

OI NOVEMBER 2023 Abt Britain Carbon Reduction Plan





Commitment to Achieving Net Zero

This past summer—June-September 2023— we've felt the impacts of climate change more than ever before. According to a report issued by Climate Central¹, at least 2 billion people around the world—1/4 of the global population—felt a very strong influence of climate change each day in July. Safeguarding environmental resources and addressing climate change is integral to living our mission—*to improve the quality of life and economic well-being of people worldwide*. As such, Abt Associates (Abt)— including Abt Britain—is committed to achieving net-zero greenhouse gas (GHG) emissions across our value chain by 2050.

Baseline Emissions Footprint

Abt selected 2019 as the base year in setting our near-term and net-zero science-based targets with the Science Based Targets initiative² (SBTi), as it is the last year of "business as usual" operations prior to the onset of the COVID-19 pandemic. Abt's 2019 global emissions inventory was externally verified in 2021: Scope 1 and Scope 2 to reasonable assurance, and Scope 3 to limited assurance. Emission sources include natural gas, refrigerants, purchased electricity, global development project site emissions, business travel, employee commuting, telecommuting, and data colocations. Abt verifies our emissions inventory biennially and reports verified emissions publicly through The Climate Registry.

Abt has reported global emissions (Table 1) using the operational control boundary; these include emissions that occur within the United Kingdom (UK) territory. Abt Britain's emissions represent approximately one percent of Abt's total emissions inventory and are included in Abt's global carbon reduction plan. In 2023, Abt re-verified our 2019 base year emissions to include a material addition of business travel booked outside of our corporate platform. This had no effect on business travel emissions related to our UK operations.

2019 Emissions (MT CO ₂ e)	Global Operations	UK Operations		
Scope 1				
Stationary Combustion	234.93	0		
Fugitive Emissions	79.83	0		
Gross Scope 1	314.70	0		
Scope 2				
Purchased Electricity	1,236.81	4.32		
Renewable Energy Credits (RECs)	(76.80)	0		
Gross Scope 2	1,236.81	4.32		
Scope 3				
Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	726.10	0		
Data Colocations	173.25	0		
Project Site Offices	552.86	0		
Business Travel	3,606.62	69.96		
Employee Commuting	1,128.89	9.39		
Commuting	992.85	9.27		
Telecommuting	136.04	0.12		
Gross Scope 3	5,461.61	79.35		
Gross MT CO ₂ e	7,013.12	83.67		

Table 1. Base Year (2019) GHG Emissions Reported by Scope, Global and UK Operations

In accordance with Abt's carbon reduction plan and in compliance with the UK Government Technical Standard for Completion of Carbon Reduction Plans, Abt details material Scope 3 emissions in Table 1, as defined by the GHG Reporting Protocol corporate standard³. Abt's material Scope 3 emissions include (1) fuel- and energy-related activities not included in Scope 1 or 2, which include energy required to power data colocations and global development project site offices; (2) business travel, defined by Abt as air travel; and (3) employee commuting, which includes emissions from telework. Project site offices, which are located around the world, are not included as part of the Scope 3 UK-based operations reporting below (Table 1), as none are located within the UK territory.

Current Emissions Reporting

In 2022, Abt continued to invest in our UK presence and increased our leased asset space in London from 600 sq. ft. to 1,000 sq. ft. Despite an uptick in Scope 2 emissions from office operations and Scope 3 employee commuting emissions, Abt Britan has continued to reduce Scope 3 business travel emissions effectively and reduce gross emissions from UK operations since the base year.

2022 Emissions (MT CO ₂ e)	Global Operations	UK Operations		
Scope 1				
Stationary Combustion	176.04	0		
Fugitive Emissions	167.65	0		
Gross Scope 1	343.69	0		
Scope 2				
Purchased Electricity	779.35	11.52		
Renewable Energy Credits (RECs)	(315.72)	0		
Gross Scope 2	779.35	11.52		
Scope 3				
Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	713.74	0		
Data Colocations	42.71	0		
Project Site Offices	671.04	0		
Business Travel	1,370.79	38.67		
Employee Commuting	819.10	16.22		
Commuting	405.35	13.57		
Telecommuting	413.74	2.65		
Gross Scope 3	2,903.62	54.88		
Gross MT CO ₂ e	4,026.66	66.40		

Table 2. Current Year (2022) GHG Emissions Reported by Scope, Global and UK Operation

Table 3. Summary Change in Emissions to Date, Global and UK Operations

	Global Operations		UK Operations			
Emissions (MT CO ₂ e)	2022	2019	% Change (2022/2019)	2022	2019	% Change (2022/2019)
Scope 1	343.69	314.70	9%	0	0	N/A
Scope 2 (Location-Based)	779.35	1,236.81	-37%	11.52	4.32	167%
Gross Scope 1 & 2	1,123.04	1,551.51	-28%	11.52	4.32	167%
Scope 3	2,903.62	5,461.61	-47%	54.88	80.13	-32%
Gross MT CO ₂ e	4,026.66	7,013.12	-43%	66.40	84.45	-21%
Renewable Energy Credits	(315.72)	(76.80)	311%	0	0	N/A
Net MT CO ₂ e	3710.95	6936.31	-46%	66.40	84.45	-21%

Emissions Reduction Targets

In October 2021, Abt joined the global *Business Ambition for* $1.5^{\circ}C^{4}$ and *Race to Zero⁵* campaigns, making the commitment to align our climate mitigation targets with the goal of keeping global warming to $1.5^{\circ}C$ and reaching science-based net-zero emissions by 2050. In June 2022, Abt's global near-term emissions reduction target was validated by SBTi, representing a key step to meeting that commitment.

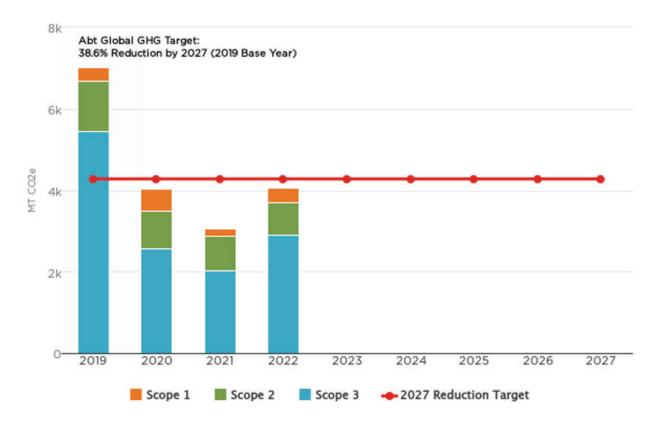
Abt Associates commits to reduce absolute Scope 1 and 2 GHG emissions 38.6 percent by 2027 from a 2019 base year. Abt Associates also commits to reduce absolute Scope 3 GHG emissions from fuel and energy related activities, business travel, and employee commuting 38.6 percent within the same timeframe.

The target covering Scope 1 and 2 emissions from Abt's operations is consistent with reductions required to keep warming to 1.5°C. Abt's target for Scope 3 emissions from the value chain meets the SBTi's criteria for ambitious value chain goals, meaning it is in line with current best practice. We will continue to follow best practices, reassessing our target every five years—or as targets are met—to expand our ambition and actions. Abt will continue to report GHG emissions programmer annually through The Climate Registry⁶ and through Abt's Mission Impact Report⁷, which serves as our corporate social responsibility reporting mechanism.

Doubling down on our commitment to achieve net-zero by 2050, Abt's net-zero target was approved by SBTi less than a year after receiving validation for our near-term target. Our net-zero target is as follows:

Abt Associates commits to reduce absolute Scope 1 and 2 GHG emissions 90 percent by 2050 from a 2019 base year. Abt Associates commits to reduce absolute Scope 3 GHG emissions from fuel and energy related activities, business travel, and employee commuting 90 percent within the same timeframe.

Chart 1: GHG Emissions Reported to Date versus Reduction Target



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

Across calendar year 2022, Abt implemented four carbon reduction initiatives, with a total estimated annual savings for 361 MT CO₂e.

Abt has continued to support flexible telework policies for eligible US and UK-based employees. Prior the pandemic all Abt Britain staff and 80 percent of Abt's US-based staff worked 5 days per week in an office. In 2021 (effective Jan 1, 2022), Abt encouraged US-based employees to elect one of three permanent work types: onsite—3 or more day per week in an Abt office; hybrid—1-2 days per week in an Abt office; or remote—no obligation to come into an Abt office. At the same time, Abt Britain introduced a hybrid working approach where employees were required to spend at least 2 days per week working in the London-based office and the remainder of the week working remotely as a teleworker. Employees electing these updated schedules were offered technology and ergonomic stipends. As of the end of 2022, 80 percent of Abt's U.S workforce was either fully remote or hybrid, and 100% of Abt's UK staff worked a hybrid schedule.

As a result of enhancements from telework policies and office utilization rates, Abt was able to close and/or consolidate four US offices in 2021 and 2022—transitioning two of these locations to co-working sites. These actions reduced Abt's Scope 2 emissions by 45 MT CO₂e over the previous 2021 reporting year.

Future Carbon Reduction Initiatives

Investments in emission reduction activities are focused on global initiatives with immediate, |short-term payback periods or low costs with high returns to optimise operational efficiencies. Examples include switching to LED lighting, investing in energy-efficient equipment, transitioning to co-working sites, and transitioning to virtual collaboration in lieu of frequent air travel. In 2023, Abt transitioned the London, UK office to a more flexible co-working facility with a dedicated office space of 405 sq. ft. Emissions results from this move will be reported in the next iteration of this report. Abt will continue to measure the efficiency and flexibility this option offers our staff and our business.

Data on air travel and revenue during the pandemic illustrated that we can meet our emissions reduction targets while maintaining financial growth and resilience. As such, we have developed an annual air travel emissions budget, along with a data dashboard and decision support tool to enable senior leaders within the company to efficiently manage business air travel activities and stay within the annual emissions budget—balancing the need for physical connection with our clients and colleagues while achieving our GHG reduction targets. This was launched across Abt's US operations in 2022 and is currently being assessed for its ability to influence and manage decision-making with senior leaders. This will be introduced to Abt Britain and Australia for additional support.

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 standard³ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁸.

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) Standard⁹.

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:

Sarah Duna

Date 02/ 11/2023

¹<u>https://www.climatecentral.org/report/climate-shift-index-global-july-2023-report</u>

- ⁶ https://theclimateregistry.org/members/abt-associates-inc/
- 7 https://www.abtassociates.com/mission-impact-report-2023
- ⁸ https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting_
- <u>https://ghgprotocol.org/standards/scope-3-standard</u>

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²<u>https://sciencebasedtargets.org/set-a-target</u>

³ https://ghgprotocol.org/corporate-standard

⁴ <u>https://sciencebasedtargets.org/business-ambition-for-1-5c</u>

⁵ https://unfccc.int/climate-action/race-to-zero-campaign