

## Environmental – Responsible consumption

In FY21 we reset and reassessed our environmental performance. We have worked hard to develop and enhance our previous environmental, energy and carbon strategies and we are working to establish more ambitious targets, with detailed roadmaps, implementation plans and initiatives.

Our sectors and business units are supported by specialist teams of environmental experts who work to ensure the impacts of our operations are minimised. We continue to manage our environmental impacts through ISO14001 accredited Environmental Management Systems (EMS) which cover over 75% of our global operations.

### Waste

Waste is a significant global issue and we understand we have a responsibility to minimise the impacts of our operations. We also have the opportunity to influence a large value chain and accordingly we regularly engage with our suppliers and customers to ensure sustainable practices are adopted. Material and resource efficiency is a core principle which we seek to embed across our operations.

### Babcock Group Energy Consumption and Emissions

		Mar-18	Mar-19	Mar-20	Mar-21
<b>UK / UK offshore</b>					
Scope 1: Direct emissions from owned/controlled operations	tCO <sub>2</sub> e	76,688.9	74,167.5	66,349.4	60,848.3
Scope 2: Indirect emissions from the use of electricity and steam	tCO <sub>2</sub> e	96,233.6	73,416.0	61,595.3	51,058.1
Scope 3: Emissions – business travel, electric transmission and distribution	tCO <sub>2</sub> e	20,747.1	17,701.8	13,722.7	6,920.9
<b>Total Emissions</b>	<b>tCO<sub>2</sub>e</b>	<b>193,669.6</b>	<b>165,285.3</b>	<b>141,667.4</b>	<b>118,827.3</b>
<b>Underlying energy consumption used to calculate emissions</b>	<b>kWh</b>	<b>645,286,882.4</b>	<b>610,390,853.8</b>	<b>553,861,833.7</b>	<b>513,073,873.2</b>
<b>Global (excluding UK / UK offshore)</b>					
Scope 1: Direct emissions from owned/controlled operations	tCO <sub>2</sub> e	105,010.5	93,619.5	100,424.7	97,205.5
Scope 2: Indirect emissions from the use of electricity and steam	tCO <sub>2</sub> e	8,144.8	7,314.3	4,571.0	4,268.6
Scope 3: Emissions – business travel, electric transmission and distribution	tCO <sub>2</sub> e	851.4	323.1	364.4	86.8
<b>Total Emissions</b>	<b>tCO<sub>2</sub>e</b>	<b>114,006.8</b>	<b>101,256.9</b>	<b>105,360.1</b>	<b>101,560.8</b>
<b>Underlying energy consumption used to calculate emissions</b>	<b>kWh</b>	<b>446,044,504.7</b>	<b>397,521,762.0</b>	<b>417,636,004.0</b>	<b>403,486,309.6</b>
<b>Babcock Group Total (UK / UK offshore and Global)</b>					
Scope 1: Direct emissions from owned/controlled operations	tCO <sub>2</sub> e	181,699.4	167,786.9	166,774.1	158,053.7
Scope 2: Indirect emissions from the use of electricity and steam	tCO <sub>2</sub> e	104,378.4	80,730.3	66,166.3	55,326.7
Scope 3: Emissions – business travel, electric transmission and distribution	tCO <sub>2</sub> e	21,598.6	18,025.0	14,087.0	7,007.6
<b>Total Emissions</b>	<b>tCO<sub>2</sub>e</b>	<b>307,676.4</b>	<b>266,542.3</b>	<b>247,027.5</b>	<b>220,388.0</b>
<b>Underlying energy consumption used to calculate emissions</b>	<b>kWh</b>	<b>1,091,331,387.1</b>	<b>1,007,912,615.8</b>	<b>971,497,837.7</b>	<b>916,560,182.8</b>
<b>Underlying energy consumption</b>	<b>GJ</b>	<b>3,928,793.0</b>	<b>3,628,485.4</b>	<b>3,497,392.2</b>	<b>3,299,616.7</b>
<b>Revenue</b>	<b>£M</b>	<b>4,659.6</b>	<b>4,474.8</b>	<b>4,428.5</b>	<b>4,182.7</b>
<b>Intensity Ratio</b>	<b>tCO<sub>2</sub>e/£1M Revenue</b>	<b>66.0</b>	<b>59.6</b>	<b>55.8</b>	<b>52.7</b>

Our emissions data is reported in line with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard under the 'Operational Control' approach. Figures for UK operations follow conversion factors published by BEIS. Non-UK operations utilise emission factors applicable to the fuel source and location. Appropriate conversion factors have been used to calculate the underlying energy consumption figures. Scope 1, 2 and 3 sources have been divided by the annual revenue to provide the intensity ratio (tCO<sub>2</sub>e per £m). Figures for prior years have been adjusted to include data unavailable last year, and figures for this year include an element of estimated data. Certain data, estimated to be immaterial to the Group's emissions, has been omitted as it has not been practical to obtain (including operations in Oman, South Korea, Canada and Australia). Metering and monitoring improvements are being implemented to capture these data streams. During the reporting period our approach to energy and carbon management included a holistic review and the re-establishment of our baseline. We have developed our new net zero carbon strategy, Plan Zero 40, which details our journey to net zero.