forward.

The qualitative influences of uncertainty on our GHG emissions are identified as the following:

PAS 2060 Requirement Information Relating to the Carbon Neutral Declaration

- Source data:
 - Travel data that is extracted from our employee expense system is likely to contain some human error.
 - Employee commute and teleworking has been collected from a colleague survey from a small sample size.
 - Low confidence in the data for refrigerant gases, given that minimal primary data service reports were available.
- Calculation:
 - Office energy use is calculated based on assumptions if consumption data is not available.
 - Employee commute and teleworking has been extrapolated from a small sample to estimate group emissions.
 - Refrigerant gas emissions were estimated using a floor area benchmark. However, the benchmark was calculated based on very few data points.
- Inherent uncertainty in emissions factors and the metering of office energy;
- Subjective component of the uncertainty assessment

Our footprint is based on reasonable worst-case assumptions, utilising primary data wherever practicable.

3.2 Carbon footprint breakdown

Carbon Footprint (for latest footprinting year) Information Relating to the Carbon Neutral Declaration

Total Carbon Footprint	Location-based: 19,952 tCO ₂ e Market-based: 19,110 tCO ₂ e <i>(the carbon neutrality claim relates to the market-based figures)</i>
Carbon Footprint Breakdown by Scope	Location-based: Scope 1: 1,844 tCO ₂ e Scope 2: 3,011 tCO ₂ e Scope 3: 15,097 tCO ₂ e Market-based: <i>(the carbon neutrality claim relates to the market-based figures)</i> Scope 1: 1,844 tCO ₂ e Scope 2: 2,169 tCO ₂ e Scope 3: 15,097 tCO ₂ e
Scope 1 – Direct GHG Emissions:	Natural Gas: 1,241 tCO ₂ e Fugitive emissions: 603 tCO ₂ e
Scope 2 – Energy Indirect Emissions:	Location-based: Imported Electricity: 3,011 tCO ₂ e Market-based: <i>(the carbon neutrality claim relates to the market-based figures)</i> Imported Electricity: 2,169 tCO ₂ e
Scope 3 – Other Indirect GHG Emissions:	Category 3 – Fuel and energy related activities: 1,287 tCO ₂ e Category 6 – Business travel: 5,627 tCO ₂ e Category 7 – Employee commuting: 1,347 tCO ₂ e Category 7 (optional) – Employee teleworking: 6,836 tCO ₂ e*
Exclusions	We do not include office energy emissions associated with site offices, such as joint venture offices, staff collocated in clients' offices and temporary offices on actual construction sites in our footprint. However, business travel from these employees is included where these journeys are booked through Mott MacDonald.

*Due to data collection approaches, the emissions reported in this document for 'employee commute (incl. teleworking)' include the entirety of Mott MacDonald Group Limited, including MMBC.

Carbon Footprint (for latest footprinting year)

Information Relating to the Carbon Neutral Declaration

In addition, in 2020 there were two offices which used diesel and oil (likely for back-up heating generation). These emissions are anticipated to be immaterial compared to our total footprint and have therefore been excluded as de minimis.

Note: in 2021 we completed a wider reporting boundary scoping exercise to better understand the impact of all other scope 3 categories. As a result of this exercise, we will be looking to include emissions from Category 1 – purchased goods and services, and Category 5 – waste generated in operations in our reporting boundary moving forward, however these categories have not been included within the reporting boundary for the 2020 carbon footprint.

3.3 Carbon reduction

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Information Relating to the Carbon Neutral Declaration

Reductions achieved

Note: all reductions presented relate to the market-based footprint

Reductions compared to baseline year (2018)

The carbon footprint reductions between the current market-based carbon footprint (see section 3.2) and the 2018 baseline period are as follows:

- Absolute reduction: 25,453 tCO₂e (market-based total)
- Intensity reduction: 1.47 tCO₂e / FTE
- Percentage absolute reduction: 70%
- Percentage intensity reduction: 69%

When including the newly reported wider scope 3 emissions (employee commute and home working) in the 2020 emissions reporting boundary, compared to the original 2018 baseline:

- Absolute reduction: 17,269 tCO₂e (market-based total)
- Intensity reduction: 0.98 tCO₂e / FTE
- Percentage absolute reduction: 47%
- Percentage intensity reduction: 46%

Reductions compared to previous reporting year (2019)

The carbon footprint reductions between the current market-based carbon footprint (see section 3.2) and the 2019 reporting period are as follows:

- Absolute reduction: 19,093 tCO₂e (market-based total)
- Intensity reduction: 1.18 tCO₂e / FTE
- Percentage absolute reduction: 64%
- Percentage intensity reduction: 64%

When including the newly reported wider scope 3 emissions (employee commute and home working) in the 2020 emissions reporting boundary, compared to the 2019 reporting period:

- Absolute reduction: 10,909 tCO₂e (market-based total)
- Intensity reduction: 0.69 tCO₂e / FTE
- Percentage absolute reduction: 36%
- Percentage intensity reduction: 38%

Baseline period

1st January 2018 to 31st December 2018

Confirmation that there has been no change to the definition of the subject

The subject of our carbon neutrality declaration has been expanded in reporting year 2020 to include additional scope 3 emissions from employee commute and home working.
Our carbon reduction targets have not been re-baselined, on the basis that 2020 is an anomaly reporting year due to the impacts of Covid-19. We will continue to improve and expand our

PAS 2060 Requirement	Information Relating to the Carbon Neutral Declaration
	data collection where feasible and will look to re-baseline our targets using a more appropriate and representative reporting year moving forwards.
Description of the means by which reductions have been achieved and any applicable assumptions or justifications	<p>We have followed our Group Carbon Neutral Plan to achieve carbon reductions across our global business, namely, moving towards renewable energy suppliers and reductions to business travel.</p> <p>Note that the reductions achieved in 2020, whilst supported by our commitments within the Carbon Neutral Plan (e.g., Activity 3, which aims to support flight reduction through making use of digital technologies), were largely as a result of changes to business-as-usual following global Covid-19 restrictions. To capture the impacts this had on our business, we expanded our scope of reporting to include emissions from employee commute and teleworking. Although recognising 2020 as an anomaly year, we endeavour to take stock of the lessons to help continually reduce our carbon footprint.</p>

3.4 Carbon offsets

PAS 2060 Requirement	Information Relating to the Carbon Neutral Declaration
Offset methodology	<p>Mott MacDonald Group Limited has offset our market-based Scope 1 and 2 emissions (over which we have operational control), and selected Scope 3 emissions for the period from 1st January 2020 to 31st December 2020.</p> <p>It is important to us that our offsetting scheme is done to very high standards. We have chosen to offset the carbon footprint of our business through the restoration of peatlands within Indonesia. The Sumatra Merang Peatland Project aims to rehabilitate and protect the critical ecosystem whilst concurrently helping to achieve several of the UN Sustainable Development Goals.</p> <p>The project has undergone verification by both the Vera / Verified Carbon Standard (VCS) and the Climate, Community and Biodiversity Standard (CCB). We therefore have confidence that the VCU's have not been double counted and have tangible benefits, both to the climate and to the local communities in which they are operating. The methodology for this project is VM0007.</p> <p>We are especially excited to support this project given our ongoing involvement in the Berbak Green Prosperity Partnership. This partnership highlights our ambition to be actively involved and work collaboratively with our offsetting projects. The co-benefits of peatland restoration projects align with our values by providing biologically diverse and positive social outcomes.</p>
Offset Confirmation	<p>The offsets generated represent genuine, additional GHG emission reductions elsewhere. Projects involved in delivering offsets meet the criteria of additionality, permanence, leakage and double counting.</p> <p>Carbon offsets are verified by an independent third-party verifier.</p> <p>The credits from the selected carbon offset projects are:</p> <ul style="list-style-type: none"> • only issued after the emission reduction has taken place. • retired within 12 months from the date of the declaration of achievement. • supported by publicly available project documentation on a registry which provides information about the offset project, quantification methodology and validation and verification procedures. • stored and retired in an independent and credible registry.
Offsets	Full details of the carbon offsets included in making this declaration are provided in Appendix A.

4 Declaration of ongoing commitment to carbon neutrality

PAS 2060 Requirement	Information Relating to the Carbon Neutral Declaration
Declaration of on-going commitment:	<p>Mott MacDonald Group Limited commits to maintain carbon neutrality for scope 1 (direct) and 2 (indirect) emissions (over which we have operational control), and selected scope 3 (indirect) emissions in accordance to PAS 2060 for the period 1st January to 31st December 2021.</p> <p>Carbon neutrality of our defined subject* for the period 1st January 2021 to 31st December 2021 will be achieved by November 2022.</p> <p>*Our subject is defined as: Scope 1 and 2 (direct and indirect) operational emissions (over which we have control) and selected scope 3 (indirect) emissions. See section 2 for more information.</p>

4.1 Carbon management plan

PAS 2060 Requirement	Information Relating to the Carbon Neutral Declaration
Targets for GHG reduction for the defined subject appropriate to the timescale for achieving carbon neutrality	<p>Science Based Targets</p> <p>Mott MacDonald Group Limited commits to reduce absolute Scope 1 and 2 GHG emissions and Scope 3 GHG emissions from fuel & energy related activities and business travel 25% by 2024 from a 2018 base year.</p> <p>Net Zero carbon target</p> <p>Looking forward, we have set a target of achieving net zero carbon emissions by 2040 if not before. This means we will remove as much greenhouse gases from the atmosphere as we put into it from our operations and wider activities using measures that 'permanently remove an equivalent amount of atmospheric carbon dioxide.' We are currently developing our Net Zero Carbon Plan to better understand how we will achieve this ambition.</p>
Planned means of achieving and maintaining GHG emissions reduction	<p>To maintain Carbon Neutrality, the following activities within our carbon management plan will be undertaken in the short term to drive down our absolute carbon emissions footprint, these include:</p> <ul style="list-style-type: none"> Continual improvement of our carbon management process and delivering the Group Carbon Footprint; Support regional uptake of renewable energy and reach 100% in UK. Continue to drive energy efficiency across all offices; Update the Group Travel Policy and roll out regional behavioural change to support low carbon modes of transport and reduce business travel; Investigate low carbon choices and investigate mechanisms to ensure staff can reduce their emissions; Investigate a carbon incentivisation scheme supporting carbon reduction and innovation <p>Other activities of a broader nature within the carbon management plan include:</p> <ul style="list-style-type: none"> Investigate alternative sources for procurement to ensure a low carbon supply chain; Continue to offset our residual emissions; Renew PAS 2060 Carbon Neutral certification and report on Science-Based Targets. <p>These activities will be undertaken initially by a central team who will provide guidance on implementation, which can be rolled out and support the Regions. Regions will then implement and be accountable for the carbon reductions and offsetting programme going forward to obtain and maintain our Carbon Neutral status.</p>

PAS 2060 Requirement**Information Relating to the Carbon Neutral Declaration**

More detailed information on our carbon management plan can be found in Appendix D. We intend to maintain carbon neutrality for the defined subject going forward, therefore we will review and amend the carbon management plan at least every 12 months.

In addition to the above, we are also in the process of developing our Group Net Zero Plan which will build upon the foundations already being implemented by our Group Carbon Neutral Plan.

The offset strategy to be adopted

Using Ecosphere+ as our offset provider, we have offset 19,110 tCO₂e by purchasing 19,110 Verified Carbon Units (VCU's) for the Peatland Restoration project as described in Section 3.4. The VCU's we have purchased for this certification period are of the 2018 and 2019 vintages.

We endeavour to maintain our carbon neutral status by continuing to offset our scope 1 and 2 operational emissions (over which we have control), and selected scope 3 emissions.

Our offset strategy has been developed with four primary objectives:

1. Primarily drive down our carbon emissions in the short, medium and long term, by also improving carbon performance management
2. Maintain carbon neutrality through the purchase of offsets, driving down the need to offset as much and as fast as possible thereafter
3. Improve the quality of the offsets we buy progressively so we show leadership against best practice standards and benchmarks
4. Develop partnerships with Non-Government Organisations (NGO's) and develop our own Mott MacDonald projects for offsetting in the longer term

Striving for the best possible outcome, we will continue to assess the environmental and social integrity of our offsetting scheme in line with emerging evidence and best practice and adapt as necessary. We endeavour to always purchase offsets that demonstrate additionality, permanence and provide co-benefits aligned to the Sustainable Development Goals.

Appendix of qualifying explanatory statement

A. Offsets

Project name	Country	Project type	Standard	Type of credits	Total credits	Generation period	Retirement date	Reference No. & link to registry	Offset volume (tCO ₂ e)
Sumatra Merang Peatland Project	Indonesia	Peatland restoration	VCS, CCB	VCU	19,110	Jan 2019 to Dec 2019	15/12/21	11981-372775779-372793119-VCS-VCU-352-VER-ID-14-1899-01012019-31122019-1 https://registry.verra.org/myModule/rpt/myrpt.asp?r=206&h=154604	17,341
						Jan 2018 to Dec 2018	16/12/21	8129-458962354-458962373-VCU-016-MER-ID-14-1899-01012018-31122018-1 https://registry.verra.org/myModule/rpt/myrpt.asp?r=206&h=154116	20
						Jan 2018 to Dec 2018	16/12/21	8129-458960605-458962353-VCU-016-MER-ID-14-1899-01012018-31122018-1 https://registry.verra.org/myModule/rpt/myrpt.asp?r=206&h=134753	1,749
Total tonnes (tCO ₂ e) offset:									19,110

CERTIFICATE OF CARBON CREDIT RETIREMENT



**Mott MacDonald
Group Limited**

has purchased the amount of

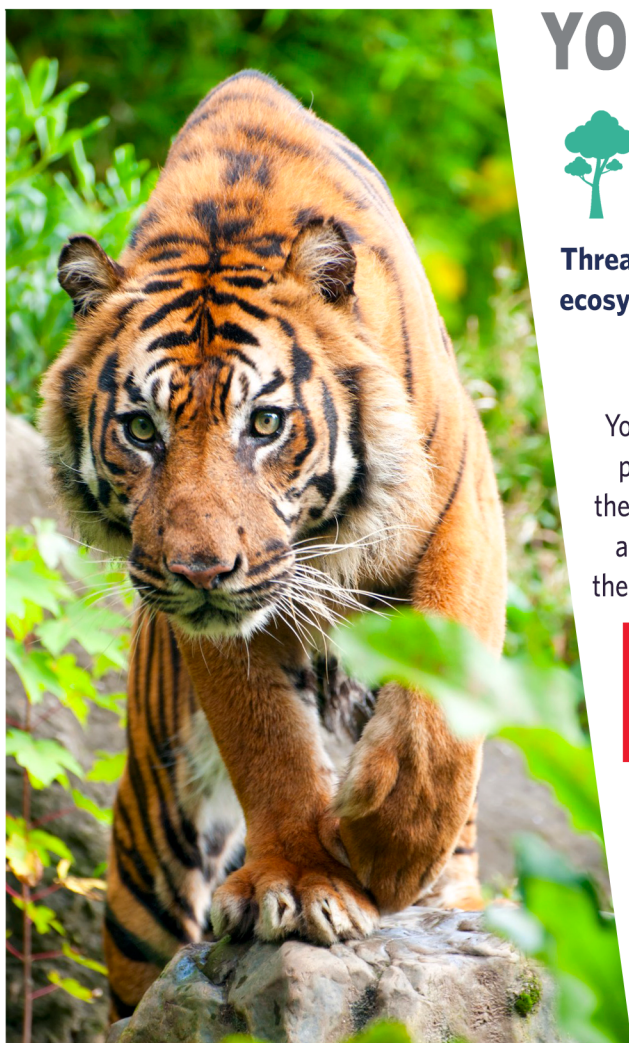
19,110 tonnes

double verified carbon credits from the

Sumatra Merang Peatland Project

for the purpose of rebalancing impact from

2020 carbon footprint



YOU'RE HELPING TO PROTECT:



**Threatened
ecosystems**



**Hectares
of forest**



**Habitat for
High
Conservation
Value species**



**Sustainable
livelihoods**

You are helping finance the restoration of a total of 22,934 hectares of threatened peatland rainforest, one of the last remaining peatland zones in South Sumatra; the creation of a conservation area for hundreds of unique and endangered species; and work with local communities to improve livelihoods and reduce pressure on the forest; thereby helping to achieve the following Sustainable Development Goals:



B. Independent third-party assurance



Certificate of Achievement

Mott MacDonald Group Limited

has achieved carbon neutrality related to the 1 January 2020 – 31 December 2020 application period and is committed to on-going carbon neutrality of the total carbon footprint for

Scope 1, Scope 2, and Select Scope 3 (Business Travel, Fuel and Energy Related Activities, and Employee Commuting (including teleworking))

Carbon Trust Assurance Limited certifies that this company has correctly calculated its carbon footprint for the year 1 January 2020 – 31 December 2020 and satisfactorily offset this to achieve carbon neutrality, in accordance with:

- PAS 2060:2014 – Specification for the demonstration of carbon neutrality

A detailed list of certified results can be found in the associated Certification Letter CERT-13233

Awarded: [14/01/2022](#)

for and on behalf of Carbon Trust Assurance Ltd,

Hugh Jones,
Managing Director

C. Additional supporting information for interested parties

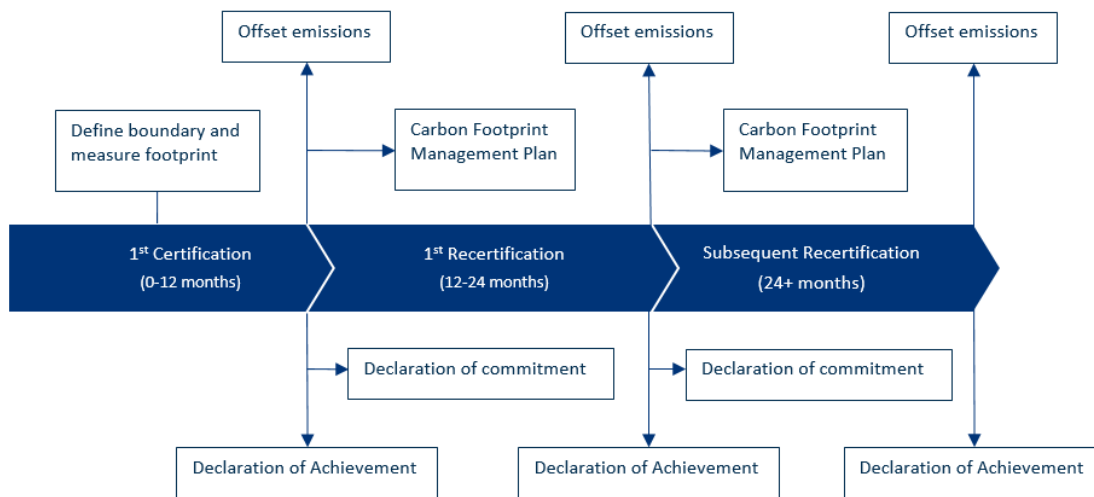


Figure 1. PAS 2060 certification process

Source: Carbon Trust. Adapted from “BSI - PAS 2060:2014: *Specification for the demonstration of carbon neutrality: Figure 1 – Illustration of the cyclical process for demonstrating carbon neutrality, taking into account permitted baseline period exceptions*”. [Simplified version]

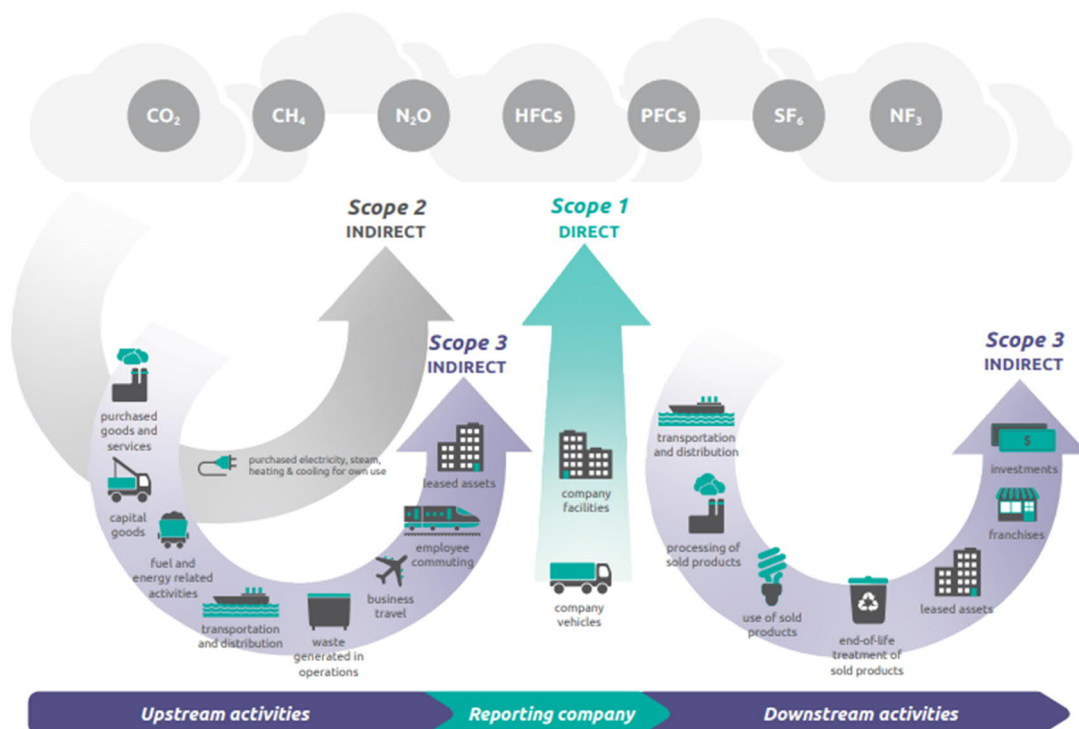


Figure 2. Organisational carbon footprinting

Source: Greenhouse Gas Protocol: <http://ghgprotocol.org/>

D. Mott MacDonald Group Carbon Neutral Plan

Below sets out more detailed information, plans and actions to help achieve the actions discussed within Section 4.1- Carbon Management Plan.

Activity 1: Continual improvement of our carbon management process and delivering the Group Carbon Footprint

We had feedback from the Carbon Trust as part of the PAS2060 audit and greater assurance on the data received by the office managers is required as in 2019. A more robust system is still required to capture the data and the office managers need a better appreciation of the importance of the data supplied. With more robust data, greater transparency is needed. Continuing to make the global carbon footprint available on Power BI will enable colleagues globally to interrogate our emissions and develop regionally specific mitigation measures.

Governance on operational carbon management needs to be set, to track performance of each part of the business and take corrective actions.

Actions:

- Carbon Management team to analyse quality of data and carry out our 2020 Carbon Footprint
- Investigate Scope 3 emissions of our staff working from home as well as the impact of our procurement decisions
- Work with BMS and Digital Ventures to enhance Power BI dashboard for the Group carbon footprint
- Continue to support Office Managers in the requirement of monthly reporting globally
- Investigate ways of automating the Group Carbon Footprint feeding directly into a dashboard for the Executive
- Publish 2020 Carbon Footprint in Power BI and make it available to the Group via Compass

Activity 2: Support regional uptake of renewable energy and reach 100% in UK. Continue to drive energy efficiency across all offices

Continue to convert the offices to renewable energy where possible and drive energy efficiency, working with the Regional leads.

Actions:

- Continue to engage with Property Services in the UK, US and other global offices on switching to renewables

Activity 3: Update the Group Travel Policy and roll out regional behavioural change to support low carbon modes of transport and reduce business travel

In 2019, emissions from business travel accounted for 70% of the Group emissions, largest source of emissions. A combination of measures needs to be used in order to reduce emissions associated with transport, as documented below.

Actions:

- Update NEO to include holding messages when staff book air travel
- Update research on airlines post COVID-19 to ascertain most efficient and type of offsetting schemes to help inform airline booking when traveling
- Continue behavioural change campaign regarding business travel post COVID-19
- Continue to work with Procurement and car hire companies, including Enterprise, to provide guidance on alternatives to fossil fuelled vehicles as well as ensuring electric / hybrid vehicles form a major part of the hire car fleet.

Activity 4: Investigate alternative sources for procurement to ensure a low carbon supply chain

This activity would be looking at emissions which fall outside of our current footprinted scope for ISO14064. However, our purchasing power should be used to further influence and reduce emissions where possible in our supply chain.

Actions:

- Research and work with Procurement to ensure that only low carbon choices are made, for example only recycled paper notebooks are procured, Carbon Neutral companies preferred etc.
- Investigate the scope 3 emissions of our procurement decisions and feed into the Group Carbon Footprint if deemed possible.
- Check and understand whether an update to the Procurement Policy and contractual clauses are required to support such decisions to be made.

Activity 5: Investigate low carbon choices and investigate mechanisms to ensure staff can reduce their emissions

We need to look at how we can facilitate staff to reduce their carbon footprint and make low carbon choices.

Actions:

- Work with Pebbles to see what low carbon incentives we can provide for our staff
- Investigate EV programme / leasing potential for colleagues in the UK
- Work with Aviva My Money to make it easier for colleagues to make green choices with their pension.

Activity 6: Continue to offset our residual emissions

The Carbon Neutrality strategy focuses on emission reductions through direct action within our operations and value chains. The use of offsets should not be counted toward the progress of our own emission reduction targets, but rather to go beyond those and achieve carbon neutrality from 2020.

Offsetting is a means to accelerate action on climate change by financing activities that reduce or remove greenhouse gas emissions in the atmosphere. They may also bring about additional economic, social and environmental benefits that support our business values.

Actions

- Purchase offsets from Ecosphere+

- Share offsetting requirements guidance developed in 2020 with Regional Leads
- Work with the team in New Zealand to support the local offsetting project to ensure its compatible with the PAS2060 certification.
- Offer support to regions if desired, to develop regionally specific offsetting programmes.
- Re-assess project/ portfolio options
- *Optional: develop strategy for our own projects, including business case, potential structuring options and partners.*

Activity 7: Investigate a carbon incentivisation scheme supporting carbon reduction and innovation, with carbon targets

The feasibility of an internal incentivisation scheme for the company and setting regionally based carbon targets.

As part of the feasibility study we need to decide on targets for our activities driving our carbon footprint. This can be done at a project, divisional regional or Group level. The aim would be to identify which of our activities are driving carbon footprint and generate an incentivisation scheme to facilitate reduction.

Actions:

- Summarise a plan and who will be accountable to deliver the incentivisation plan.
- Review of best practise and what works well and what doesn't.
- Set outcomes and targets for Regions to ensure buy-in to the programme

Activity 8: Renew PAS 2060 Carbon Neutral and report on Science-Based Targets

Renewal of PAS 2060: Carbon Neutral Certification. External verification by the Carbon Trust Certification would continue to certify Mott MacDonald to PAS 2060 - the internationally recognised certification standard for the demonstration of carbon neutrality.

In addition, we need to report on our science-based targets which allows for Mott MacDonald Group to work towards keeping greenhouse gas emissions below the required 1.5°C temperature rise and align its emissions with the global budgets generated by climate models.

Actions:

- Prepare for PAS2060 re-certification
- Engage Carbon Trust for certification and undertake audit
- Report on Science Based Targets

E. Carbon footprint breakdown (2020)

The emissions presented in the table below represent the footprint of Mott MacDonald Group Limited and Mott MacDonald Limited for the period 1st January 2020 to 31st December 2020.

Note that additional scope 3 figures (for Category 1 – purchased goods and services, and Category 5 – waste generated in operations) have been estimated for the first time this year and are presented in the table below. These figures have not been verified by the Carbon Trust nor are included within our carbon neutrality.

Emissions Category	Emissions Source	Mott MacDonald Group Limited (global business)	Mott MacDonald Limited (UK business)
		tCO ₂ e	
Total Carbon Footprint	Location-based	52,859	29,586
	Market-based	51,017	28,487
Scope 1	Natural gas	1,241	817
	Refrigerants	603	85
Scope 2	Location-based	3,011	1,339
	Market-based	2,169	240
Scope 3	Category 1 – Purchased goods and services	31,476	18,881
	Category 3 – Fuel and energy related activities	1,287	422
	Category 5 – Waste generated in operations	431	41
	Category 6 – Business travel	5,627	2,584
	Category 7 – Employee commuting	1,347	278
	Category 7 (optional) – Employee teleworking	6,836	5,139

F. Baseline year emissions (2018)

Our Science Based Targets at Group level and are set according to a 2018 baseline year. Further information relating to the baseline year emissions is included in the table below:

Emissions Category	Emissions Source	Mott MacDonald Group Limited (global business)	Mott MacDonald Limited (UK business)
tCO ₂ e			
Total carbon footprint	Market-based	36,379	19,877
Scope 1	Natural gas	1,284	930
Scope 2	Market-based	8,354	3,725
Scope 3 (included sources)	Category 3 – Fuel and energy related activities	2,282	921
	Category 6 – Business travel	24,459	14,301

G. Completed carbon reduction activities

The following environmental management measures and projects have been completed or implemented since our 2018 baseline target year:

- Group Carbon Neutral Plan in place to maintain our Carbon Neutral status and continue to reduce our carbon emissions in line with our science-based targets
- Certified ISO 14001: Environmental Management
- Certified ISO 14064: Greenhouse Gases – Part 1
- Certified PAS 2060: Carbon Neutrality
- Certified PAS 2080: Carbon Management in Infrastructure
- Signed up to SBTi and targets were approved as being in line with a 1.5°C trajectory for Scopes 1 & 2
- Signed up to United Nation's Race to Zero: Business Ambition for 1.5°C
- Signed up to Built Environment (including Engineers) Declare Climate and Biodiversity Emergency
- Signed up to Advancing Net Zero with the World Green Buildings Council
- Signed up to Pledge to Net Zero
- Support given to Part Z: A proposed amendments to UK Building Regulations 2010
- Each Office Manager must prepare and annually update an Environmental Impact Assessment and a Local Environmental Practice Plan (LEPP), which sets local objectives and targets for the reduction of resource use and waste management in the office. Energy usage figures are also transmitted monthly from each of our offices to our carbon management team via our Mott MacDonald Office Manager app.
- Single-use plastics initiative to remove avoidable single-use plastics from our business where there are viable and sustainable market alternatives by the end of 2022 in our European business and by the end of 2023 in the remaining regions.
- Promoting a personal carbon reduction tool for our colleagues to become personally carbon neutral.

In the future we will implement further measures such as:

- Finalising and publishing our net-zero plan to meet our commitment of becoming net-zero by 2040.
- We will continue to improve our carbon performance management and drive down our carbon emissions in the short, medium and long-term by:
 - Robustly managing carbon consumption through improved data.
 - Switching to renewable energy supplies.
 - Reducing international travel.
 - Switching our hired vehicles to a hybrid/electric fleet where fuelling/charging infrastructure exists.
 - Maintain our certification to PAS 2060, the international standard for carbon neutrality.
- Support our clients with this five-point plan:
 - Whenever possible, we will show our clients how they can transition to net-zero and support them by identifying risks and opportunities associated with this transition.
 - We will help our clients develop realistic organisational, institutional and regulatory frameworks for net-zero.
 - We will help our clients mobilise and transform their supply chains through applying influence, leadership and information-sharing.
 - We will show our clients how to maximise the benefits of zero-carbon solutions for their business, their clients and society.

- We will use our ingenuity to show how the costs of a net-zero transition can be minimised and our influence in the infrastructure industry to show how finance can be mobilised.

H. Science Based Targets Decision Letter



August 21, 2020

Dear Mott MacDonald Group Limited,

Thank you for submitting your greenhouse gas emission reduction target(s) to the Science Based Targets initiative (SBTi) for an official validation.

Our team has assessed your target(s) against the [SBTi criteria \(version 4.1\)](#) and, after careful review, we are happy to inform you that your submitted target(s) have been approved and the scope 1 and 2 portion of your targets are aligned with a 1.5°C pathway. The ambition of your scope 3 targets has been assessed through the target validation process, although they are not currently classified.

Basic information about your company and the approved target(s) will be listed on the [Science Based Targets website](#). The following agreed target wording will be used:

"Mott MacDonald Group Limited commits to reduce absolute scope 1 and 2 GHG emissions and scope 3 GHG emissions from fuel & energy related activities and business travel 25% by 2024 from a 2018 base year."

The SBTi plans to publish your approved target wording and temperature alignment on our website one month from this date, on September 17. Please let the communications team know if your company would like to request a different publication date. The SBTi requires approved target(s) to be published within six months from the date of this official target approval letter, to ensure targets published on the website are in line with the latest SBTi criteria and recommendations.

Congratulations on your approved science-based targets!

Kind regards,
The Science Based Targets initiative's Steering Committee

An initiative by



