

STANTEC UK LTD

CARBON
REDUCTION
STATEMENT

October 2023

Prepared by:
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Cabinet Office

CARBON REDUCTION PLAN GUIDANCE

Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier entity and must meet the reporting requirements set out in supporting guidance and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

A template for the Carbon Reduction Plan is set out below. Please complete and publish your Carbon Reduction Plan in accordance with the reporting standard published alongside this PPN.

Carbon Reduction Plan

Supplier name: Stantec UK Ltd

Publication date: October 2023

Commitment to Achieving Net Zero

Stantec is committed to achieving net zero.

We have a four-step plan that involves,

1. Reducing emissions according to our approved 1.5°C Science Based Target through purposeful strategic decisions and corporate actions, the use of renewable energy, and the purchase of sustainable aviation fuel (SAF)
2. Achieving carbon neutrality by putting a primary focus on emissions reductions (as noted above) and balancing our impact during the emissions reduction process through the purchase of high-value carbon credits equivalent to the amount of residual emissions (beyond value chain mitigation)
3. Transitioning towards net zero by 2030 by continuing to reduce our emissions while progressing from the use of carbon credits vendors to self-generating renewable energy or nature-based carbon reductions that would not happen without our investment/involvement
4. Achieving a science-based net zero no later than 2050

Baseline Year: 2019	
Additional Details relating to the Baseline Emissions calculations.	
Baseline year emissions:	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	95
Scope 2 (Market-based)	855
Scope 3	0
Upstream Distribution and Transportation	As a professional service organization, our upstream transportation and distribution from suppliers is for primarily office suppliers and is nominal.
Scope 3 Purchased Goods and services	19

Scope 3: Fuel and Energy related activities not in Scope 1 and 2.	44
Scope 3: Waste generated in operations	0 Waste generation is not a relevant category for us because Stantec is a global professional services company, providing a broad range of services and solutions in project/program management, digital, technology, engineering, architecture, and design. Stantec operates from shared office spaces in leased buildings or home offices. Our waste generation is minimal and essentially office/kitchen wastes from employees that are collected and comingled with other tenants' wastes. Though we are unable to track our waste generation, Stantec does implement management systems and motivates employees to minimize waste generation on the location level and to recycle/compost all waste we can. For example, in the Netherlands we recycle or compost almost 70% of plastic, organic, paper, and residual waste with efforts underway to eventually eliminate all disposed waste.
Scope 3: Business Travel	1,614
Scope 3: Employee commuting	297* *Emissions from employee commuting were calculated but not verified.
Scope 3: Downstream Transportation and Distribution	0 Downstream transportation and distribution are not a relevant category for us because Stantec is a global professional services company, providing a broad range of services and solutions in project/program management, digital, technology, engineering, architecture, and design. We are purposely a design consultant. We are not responsible for the procurement or purchasing of construction materials, this is typically the responsibility of another party (e.g. general contractor). Due to the nature of our business, we do not have downstream transportation and distribution requirements.
Total Emissions	2,924

Current Emissions Reporting

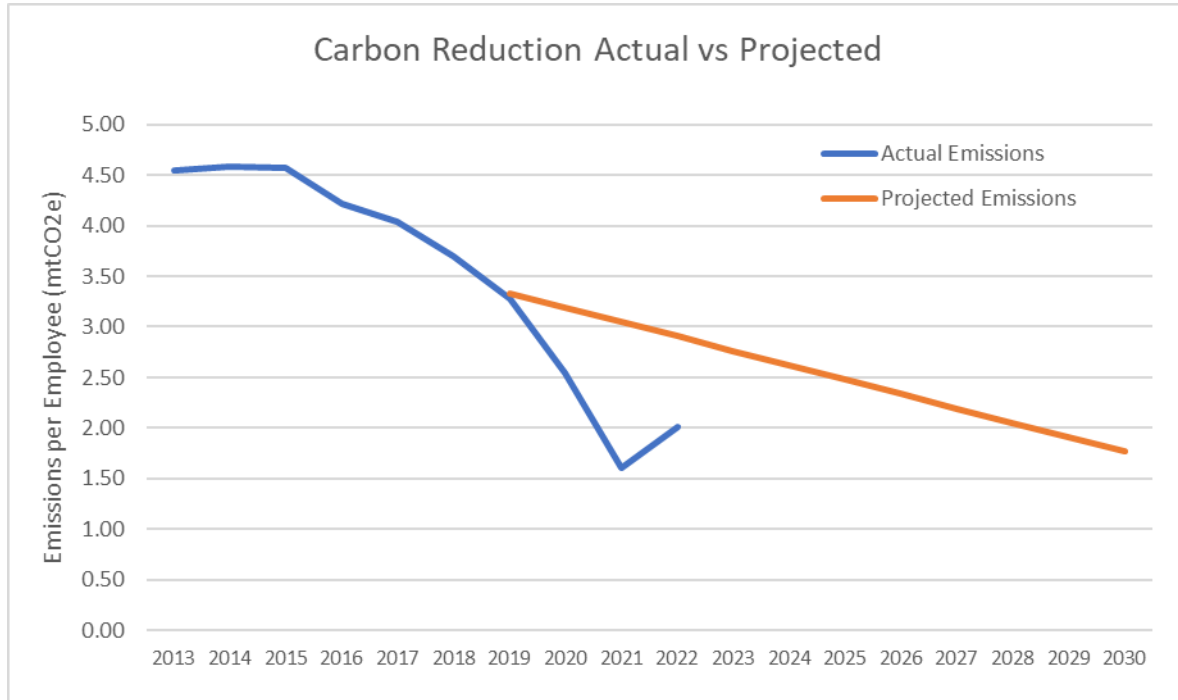
Reporting Year: 2022	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	483
Scope 2 (Market-based)	0* * Our market-based Scope 2 emissions take into account the use of renewable energy. In the UK, this includes green tariffs from the utility companies, plus the purchase of Renewable Energy Guarantees of Origin (REGOs). This approach is compliant with the GHG Protocol and has been verified by our external auditor.
Scope 3: Upstream Distribution and Transportation	0
Scope 3: Purchased Goods and Services	214
Scope 3: Fuel and Energy related activities not in Scope 1 and 2.	39
Scope 3: Waste generated in operations	100 ** ** UK office waste estimated based on office square footage.
Scope 3: Business Travel	827
Scope 3: Employee commuting	375 *** *** Emissions from employee commuting were calculated but not verified.
Scope 3: Downstream Transportation and Distribution	0
Total Emissions	2,038

Emissions Reduction Targets

To continue our progress to achieving net zero, we have adopted the following carbon reduction target.

We project that Stantec UK carbon emissions will decrease over the next 7 years to 1.77 tCO₂e per employee by 2030. This is a reduction of 47% from the 2019 baseline.

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



Please note in 2020 and 2021, the large fall in emissions observed above is due the impact of the COVID-19 pandemic. Our emissions fell sharply as a result of office closures and travel restrictions. While 2022 represents a more typical post-COVID year, in terms of office use and travel, many COVID restrictions were still in place for the first few months of the year.

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

Stantec's commitment to sustainability is a key element of our strategic plan. We are committed to sustainability leadership in our operations and project work. In our markets, for our clients and throughout our Company, we advance initiatives that support a more sustainable world.

Our sustainability commitments are embedded in the way we operate our Company and support our clients. A few examples include,

- In 2021, we met our corporate operational carbon neutrality commitment for UK & Ireland (UK&I) operations and then, in 2022, we met the commitment enterprise-wide. We achieved this goal by reducing emissions in line with our Science Based Target, purchasing renewable energy, and balancing residual emissions through the purchase of high-value carbon offsets.

- In 2023 we achieved PAS 2080 certification for our UK&I business, in recognition of our structured approach to quantifying and reducing whole life carbon emissions associated with our solutions for clients.
- We have a long-term strategy in place that has seen continual reduction in our operational carbon emissions. Our ability to continue this trajectory is delivered through our certified ISO14001-certified Environmental Management System (EMS).

All Stantec's sustainability disclosures are available at www.stantec.com/sustainability. Stantec discloses details of environmental management and projects, including projected emission reduction numbers, in our annual [CDP disclosures](#), (see section C4.3 for details on emission reduction initiatives).

The following are examples of carbon reduction activities as driven by our EMS.

Energy

Buildings are Stantec's most significant consumer of energy, and energy used in our offices accounts for most of our emissions.

Reducing energy using traditional approaches is difficult because most offices are leased within multi-tenant buildings where the landlords control the interactions with utility companies and make the decisions on whether to build energy-efficient features.

Some strategies that Stantec implemented to overcome this challenge include:

- *Office consolidation:* Our most effective strategy is to reduce the footprint of our Company - and therefore use less space and less energy - by consolidating our offices into fewer locations and relocating offices to more resource-efficient buildings. We are in the second year of our office consolidation program - a primary emissions reduction initiative - and are on target to achieve a 30%, or approximately 1.3 million square feet (120,774 square meter), reduction of our total office portfolio from our 2019 baseline.
- *New office selection:* When co-locating or adding space, we use a real estate scorecard to make balanced business decisions, consider sustainability features and wellness criteria, and weigh factors such as cost, proximity to clients, security, employee commutes, access to public transportation, and walkability.
- *Certifications and features:* We choose certified green buildings for our leased corporate facilities when possible and pursue interior design and construction certification using recognized green building and wellness standards.
- *Interior design:* Once a location is selected, we improve floor plan efficiency and incorporate health and well-being into the design. We consider access to daylight, clean drinking water, acoustic control, indoor air quality, options for active workdays and collaboration, impacts on operational energy efficiency, and more. Whenever possible, the Real Estate team recommends pursuing space that has high quality interiors remaining to reduce costs and minimizes material use.
- *Landlord collaboration:* We work with landlords of new and existing offices to reduce operational energy use and encourage upgrades like energy efficient lighting, lighting controls, electric vehicle charging points, and programmable thermostats.

- *Equipment management:* All standard workstation and laptop equipment are EPEAT (Electronic Product Environmental Assessment Tool)- certified and Energy Star-rated. We centrally track our IT energy use and have programs in place to minimize our impact. To save power, we automatically hibernate workstations and laptops when they are not in use. We have high density servers and disk configurations that use smaller spaces and less energy. And we decrease the number of devices in each office by using print management programs.
- *IT data centre management:* Our IT data centres and disaster recovery sites are co-located in spaces with efficient energy specifications and technologies. Network technologies reduce duplicated services and equipment. We use the Microsoft Azure cloud sustainability calculator to track the emissions impact of our cloud workload.
- *Flexible working:* Remote working options conserve energy and fuel and, when employees can't get to the office, keeps our projects progressing and our people safe. To enable our flexible workplace strategy, Stantec invests in connected networks and cloud storage. We use Microsoft Teams, allowing collaboration via conference calls, chats, and videos. Employees can easily work from any Stantec office or home, communicating in real time, sharing screens, instant messaging, and participating in video calls.

Fuel

Stantec are a business based on relationships. To be effective consultants, our employees must travel to work together and respond to clients' needs. But Stantec has introduced ways to travel more efficiently and reduce nonessential travel.

A level of management review results in fewer flights and distance travelled by rental vehicles, which reduces travel fuel use. Where flights cannot be avoided Stantec seeks to purchase SAF to reduce our business travel emissions.

To mitigate the environmental impacts of our fleet, our Fleet Management team makes improvements to decrease vehicle emissions. We proactively share best practices that reduce fuel consumption and improve driving safety (e.g., no idling, maintain proper tire inflation, drive the speed limit). Each year, Stantec incorporates more fuel-efficient trucks, vans, and crossovers, thereby reducing overall emissions and maintenance costs, as well as improving employee safety.

We purchase hybrid and electric vehicles (EV) where possible and are progressively expanding access to EV charging stations. Stantec looks forward to the potential offered by new electric models in development so that we can further reduce our carbon footprint.

We also have several programs to minimize the impact of employee commutes. We provide incentives to public transport use and sustainable modes of travel, including a Cycle-to - Work scheme and EV lease/salary sacrifice scheme, available to all UK&I employees. Our online Go-Smart program provides employees with practical travel options, specific to each region, to help employees plan journeys to work, client, and project sites.

Additional Environmental Initiatives

Beyond carbon reductions, Stantec's EMS covers a variety of other environmental initiatives to reduce our resource footprint including:

Waste Management

Stantec has programs in place to reduce our physical resource consumption.

- Because of established recycling and conservation programs, employees reduce the amount of office materials—like paper, glass, cans, bottles, batteries, e-waste, printer ink, and plastic dishware—that enters waste streams.
- Stantec implements various techniques to reduce paper use. Our Records Management Policy encourages electronic markup of documents and drawings as well as electronic management of employee files. Our corporate print vendor is certified 100% carbon neutral.
- We set printer defaults to require a passcode to print to avoid unwanted printing. In addition, we set the defaults to double-sided, black-and-white printing and implement numerous behaviour-based print management programs.
- Stantec promotes electronic distribution of Company materials. Company communications, marketing materials, client invoices and reports, proposals, and field reports and provides access to more than 6,000 technical journals in our eLibrary.
- For the paper we do consume, we buy from centralized vendors so that we can standardize the purchase of environmentally friendly paper. Used paper is recycled.
- We standardized our Dell, Microsoft, and Apple hardware; one reason for selecting them is their approach to life-cycle environmental management. Computers leased from and then returned to Dell at the end of the lease are reused, refurbished, or recycled. Plus, we use Firefly Asset Recovery to recycle mobile devices.
- In UK&I we are reviewing other office purchases including cleaning products and are working with suppliers to identify products that reduce environmental impact.

Furniture

Our interior design guidelines recommend that we purchase responsibly sourced furniture. Modular furniture is easily rearranged or moved between offices when employee numbers or office layouts change. When consolidating offices, Stantec reuses, donates, and recycles unused furniture as much as possible. Promotional materials and stationery For Stantec's internal Company store, we try to find store merchandise that is sourced in an environmentally and socially responsible manner.

Water Management

As a professional services firm working primarily in leased office space, water use is typically kitchen and bathroom use, shared with other tenants, and controlled by the landlord.

Even so, Stantec does work to conserve water and we take measures to voluntarily conserve water in our offices.

The Water Industry in UK&I is one of the main sectors that we work in, hence, advising clients and designing solutions that improve water management across the UK&I is a core area of our expertise for our business, externally as well as internally.

Measure Verification and Reporting

Stantec's annual Global Reporting Initiative (GRI)-compliant [Sustainability Report](#) summarises our progress against sustainability commitments, as well as our support of the United Nations Global Compact and Sustainable Development Goals. Annually, Stantec verifies our emissions against ISO 14064 for our [UK](#) and [global](#) operations.

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 the Supplier:



Carrie Sabin, Vice President - Sustainability
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Date: ...31st October, 2023.....

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>