WSP IN THE UK

WSP UK's journey towards nature positive

NATURE POSITIVE BUSINESS PLEDGE YEAR 1 REPORT

MAY 2024

PUBLIC

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Introduction

Nature is the foundation of how society functions, and its loss poses a great risk to society and business. Since 2020, the World Economic Forum has consistently ranked biodiversity loss in the top five most severe global risks over the next five to ten years[1]. This is because the services that nature provides to society, such as pollination, timber provision, flood management and urban cooling, are starting to collapse. This could lead to significant consequences, including a decline in global GDP of $2.7 trillion annually by 2030[2]. **The global community is mobilising itself to address nature loss and its impacts**, as demonstrated by the landmark Kunming-Montreal Global Biodiversity Framework[3] agreed at the Convention on Biological Diversity's COP15 in Montreal in December 2022.

Reversing the loss of nature is one of the greatest challenges society faces today. The world is losing nature at an unprecedented rate: between 1970 and 2018 – just under 50 years – wildlife populations have decreased on average by 69% globally[4] (Figure 1). In the UK, only 14% of the UK's important habitats for wildlife were found to be in good condition and 16% of native species are threatened with extinction[5] (Figure 2). These worrying numbers result from a mix of climate change and other anthropogenic impacts such as natural habitat destruction, overexploitation, pollution and the introduction of invasive species.

Not only is it in our interest, but it is also our responsibility, to ensure that the resources that are available today will be available for future generations. **By striving for a Nature Positive future**[6] (Figure 3), businesses can reduce our negative impacts and enhance nature whilst also contributing to net zero carbon targets and other Sustainable Development Goals (SDGs) – particularly SDGs 14 and 15, life below water and life on land (Figure 4).

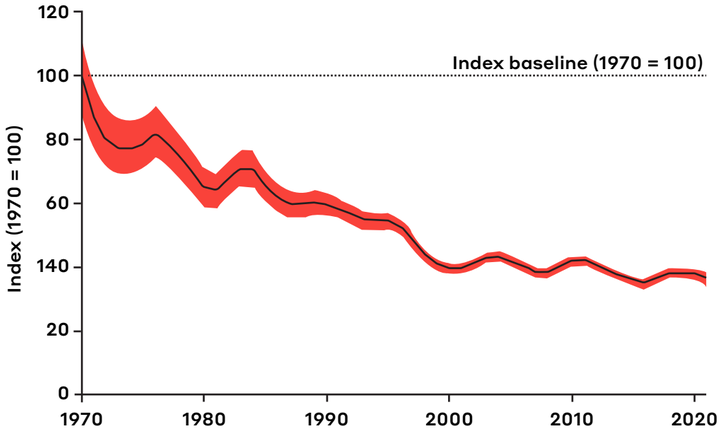


Figure 2
Trend in the relative abundance of priority species in the UK between 1970 and 2021 (based on source: JNCC)

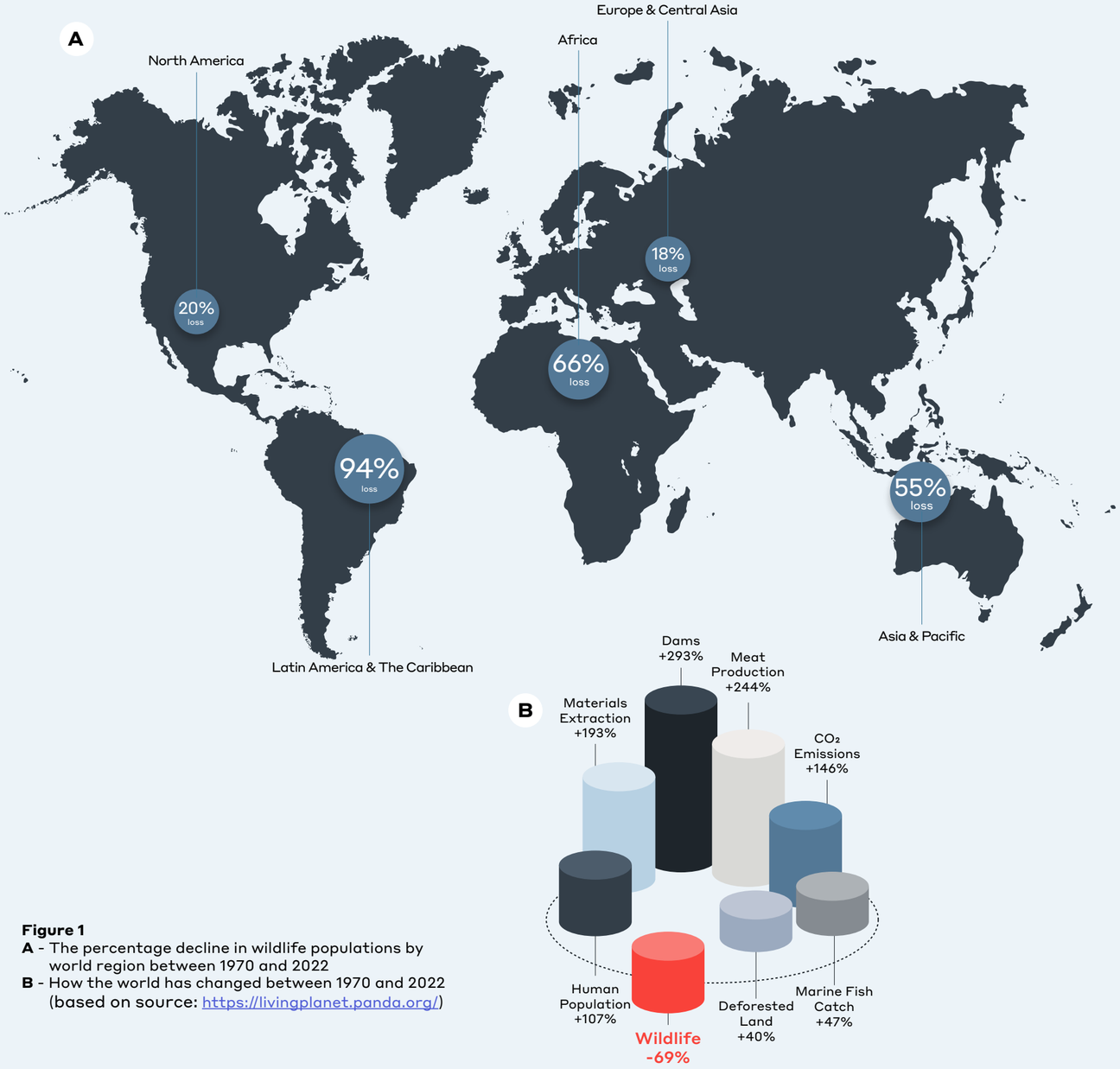


Figure 1
A - The percentage decline in wildlife populations by world region between 1970 and 2022
B - How the world has changed between 1970 and 2022 (based on source: https://livingplanet.panda.org/)

[1] WEF Global Risks Report 2024; WEF Global Risks Report 2023; WEF Global Risks Report 2022; WEF Global Risks Report 2021; WEF Global Risks Report 2020
[2] The Economic Case for Nature A Global Earth-economy model to assess development policy pathways (worldbank.org)
[3] Kunming-Montreal Global Biodiversity Framework (cbd.int)
[4] Living Planet Report 2022 | WWF
[5] State of Nature 2023 - report on the UK's current biodiversity
[6] According to the IUCN, "halting and reversing the loss of nature measured from its current status, reducing future negative impacts alongside restoring and renewing nature, to put both living and non-living nature measurably on the path to recovery" IUCN Summary Highlights

Introduction

Figure 3
The Sustainable Development Goals (Source: https://sdgs.un.org/goals)

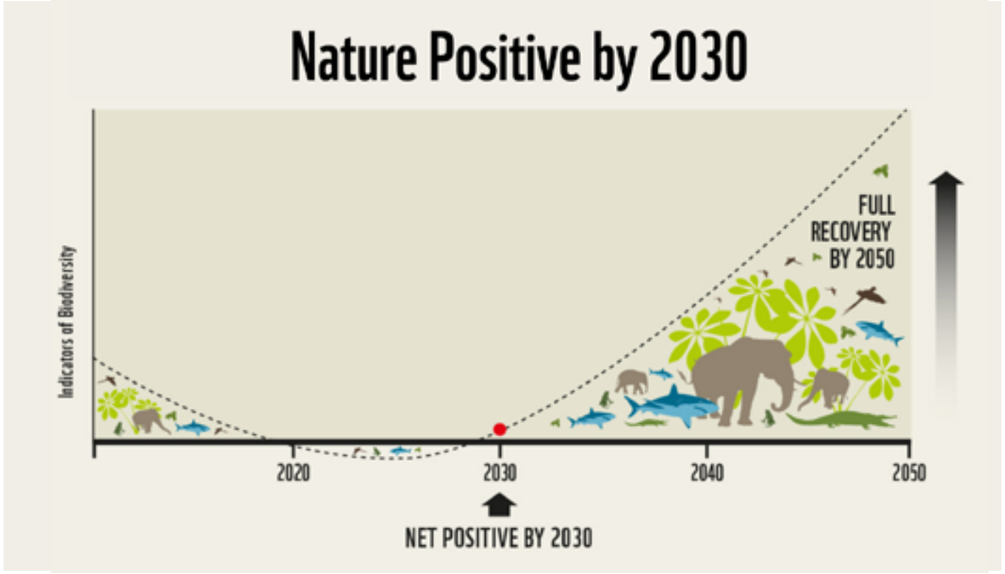


Figure 4
The Global Goal for Nature: Nature Positive by 2030 (3a – The definition of Nature Positive; 3b – Graphic representation of Nature Positive); Nature Positive Initiative (Source: https://www.naturepositive.org)

What is Nature and Biodiversity?

Nature refers to all living and non-living components of the natural world, and their interactions. It covers 4 key realms – land, freshwater, marine and atmosphere. It encompasses core elements across these realms, including biodiversity, climate and the effect of climate change, and how society interacts with the natural environment.

Biodiversity is a core element of nature, and refers to the variability among living entities and across scales (genes, species, ecosystems, etc.). It is essential to nature as it creates productive, resilient and adaptive systems.

For more on the definitions of nature and biodiversity, see here and here.

What is Nature Positive?

Nature Positive means **ensuring that there is more nature in the world in 2030 than in 2020, and continued recovery after that**.

Nature Positive is a societal goal for the future - in the same way that 'net zero' is a societal goal for global emissions.

To achieve it, society needs to halt and reverse nature loss measured from a baseline of 2020, through increasing the health, abundance, diversity and resilience of species, populations and ecosystems so that by 2030 nature is visibly on the path of recovery. By 2050, nature must recover so that thriving ecosystems and nature-based solutions continue to support future generations.

For more information about Nature Positive, see here.

Introduction

WSP, both in the UK and globally, is committed to achieving positive environmental change

Our ambition is demonstrated by the following initiatives:

- **WSP's Future Ready™* programme**[7] – challenging and inspiring all our people to advise and design projects ready for the future as well as today – highlights the threat that biodiversity loss poses for our future.
- Our **2023 materiality assessment** identified biodiversity and ecosystems as a material topic.
- **WSP Global's Biodiversity Statement**[8] re-affirms our commitment, by setting out guiding principles aimed at enabling WSP to engage with our clients to protect, restore and enhance ecosystems.
- **WSP in the UK is already undertaking projects** that have positive outcomes for biodiversity and nature (Figure 8).
- **WSP in the UK has reiterated our commitment by signing up to the Nature Positive Business Pledge**[9] **in March 2023.** Developed in partnership between the UK Business and Biodiversity Forum (UKBBF), Royal Society for the Protection of Birds (RSPB), Institute of Environmental Management and Assessment (IEMA), Aldersgate Group and the UK branch of the International Chamber of Commerce (ICC UK), the Pledge was developed by business, for business. It establishes a clear framework for a business to start acting in a Nature Positive way whilst ratcheting up ambitions regularly.

By signing up to the Nature Positive Business Pledge, WSP in the UK committed to progressively work towards (in bold are elements that have been addressed this year; in italics are elements that will be addressed in the future):

- **Following the Nature Positive Business Pledge Principles;**
- *Developing and publishing a Nature Positive Plan, which includes:*
  - **Running a materiality assessment to identify where and how we depend on and negatively impact nature**
  - *Identifying a nature baseline (e.g. the year 2020) and assessing our impact on nature relative to this baseline;*
  - *Setting SMART*[10] *and costed targets to address our dependencies and impacts on nature across the value chain;*
- *Assessing our progress towards delivering the targets set out in the Nature Positive Plan;*
- **Planning and publishing a report on this progress;**
- *Reviewing the Nature Positive Plan and ratcheting up the commitment every three years, increasing the scope or level of impact addressed through the Plan; and*
- **Undertaking information sharing activities.**

As members of the UKBBF's steering group and key contributors to the pledge, we recognise the effort needed to achieve the requirements it sets out. Over the past year, we prioritised the following initial actions, explained below, with plans to ratchet up our work in future years.

- **Following the Nature Positive Business Pledge Principles**: this requirement is core to the Pledge, and we have strived to consider and apply the principles when undertaking our work over the past year.
- **Running a materiality assessment**: understanding our impacts and dependencies on nature is a crucial first step to setting robust and effective targets. Global incentives, such as Target 15 of the Kunming-Montreal Global Biodiversity Framework and the Taskforce for Nature-related Financial Disclosures (TNFD)[11] framework, have made this step that much more important. This year, our materiality assessment focuses on the most impactful part of our business – the services we provide to our clients (downstream value chain).
- **Undertaking an information sharing activity**: as a consultancy, we believe that we have an enormous opportunity to contribute to the nature positive movement through the knowledge and expertise we share with clients and the rest of the global community.
- **Planning and publishing a report on this progress**: this report is the culmination of our work over the past year, specifically between March 2023 and March 2024.

[7] See the future more clearly with Future Ready | WSP
[8] WSP Global's Biodiversity Statement
[9] The Nature Positive Business Pledge business-biodiversity.co.uk
[10] Specific, Measurable, Achievable, Relevant and Time-Bound
[11] The Taskforce on Nature-related Financial Disclosures tnfd.global

Downstream Materiality Assessment

As corporate reporting on nature matures, an increasingly important first step is to understand and assess our impacts and dependencies on nature, which will in turn inform robust and effective nature targets.

In line with this, underpinning our Nature Positive work this year is our high-level materiality assessment of WSP in the UK's downstream value chain using data from calendar year 2022.

- We have focused on this because we are the UK's largest environmental consultancy, so our biggest impact will be made by influencing the professional services and advice we provide to clients.
- Downstream activities are also one of the more challenging aspects of the value chain to assess, as international guidance is currently limited in scope to upstream and direct operations.

We therefore also hope our work in the downstream value chain will help pioneer methodologies for other service-centric businesses in the future.

While some projects may have a positive impact on nature, for example those carried out by our Earth and Environment discipline, identifying our negative impacts is a priority for the rapid and effective mitigation or prevention of these impacts.

As a result downstream activities were classified according to the sector in which our clients operate. Our methodology and its limitations are detailed in the Appendix and our findings are presented below.

By sector

Our research flagged 10 sub-sectors each bringing in over 1% of our total revenue (Table 1). Together, they make up 93% of our total revenue. Almost half of our total revenue comes from a single sub-sector, Highways & Railtracks. Due to its significance, this sub-sector was analysed independently.

Sub-sector	Corresponding GICS code	Percentage of total revenue (%)
Highways & Railtracks	20305020	49 (of this, 54% Rail; 46% assumed Highways)
Undertaken for a Local Authority	No GICS code identified	13
Construction & Engineering	20103010	9
Electric Utilities	55101010	8
Homebuilding	20103010	6
Heath Care Facilities	35102020	3
Water Utilities	55104010	2
Diversified Metals & Mining	15104020	1
Diversified Chemicals	15101020	1
Airport Services	205305010	1
TOTAL		**93**

Table 1 – Top 10 sub-sectors by revenue

Total revenue as a % by sub-sector is unaudited. The sub-sectors are based on mapping WSP UK's projects to a respective sub-sector.

[13]Projects labelled as 'Undefined Projects Undertaken for a UK Local Authority' could not be associated to a corresponding GICS code and have therefore been excluded from further assessment. Based on internal engagement, we have concluded that the service portfolio of these projects is similar to what is already represented in the other sub-sectors, and therefore do not change the results of our analysis.

Downstream Materiality Assessment

To assess the materiality of the Highways and Railtracks subsector's impact drivers and dependencies on nature, the ENCORE tool (Exploring Natural Capital Opportunities Risks and Exposure)[12] was used. For definitions of terms used, please see the glossary in the Appendix.

Impact/ Dependency materiality	Impact: Materiality score meaning	Dependency: Materiality score meaning
Very High	The impact and its resulting effects are expected to cause very major, irreparable, and long-lasting damage to natural capital. The impact and its resulting effects on natural capital are expected to occur continuously throughout the project life cycle.	The production process is extremely vulnerable to disruption. The degree of protection offered by the ecosystem service is critical and irreplaceable for the production process.
High	The impact and its resulting effects are expected to cause major, irreparable, and long-lasting damage to natural capital. The impact and its resulting effects on natural capital are expected to occur continuously throughout the project life cycle.	Ecosystem service is critical and irreplaceable in production process. Or, the production process is extremely vulnerable to disruption The degree of protection offered by the ecosystem service is critical and irreplaceable for the production process. Or, production process can take place with some disruption of the ecosystem service, but the high quantity of the ecosystem service required for the production process makes this a high risk.
Medium	The impact and its resulting effects are expected to cause significant and lasting damage to natural capital. The impact and its resulting effects on natural capital are expected to occur regularly throughout the project life cycle (i.e. from several times per year to several times per month).	Most of the time the production process can take place with limited (but not with full) disruption of the ecosystem service. Or, although less practical, production process can take place without the ecosystem service due to availability of substitutes.
Low	The impact and its resulting effects are expected to cause minor, reparable, and temporary damage to natural capital. The impact and its resulting effects on natural capital are expected to occur only a small number of times in the project life cycle (e.g. only during construction/ set-up).	Most of the time the production process can take place even with full disruption of the ecosystem service.
Very Low	The impact and its resulting effects are expected to cause very minor, reparable, and very temporary damage to natural capital. The impact and its resulting effects on natural capital are expected to occur only a small number of times in the project life cycle or never.	Most of the time the production process can take place even with full disruption of the ecosystem service.

Table 2 – Materiality key

[12] ENCORE Tool

Downstream Materiality Assessment

Dependencies on nature

Sub-sector	Ground water	Surface water	Soil Quality	Ventilation	Water flow maintenance	Bio-remediation	Filtration (by organisms & ecosystems)	Mediation of sensory impacts	Climate regulation (global and micro)	Pest control	Water quality	Flood &Storm protection	Mass stabilisation & erosion control	Buffering & attenuation of mass flows	**Total Dependency on nature (0-75)**
Highways & Railtracks	Medium	Medium	Low	Very low	Medium	Low	Low	Medium	High	Very low		High	Medium		**31**
Construction & Engineering			Very low	Very low	Medium	Low	Low	Very low	Medium	Very low		High	Medium		**21**
Electric Utilities	Medium	Very high			Very high	Low	Low		Very high		Low	Very high	High		**33**
Homebuilding	Medium	Medium	Low	Very low	Medium	Low	Low	Medium	High	Very low		High	Medium		**31**
Health Care Facilities	Medium	Medium											Low		**8**
Water Utilities	Very high	Very high	Medium		Very high	Medium	Medium	Low	Medium	Low	High	Medium	Low	Low	**42**
Diversified Metals & Mining	High	High			High				High				Medium		**19**
Diversified Chemicals	Low	Low		Very low				Low	Very low				Low		**10**
Airport Services	Medium	Medium							Medium			High	Medium		**16**
Average materiality	**Medium**	**High**	**Low**	**Very low**	**High**	**Low**	**Low**	**Low**	**High**	**Very low**	**Medium**	**High**	**Medium**	**Low**	

Greyed out boxes indicate no determined score.

Table 3 – ENCORE Dependency results for the 9 sub-sectors with the highest-revenue.

Downstream Materiality Assessment

Impacts on nature

Sub-sector	Water use	Terrestrial ecosystem use	Freshwater ecosystem use	Marine ecosystem use	GHG emissions	Non-GHG air pollutants	Water pollutants	Soil pollutants	Solid waste	Disturbances	**Total Impact on nature (0-75)**
Highways & Railtracks	High	Very high	Very high		High	High	Medium	Medium	High	High	**35**
Construction & Engineering	High	Very high	High	Very high	High	High	Medium	High	Medium	High	**40**
Electric Utilities	Very high	Very high	Very high		High	High	High	High	High	High	**39**
Homebuilding	High	Very high	High		High	High	Medium	Medium	High	High	**35**
Health Care Facilities					High		Medium	Medium	Medium		**13**
Water Utilities	High	High	High				Low	Low			**16**
Diversified Metals & Mining	Very high	Very high	High		High	High	High	High	High	High	**38**
Diversified Chemicals	Very high	High			High	High	High	High	High		**29**
Airport Services	High				High	High	High	High	High	High	**28**
Average materiality	**High**	**High**	**High**	**Very high**	**High**	**High**	**Medium**	**Medium**	**High**	**High**	

Table 4 – ENCORE Impact results for the 9 sub-sectors with the highest-revenue.*

*The shown impacts represent potential impacts on nature from the sectors as whole and are not indicative of the impact from WSP's designs and advice.

Downstream Materiality Assessment

Highways & Railtracks

Natural systems provide global climate regulation, flood management and storm protection services to highways and railtracks infrastructure (Table 3). Analysis highlights that highways and railtracks projects often highly depend on natural habitats to protect them from floods and storms, and to regulate climate to avoid other damages.

Other dependencies are linked to the ability of habitats to ensure the proper functioning of water and ground systems. Highways and railtrack projects likely moderately depend on ground/surface water provision, water flow maintenance, mediation of sensory impacts (e.g. light and noise pollution) and mass stabilisation/erosion control.

Overall, Highways and Railtrack projects have the potential to have significant negative impacts on nature (Table 4). Habitat loss, or the conversion of land-based natural habitats into traditional infrastructure, is rated as a very high negative impact. Such impacts not only remove habitats that provide key ecosystem services, but also result in the loss of species and biodiversity that ensure stable functioning. Furthermore, this sub-sector negatively impacts natural systems by potentially creating disturbances, converting freshwater ecosystems, producing greenhouse gas (GHG) emissions, producing air, soil, water and solid waste pollutants, and using water. It is worth nothing that these are impacts that not only affect nature, but also people.

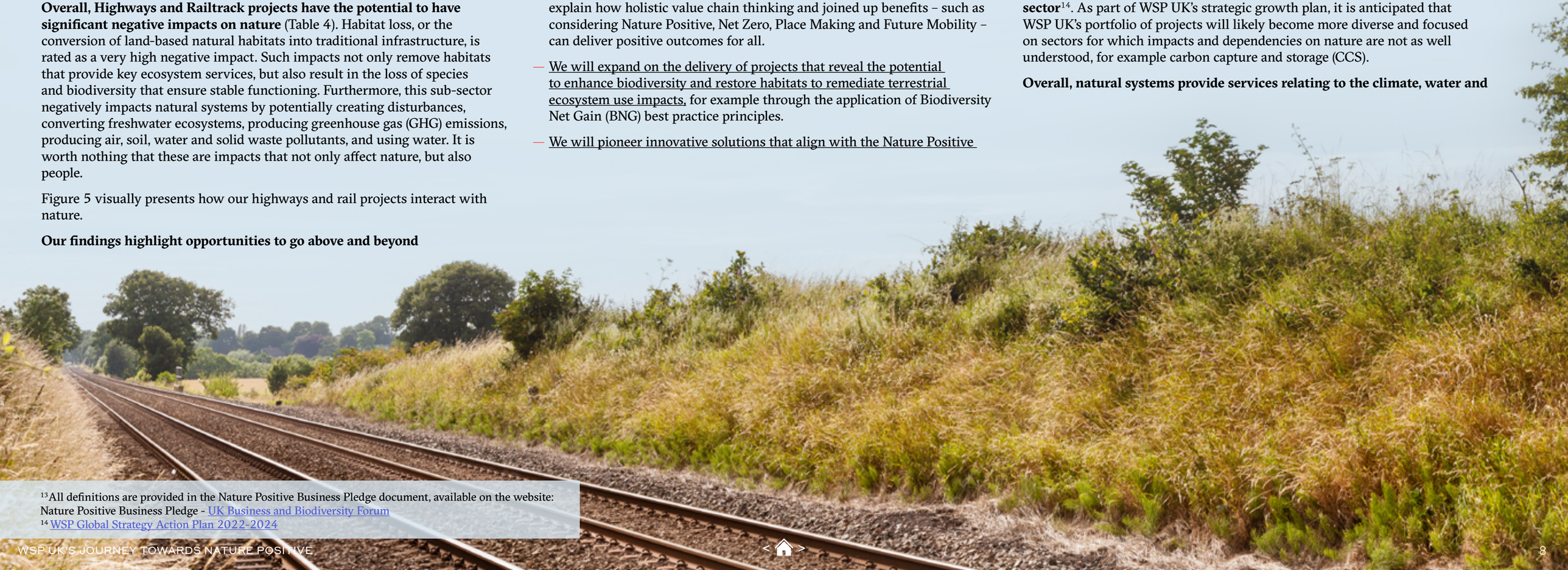
Figure 5 visually presents how our highways and rail projects interact with nature.

Our findings highlight opportunities to go above and beyond environmental regulatory requirements, in order to better support how our clients manage their dependencies and reduce their impacts on nature.

- We will integrate working between teams across WSP in the UK to accomplish Nature Positive outcomes. This includes the ecology, landscape, urban design, climate, ground and water teams, to synergistically address the key impacts and dependencies of projects on nature.
- We will incorporate Nature Positive into how we engage with clients and communities, and their supply chains. Co-creating designs with our stakeholders is key to a successful partnership, and we will strive to explain how holistic value chain thinking and joined up benefits – such as considering Nature Positive, Net Zero, Place Making and Future Mobility – can deliver positive outcomes for all.
- We will expand on the delivery of projects that reveal the potential to enhance biodiversity and restore habitats to remediate terrestrial ecosystem use impacts, for example through the application of Biodiversity Net Gain (BNG) best practice principles.
- We will pioneer innovative solutions that align with the Nature Positive Business Pledge Principles (i.e. adhering to the mitigation hierarchy, achieving long-term benefits and additionality, applying the precautionary approach and delivering sustainable use and shared benefits[13]), with the aim of decreasing negative outputs into the environment, both for humans and nature.
- We will build our learning, training and internal communication networks to create an informed workforce that leads the sector around nature-related issues.

This work is highly relevant to WSP's long-term strategy to become a more diverse business with increased revenue in the Earth & Environment sector[14]. As part of WSP UK's strategic growth plan, it is anticipated that WSP UK's portfolio of projects will likely become more diverse and focused on sectors for which impacts and dependencies on nature are not as well understood, for example carbon capture and storage (CCS).

Overall, natural systems provide services relating to the climate, water and



[13] All definitions are provided in the Nature Positive Business Pledge document, available on the website: Nature Positive Business Pledge - UK Business and Biodiversity Forum

[14] WSP Global Strategy Action Plan 2022-2024

Downstream Materiality Assessment

1. Natural features such as trees and green roofs/walls decrease temperatures in urban areas.
2. Natural features such as reedbeds, ponds and hedges manage floods and prevent erosion.
3. Natural features such as trees and reedbeds filter pollution before they reach the wider environment.
4. Healthy and diverse habitats help maintain water levels, both in rivers and in aquifers.
5. Nature provides benefits for human health and well-being.
6. Removal of existing habitats for species to provide raw materials for construction and to make space for infrastructure.
7. Roads and rail tracks may prevent species from moving between habitats.
8. Machinery, vehicles and materials emit greenhouse gases and produce solid waste and other air, soil and water pollutants that may harm species.
9. The absence of natural features can cause flooding and erosion which disrupt services and require more regular and costly maintenance.
10. The absence of habitats can disrupt the water cycle, thus depleting water stores and increasing water scarcity.

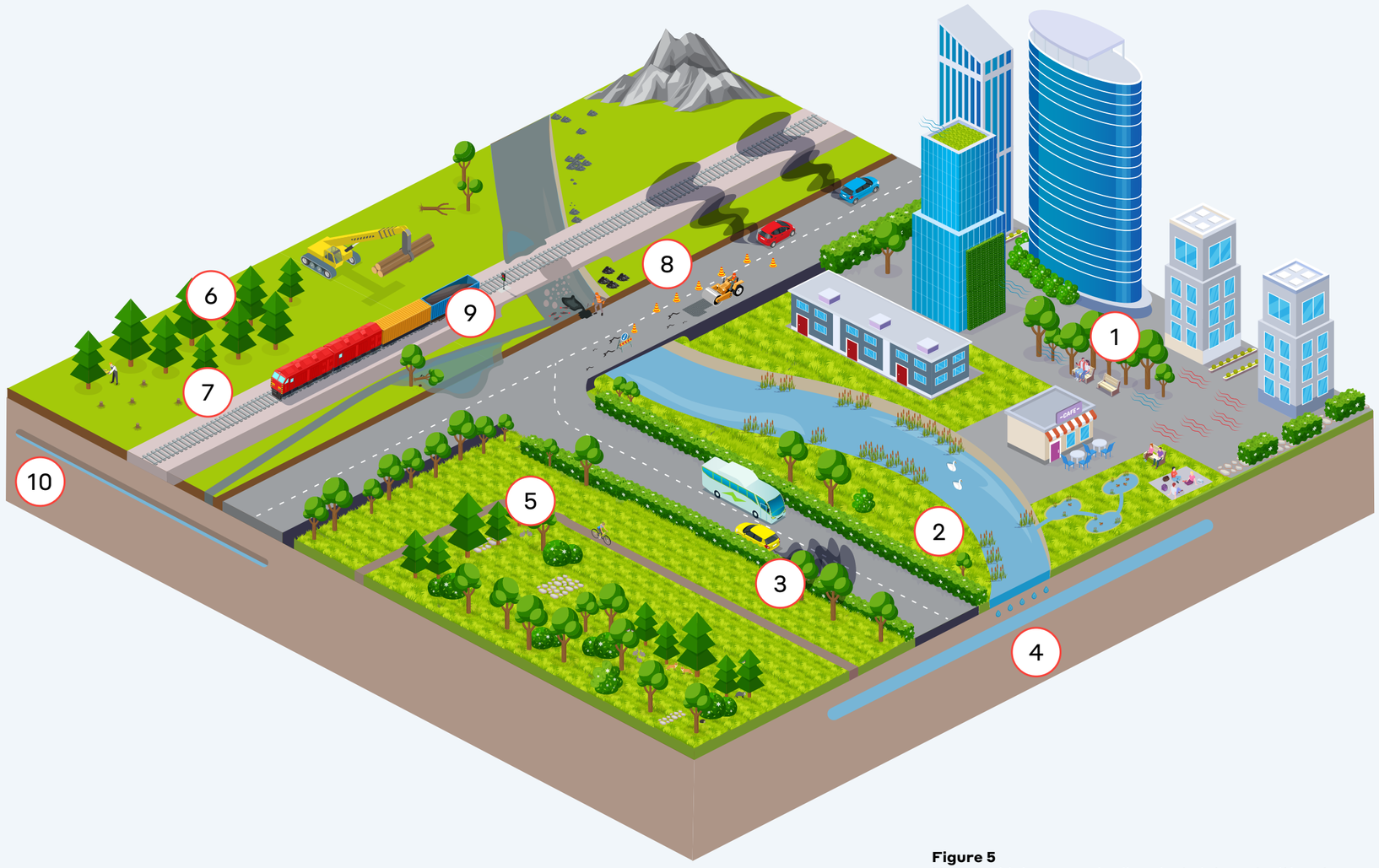


Figure 5
How our highways and rail projects interact with nature.

Downstream Materiality Assessment

Other sub-sectors

ground for the 8 remaining sub-sectors. This corresponds to the res-ults for the Highways & Railtracks sector. The identified high-revenue sub-sectors are most likely to be dependent on climate regulation (both global and micro), stability (mass stabilisation and erosion control) and ground and surface water provision. The dependencies that on average show the highest materiality in their respective sector cover water (surface water, water flow maintenance), climate (global and micro-climate regulation) and ground stability (mass stabilisation and erosion control). Therefore, our foremost dependencies on nature are likely to be related to water, climate and ground stability, as they have both high materiality scores and are common across our top sub-sectors.

The results also show some variation between sub-sector dependencies and materiality levels, demonstrating that there is still a need to consider the type of project to correctly identify likely dependencies.

The sub-sectors have the potential to negatively impact the environment in a range of ways, especially terrestrial ecosystem use[15]. This represents a degree of similarity to the results for the Highways & Railtracks sector. Impact counts are high and show little variation, meaning that all sub-sectors impact nature highly and in many ways. Of these, soil and water pollutants appear in all sub-sectors. Impact materiality is on average high for all types of impacts (varying between medium and very high), with the highest scores met by terrestrial ecosystem use and water use. When considering these two aspects together – i.e. impacts that appear more often and are of higher materiality – terrestrial ecosystem use (most commonly habitat loss but more broadly change in land use) is prominent, but also greenhouse gas (GHG), emissions, water use, and air, water, soil and solid waste pollutants.

Our findings highlight the following additional opportunities:

- The opportunities described for the Highways and Railtracks sector are largely applicable to these 8 sub-sectors as well. There are therefore scalable and standardised approaches that can be applied to address our impacts and dependencies on nature.
- At the same time, the results showed some variation in dependencies and a larger focus on pollutants in the 8 sub-sectors compared to Highways and Railtracks, which demonstrates the need to further understand specific circumstances of the sub-sectors we work in. To address this, we could develop different focus topics for projects to consider as and when necessary. This would provide guidance on how specific issues related to nature and biodiversity could be addressed, and the specific mitigation and enhancement measures recommended at different stages of a project.

[15]The only outlier is marine ecosystem use, which is flagged as very highly material by the construction and engineering sector. It is therefore considered separately in the rest of our analysis.

Downstream Materiality Assessment

By country

Whilst the majority of WSP in the UK's project activity is within the UK, **9% of its revenues are delivered on international projects**. As such, it is also important to consider how our UK business interacts with nature around the world. To investigate the impacts we have on nature, we looked at both countries that have particularly high levels of biodiversity, but also those countries where significant biodiversity loss has occurred within the last 50 years.

We work in countries with wide ranging levels of biodiversity. Our highest revenues per country (earned outside of the UK) come from a mix of high, medium and low ranking biodiverse countries, according to the Global Biodiversity Index (GBI). WSP in the UK earns around 1% of our total revenue in the 10 most biodiverse countries, of which our highest revenue is earned from Australia (rank 6), Columbia (rank 3) and the USA (rank 10). It is worth noting that the sum of revenue from the 10 most biodiverse countries is an order of magnitude higher than the sum of rev-enue from the 10 least biodiverse countries (which is around 0.1%).

We work in countries that have lost significant amounts of biodiversity over the last 50 years. WSP in the UK also earns a proportion of revenue in countries that have shown the largest decrease in biodiversity intactness between 1970 and 2014, according to the Biodiversity Intactness Index (BII) (Figure 6). This highlights countries with a high revenue spend and large decrease in BII especially in Africa and Asia.

- **Our findings revealed the following opportunities:**
- The status of WSP, recognised as among the most sustainable corporations in the world in 2024 by Corporate Knights, enables us to be a **strong advocate and leader for the effective adoption of Nature Positive best practices**. WSP is also a Science Based Targets Network (SBTN) corporate engagement partner and referral member, allowing WSP to help SBTN develop science-based targets for nature that are cost-effective and user-friendly through exclusive testing and feedback opportunities.
- By leveraging our global expertise coupled with our local presence, we can identify and overcome any gaps in nature-related policy and lead in the implementation and monitoring of nature positive approaches. At the same time, we can adapt the approaches to suit the local biodiversity context, for example focusing on avoidance/protection vs restoration/enhancement. This will ultimately deliver industry-leading projects that achieve ambitious social, environmental and economic objectives.

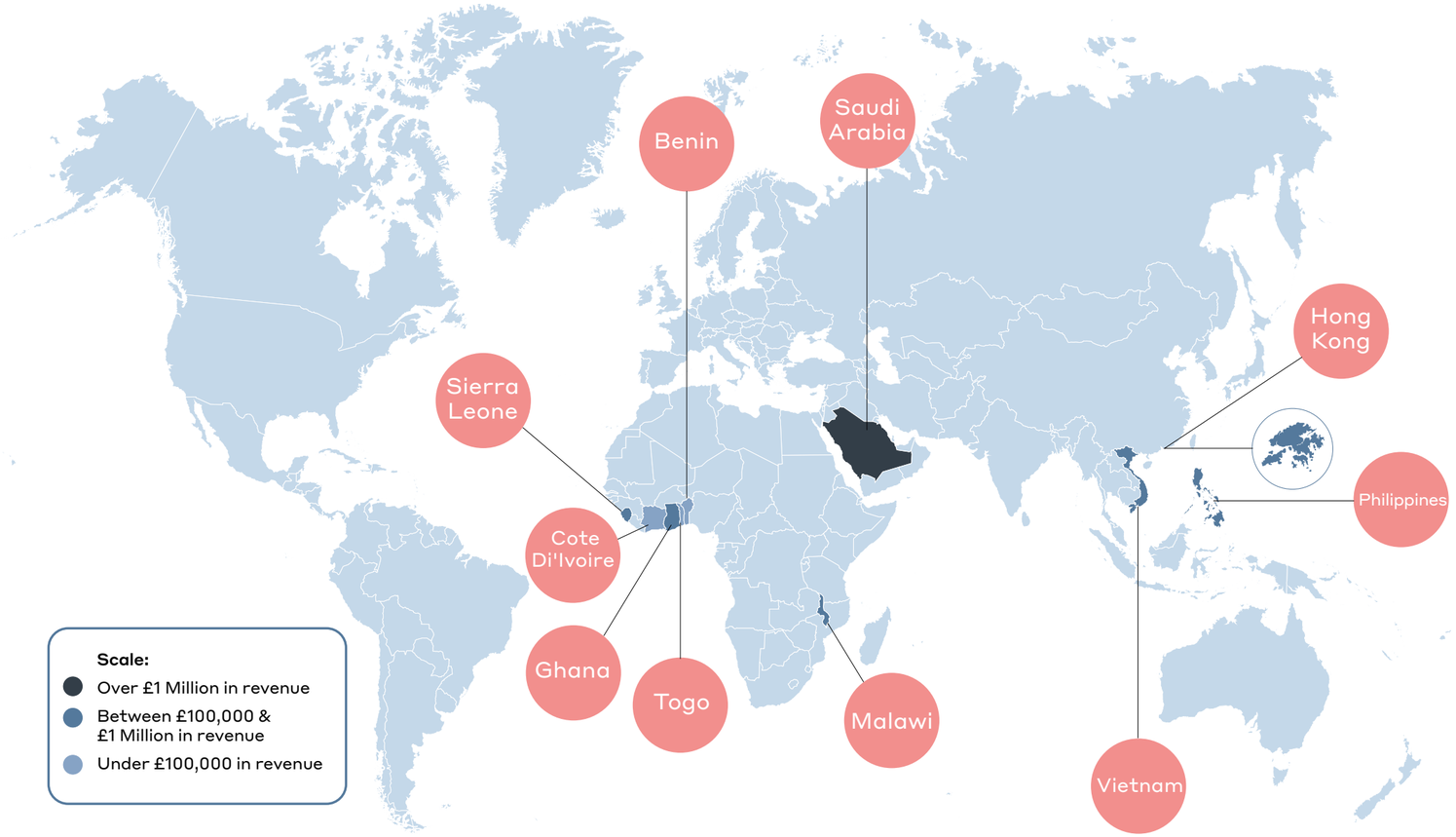


Figure 6
Countries with the largest decrease in BII and associated WSP in the UK revenue.

[16] WSP Named in Corporate Knights Global 100 Most Sustainable Corporations List, 2023

Sharing our nature positive knowledge

As a leading engineering and professional services consultancy, WSP can play a key role in providing expert advice to clients and the wider community. We have a huge opportunity to influence the Nature Positive movement through our work and the knowledge we share more widely.

Sharing our knowledge with clients

WSP continuously looks to provide quality advice and services that will create positive, long-lasting impacts for our clients. Over the past year, **our Nature Advisory team has developed a group of experts specialising in providing services addressing our clients' pressing needs related to understanding and taking action on nature**. These includes raising our profile and developing our maturity in novel, innovative work areas such as Nature Positive strategy development and nature reporting, all whilst championing other evolving areas such as Biodiversity Net Gain (BNG), Natural Capital Accounting, and on-the-ground biodiversity enhancement (Figure 7). **Other teams across WSP (landscape, water, climate) are increasingly integrating Nature Positive goals into their project aims**, to achieve widespread benefits for nature, society and the economy.

Marches Mosses Restoration
Natural England

This ambitious project in North Shropshire is restoring 2,500 acres of lowland-raised peat bog - one of the world's rarest habitats, that also sequesters twice as much carbon as woodland. Our water team is improving the hydrology of two highly senstive parts of the habitat.

Nature Positive Plan
UK Airport

We helped develop our client's Nature Positive Plan, that is integrated within their wider sustainability strategy. It includes targets to reduce the airport's impacts, enhance nature areas and improve data and governance structures to achieve long-lasting change.

TNFD LEAP Approach Toolkit
International Iron and Steel Manufacturer

We developed tools to run the TNFD's LEAP approach (Locate, Evaluate, Assess and Prepare) and tested them at 2 sites. Our work will enable our client to collate their nature-related impacts, dependencies, risks and opportunities across their sites.

Transforming Hanover Square & Gardens
Westminster City Council

Our landscape team led the design and delivery of the major transformation of this space in central London. The scheme promoted accessibility, wellbeing and heritage for people using the space, all whilst improving climate resilience, circularity and biodiversity.

Biodiversity Management Plan at Renewable Sites
Renewable Energy Provider

We established a biodiversity baseline for a range of solar and wind energy sites. Based on our findings and following best practice principles, we developed a biodiversity management plan for these sites to achieve a minimum 10% Biodiversity Net Gain (BNG).

Natural Capital Market Strategy
Large UK Landowner

We reviewed the potential for habitat restoration and creation across the portfolio of our client's rural and coastal assets. We then assessed the potential uplift in biodiversity and carbon as a result and explored explored financing mechanisms and operational models for a nature recovery strategy across multiple sites.

Figure 7
Description of 6 of our projects contributing to a Nature Positive future.

Sharing our nature positive knowledge

Sharing our knowledge across WSP

WSP is a multi-national, multi-disciplinary consultancy. Our specialist Nature Positive work in the UK can therefore influence both WSP's work outside of the UK, as well as WSP in the UK's other domains of expertise – namely in the built environment sector. The materiality assessment we conducted this year has helped us **determine services and regions we will prioritise for upskilling in future years**, so that our knowledge is shared where it can make the biggest difference. We have also **worked alongside WSP's knowledge sharing platforms to provide basic literacy training around Nature Positive and nature-related topics**. These include:

- **Working with our Future Ready team to develop Nature Positive and Biodiversity Net Gain (BNG) content**. We have worked closely with the UK Future Ready team to develop presentations, consolidate resources and present to sector leaders on the nature crisis and importance of a Nature Positive approach. We have also developed content related to BNG, in line with the new legislation that came into force in early 2024.
- **Enhancing our Biodiversity Practice Area Network (PAN)**, which is WSP's global platform for sharing nature-related resources and knowledge. We have started bi-monthly meetings covering a range of topics and projects from all our regions, from Caribou restoration in Canada to upskilling on the TNFD framework. In this way, environmental professionals at WSP globally have further access to inspiration, knowledge and sources of collaboration.

In the future, we will build on these networks to provide targeted and effective upskilling as identified through our materiality assessment. We will strive to integrate Nature Positive principles into the wider company, especially those that may not usually consider Nature Positive as part of their business-as-usual trajectories. Alongside environmental consultancy work, our biggest impact will come from applying Nature Positive principles to the broader construction and consultancy domain, from highways and railtracks to mining and beyond.

Sharing our knowledge with the wider community

We believe it is important to go further than the advice we give our clients. Achieving Nature Positive is a global challenge, and one we will only be able to accomplish through collaboration, knowledge sharing and mutual support. Our key contributions are listed below:

- **Leaders of the UKBBF's Nature Positive Working Group:** WSP in the UK initiated and leads bi-monthly sessions focused on sharing case studies, knowledge and challenges around Nature Positive. These sessions are now attended by over 50 representatives of different businesses, consultancies and NGOs.
- **Release of the Nature Guidebook**[17]: WSP in the UK contributed to the development and release of WSP Global's Nature Guidebook, which introduces businesses to the benefits of embracing nature-related commitments; explains how current and upcoming biodiversity regulations and frameworks are impacting the private sector; and gives insight into how business can start their Nature Positive journey.
- **Articles and webinars:** we have contributed to an array of thought pieces and guidance documents, including 'Five Reasons Why Protecting Nature Should Be Business-As-Usual'[18]; Business for Nature's 'Priority Actions Towards A Nature Positive Future'[19] sector guidance for waste management; and the Wates Group Nature Guidebook[20]. We have also presented Nature Positive content at multiple 'Snack & Learn' webinars[21], a WSP hosted webinar series open to the public, and participated in other external presentations.
- **Engagement in the development of standards:** we have continued our engagement in developing UK and international standards, such as the British Standards Institute's BS 8632:2021 on Natural Capital Accounting for Organisations[22], and the International Standards Organisation's ISO/TC 331 on Biodiversity.[23]

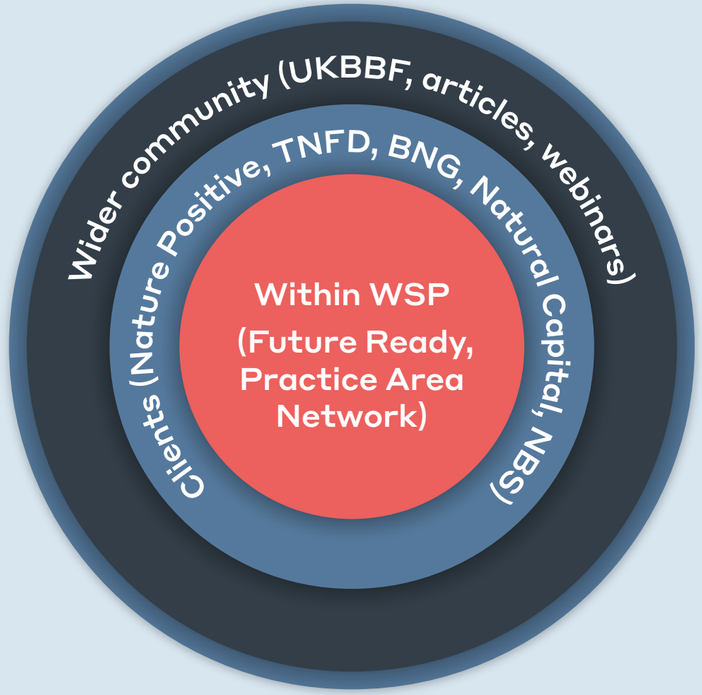


Figure 8
How WSP shares its knowledge

[17]Businesses' Role in Conservation | Nature Guidebook | WSP
[18]Why Protecting Nature Is Essential for Business | The Possible by WSP (the-possible.com)
[19]Sector actions for nature — Business For Nature
[20]Environmental Sustainability Plan - Wates
[21]Resilience - Snack & Learn Webinars - YouTube
[22] BSI, BS 8632:2021 on Natural Capital Accounting for Organisations
[23] ISO/TC 331 on Biodiversity

Conclusions

For society to thrive, we must all hold ourselves accountable for tomorrow. Taking action to repair our relationship with nature is one of the necessary steps to accomplish this vision. WSP believes in leading by example, and **our Nature Positive Report demonstrates the progress WSP has made so far**.

Through our assessment:

- We have **developed a better understanding of our key interactions**, both in terms of how our projects depend on nature and how they impact on it.
- We have developed and conducted a **repeatable methodology** to perform business-wide materiality assessments of downstream activities. This will be a useful basis for expanding the scope and depth of our understanding.
- We know where our **biggest dependencies and impacts on nature occur** and have highlighted targeted communication and action opportunities so that we can start addressing them systematically.
- We have strengthened our access to **key channels and platforms to share our knowledge** and demonstrated our leading position in the Nature Positive movement.

In parallel, **we have started embedding nature positive ideas into the work we do** – from our specialist delivery teams and consultancy business to the wider community. These have created solid foundations for WSP to take more rigorous, comprehensive and impactful action in the future.

In the coming year (March 2024 to March 2025), we will focus on the following elements of the Nature Positive Business Pledge. These are essential to maintain our Nature Positive Pledge commitment, our leadership in the service industry and position as go-to trusted advisors for this work.

- **We will look to use our findings to target priority areas for upskilling and internal knowledge sharing**. In this way, we will more effectively consider how to incorporate the Nature Positive Business Pledge Principles within the development of training materials. We will do so by utilising the channels and platforms that we have strengthened over the past year. This will lead to changes in how we undertake projects with our clients, by considering nature as early as possible in the process.
- **We will take the lessons learned by WSP in the UK during this process and use them within our first global TNFD assessment in 2024**. Within the global TNFD assessment we will look to identify our nature baseline and comprehensively assess our nature-related impacts and dependencies relative to that baseline. This will enable us to identify and address our nature related gaps and focus on opportunities to make a difference.
- **We will expand our work sharing our knowledge to wider communities**, starting with our knowledge gained from this work. In particular, we will look to be more present and active in national, regional and global conferences as they generate unique hubs of learning and innovation, which we have yet to fully take advantage of. This will help us bring along our clients and the private sector on this necessary and rewarding journey.

Appendix

Appendix: Methodology

Our approach was to:

1. Complete a materiality assessment across all WSP in the UK's services using ENCORE, to map our impacts and dependencies[24] on nature at a high level and;
2. Assess WSP in the UK's international reach by identifying in which countries WSP in the UK delivers projects, how biodiverse these countries are, and how much biodiversity loss has occurred in these countries.

This has enabled us to identify opportunities for how WSP in the UK can contribute to halting biodiversity loss through implementing best practice in our work.

We used the following datasets and tools to complete our analysis:

- WSP in the UK's 2022 audited financial revenue: contains data on WSP in the UK projects, the technical services provided, revenue, sector and location of services provided from January-December 2022.
- Biodiversity Intactness Index (BII)[25]: country-level biodiversity intactness. The BII summarises the change in ecological communities in response to human pressures. It is an estimated percentage of the original number of species that remain and their abundance in any given area, despite human impacts. From the full BII dataset, the largest intervening period with complete historical biodiversity intactness data was extracted, with data points from 1970 and 2014. The difference between the two dates was calculated to assess the level of biodiversity loss or gain in the intervening 44 years.
- Global Biodiversity Index (GBI)[26]: A global ranking of biodiversity using raw number of species per country. Multiple data sources compiled by The Swiftest, including BirdLife, AmphibiaWeb, FishBase, Animalia and The Reptile Database.
- ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure)[27]: a free, online tool that uses sector and sub-industries from the Global Industry Classification Standard (GICS) to assess dependencies and impacts on natural capital. It is maintained and improved by the ENCORE Partnership (Global Canopy, United Nations Environmental Programme UNEP Finance Initiative (UNEP-FI) and World Conservation Monitoring Centre (UNEP-WCMC)).

We first completed a materiality assessment across all WSP in the UK's services. To do so, GICS sub-sector codes were assigned to each WSP in the UK project identified, in order to match them to ENCORE outputs.

Through this methodology, **93% of WSP in the UK's revenue from 2022 was assigned a GICS code**; 9 GICS sub-sectors were identified as contributing each more than 1% of WSP in the UK's revenue.13% of WSP in the UK's revenue was carried out for a Local Authority, and could not therefore be assigned a GICS code. For each of the 9 sub-sectors, the relevant ENCORE outputs were downloaded, including impacts, dependencies and materiality scores. The results were compiled into a series of key impacts and dependencies on nature by sub-sector.

We then assessed WSP UK's international reach. Using location data from PSR, the 1970-2014 data from the BII and country-level species richness data from the GBI were matched against WSP UK project data locations. These locations were plotted against revenue from each country to determine how our revenue relates to levels of biodiversity and biodiversity loss in different countries.

Limitations and pitfalls

Categorising WSP in the UK's projects into GICS sub-sectors is vulnerable to human error, often due to a lack of information on the project's activities. **This project highlighted a need for more comprehensive reporting on project type, to more accurately identify the interface of WSP in the UK's projects with nature.**

While ENCORE is an excellent resource to map at a high level a sub-sector's impacts and dependencies on nature, it is a generic global assessment. Many dependencies and impact drivers are very location-specific, and any decisions taking on the basis of the materiality ratings from ENCORE should first be validated using site-specific information. Furthermore, the ratings indicate potential, not actual, dependencies and impacts on nature, and they were assigned based on the best available information from scientific and grey literature. ENCORE does not rate all dependencies and impact drivers due to a lack of information, and it is important to consider that a lack of data does not equate to a lack of dependency or impact driver for that sub-sector.

Both the BII and GBI are external datasets compiled from various data sources, and therefore have their limitations. For example, there is no complete dataset relating to biodiversity intactness per country that reflects data more recent than 2014. Despite the significant biodiversity decline globally in the last 10 years, this is not reflected in the results.

The GBI is one measure of global biodiversity (raw number of species per country). This is not adjusted by country size, geographic location or species density, and doesn't account for the rarity or extinction risk of species in the country. It is also compiled using various large species datasets that are updated by independent organisations at irregular intervals which may lead to data inconsistencies. Further analysis would benefit from adjustments or additional data, such as IUCN Red List Category or rate of population decline/increase.

[24] Definitions provided in the Appendix.
[25] https://theswiftest.com/biodiversity-index/ NB most recently updated in 2022
[26] https://data.nhm.ac.uk/dataset/bii-bte
[27] ENCORE Tool

Appendix: Methodology

Future improvements

We have identified several actions that could improve the quality of data and analysis in future years.

For our sector-based analysis, these include:

- Exploring the benefits of applying other sector coding systems, such as SICS (Standard Industrial Classification Codes). SICS is linked to the SBTN (Science-Based Targets Network) materiality tool, which can provide more granularity throughout the value chain.
- Improved data collection for WSP raw data, ensuring that projects can be mapped to GICS (or alternate) codes with more accuracy.
- Improved classification of our impacts on nature; revenue does not necessarily equate to scale of the impact we have on nature. In the future, we should investigate how to measure these impacts per project, rather than using revenue as a proxy. It is likely that some work will have very minimal impacts on nature, such as those involved in retrofitting or improving existing infrastructure. With the current methodology, these cannot be identified.
- Engagement sessions with teams to gain better contextual understanding, e.g. if these results match what they believe are the biggest impacts and dependencies in their sector, what existing regulations and mitigation efforts they follow, what guidance materials would be helpful for their day-to-day work.
- Performing this exercise at the level of WSP Global, which will reveal synergies in how we approach and tackle projects in certain countries.

For our country-based analysis, these include:

- Application of other biodiversity metrics that cover current gaps in the GBI and BII, such as the IUCN's Species Threat Abatement and Restoration (STAR) metric or rarity-weighted species richness metrics. This would give a better idea of which countries are most sensitive and require more urgent action.
- Improved data collection for WSP raw data, ensuring that projects can be mapped to GICS (or alternate) codes with more accuracy.
- Identification of the state of nature-related and biodiversity policy in the countries we work in, as to flag which countries may be most receptive and/or in need of our efforts. This could be achieved through literature review and/or engagement sessions with local teams and subject matter experts across WSP.
- Further breakdown the country-level data by sector, to gain an idea of the type of services we should target in prioritised countries.
- Performing this exercise at the level of WSP Global, which will reveal the bigger picture of our global footprint of projects and enable synergies in how we approach and tackle projects in certain countries.

Glossary

Definitions adapted from ENCORE.

- **Impact:** Changes in the quantity or quality of natural capital that occurs as a consequence of an impact driver. A single impact driver may be associated with multiple impacts.
- **Impact Drivers:** A measurable quantity of a natural resource that is used as an input to production or a non-measurable quantity of a natural resource that is used as an input to production or a measurable non-product output of a business activity.
  - **Disturbances:** Examples includes decibels and duration of noise, lumens and duration of light, at site of impact.
  - **Freshwater ecosystem use:** Examples include areas of wetland, ponds, lakes, streams, rivers or peatland necessary to provide ecosystem services such as water purification, fish spawning, areas of infrastructure necessary to use rivers and lakes such as bridges, dams, and flood barriers etc.
  - **GHG emissions:** Examples include volume of carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), Sulphur hexafluoride (SF6), Hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs) etc.
  - **Marine ecosystem uses:** Examples include area of aquaculture by type, area of seabed mining by type etc.
  - **Non-GHG air pollutants:** Examples include volume and fine particulate matter (PM2.5) and coarse particulate matter (PM10), Volatile Organic Compounds (VOCs), mono-nitrogen oxides (NO and NO2, commonly referred to as NOx), Sulphur dioxide (SO2), Carbon monoxide (CO) etc.
  - **Other resource use:** Examples include volume of mineral extracted, volume of wild-caught fish by species, number of wild-caught mammals by species etc.
  - **Soil pollutants:** Examples include volume of waste matter discharged and retained in soil over a given period.
  - **Solid waste:** Examples include volume of waste by classification (i.e. non-hazardous, hazardous, and radioactive), by specific material constituents (e.g. lead, plastic), or by disposal methods (e.g. landfill, incineration, recycling, specialist processing).
  - **Terrestrial ecosystem use:** Examples include area of agriculture by type, area of forest plantation by type, area of open cast mine by type, etc.
  - **Water pollutants:** Examples include volume discharged to receiving water body of nutrients (e.g. nitrates and phosphates) or other substances (e.g. heavy metals and chemicals).
  - **Water use:** Examples include volume of groundwater consumed, volume of surface water consumed etc.

Appendix: Methodology

- **Dependency:** Aspects of environmental assets and ecosystem services that a person or an organisation relies on to function.
- Ecosystem services & assets that a person or organisation depend on:
  - Direct physical input:
    - **Animal-based energy:** physical labour provided by domesticated or commercial species.
    - **Fibres and other materials:** fibres and other materials from plants, algae and animals that are used directly or processed for a variety of purposes.
    - **Genetic materials:** DNA (deoxyribonucleic acid) and all biota including plants, animals and algae.
    - **Ground water:** water stored underground in aquifers made of permeable rocks, soil and sand.
    - **Surface water:** water provided through freshwater resources from collected precipitation and water flow from natural sources.
- Enables production processes:
  - **Maintain nursery habitats:** habitats that make a significantly high contribution to the reproduction of individuals form a particular species.
  - **Pollination:** pollination services are provided by three main mechanisms: animals, water and wind.
  - **Soil quality:** provided through weathering processes, which maintain bio-geochemical conditions of soils including fertility and soil structure, and decomposition and fixing processes, which enable nitrogen fixing, nitrification and mineralisation of dead organic material.
  - **Ventilation:** provided by natural or planted vegetation, vital for good indoor air quality.
  - **Water flow maintenance:** the hydrological cycle enables the circulation of water through Earth's atmosphere, land and oceans and is responsible for recharge of groundwater sources and maintenance of surface water flows.
  - **Water quality:** provided by maintaining the conditions of freshwaters, including rivers, streams, lakes, groundwater and salt water sources.
- Mitigates direct impacts:
  - **Bio-remediation:** a natural process whereby living organisms such as micro-organisms, plants, algae and some animals degrade, reduce and/or detoxify contaminants.
  - **Dilution by atmosphere and ecosystems:** both fresh and saline water and the atmosphere can dilute the gases, fluids and solid waste produced by human activity.
  - **Filtration:** filtering, sequestering, storing and accumulating pollutants is carried out by a range of organisms including algae, animals, microorganisms and plants.
  - **Mediation of sensory impacts:** vegetation is the primary natural barrier used to reduce noise and light pollution, limiting the impact it can have on human health and the environment.
- Protection from disruption:
  - **Buffering and attenuation of mass flows:** allows the transport and storage of sediment by rivers, lakes and seas.
  - **Climate regulation:** global climate regulation is provided by nature through the long-term storage of carbon dioxide in soils, vegetable biomass, and the oceans. Regional climate regulation is provided by ocean currents and winds. Local and micro-level climate regulation is provided by vegetation which can modify temperatures, humidity and wind speeds.
  - **Disease control:** ecosystems play important roles in the regulation of diseases for humans, and wild and domesticated flora and fauna.
  - **Flood and storm protection:** provided by the sheltering, buffering and attenuating effects on natural and planted vegetation.
  - **Mass stabilisation and erosion control:** delivered through vegetation cover protecting and stabilising terrestrial, coastal and marine ecosystems.
  - **Pest control:** provided through direct introduction and maintenance of populations of predators, landscaping areas to encourage habitats for pest reduction and manufacture of natural biocides. Can also refer to invasive alien species.
  - **Energy:** Ecosystems can provide multiple energy sources, such as hydropower and biomass fuels. Natural gas is also derived from nature.
  - **Water:** Ecosystems play a vital role in providing the flow and storage of fresh water for human and non-human use, as well as providing aquatic habitats for wildlife and fisheries, and recreational services (fao.org).
  - **Nutrition:** Nearly all ecosystems provide the conditions for growing, collecting, hunting or harvesting food, which provide nutrition for humans and non-humans (fao.org).
  - **Materials:** Ecosystems provide a great diversity of materials including wood, biofuels, and fibres from wild or cultivated plant and animal species (fao.org).
  - **Regulation of the physical environment:** Such as the moderation of extreme weather events and erosion prevention.
  - **Regulation of the biological environment:** Such as the maintenance of soil fertility and pollination services.
  - **Regulation of waste and emissions:** Such as the regulation of air quality, wastewater treatment, and carbon sequestration and storage.

FORWARD-LOOKING STATEMENTS

Objective

WSP UK Limited may make or provide statements or information in this report that are not based on historical facts, and which are considered to be forward-looking information or forward-looking statements under securities laws.

Content of disclosure

Forward-looking statements relate to future events or future performance and may include, but are not limited to, estimates, plans, expectations, opinions, forecasts, projections, guidance or other statements that are not statements of fact, including in particular, our corporate ESG objectives which include, without limitation our objectives concerning:

- Updating our Nature Positive Report in 2025 following the Nature Positive Business Pledge and the Nature Positive Business Principles it sets out.
- Committing to completing a WSP Global Taskforce for Nature Related Disclosures (TNFD) assessment for the year 2024.
- Integrating working between teams across WSP in the UK to accomplish Nature Positive outcomes.
- Incorporating Nature Positive into how we engage with clients and communities, and their supply chains.
- Expanding on the delivery of projects that reveal the potential of enhancing biodiversity and restoring habitats to remediate terrestrial ecosystem use impacts.
- Pioneering innovative solutions that align with the Nature Positive Business Pledge Principles, with the aim of decreasing negative outputs into the environment, both for humans and nature.
- Building our learning, training and internal communication networks to create an informed workforce that leads the sector around nature-related issues.

A statement made is forward-looking when it uses what we know and expect today to make a statement about the future. Forward-looking statements can typically be identified by terminology such as “may”, “will”, “should”, “expect”, “plan”, “anticipate”, “believe”, “estimate”, “predict”, “forecast”, “project”, “intend”, “target”, “potential”, “continue” or the negative of these terms or terminology of a similar nature. Forward-looking statements, by their very nature, are subject to inherent risks and uncertainties and are based on several assumptions, both general and specific, which give rise to the possibility that actual results or events could differ materially from our expectations expressed in, or implied by, such forward-looking statements and that our business outlook, objectives, plans and strategic priorities may not be achieved. These statements are not guarantees of future performance or events, and we caution you against relying on any of these forward-looking statements. Forward-looking statements are presented in this statement for the purpose of assisting readers in understanding, in particular key elements of our ESG objectives, and in obtaining a better understanding of our anticipated operating environment. Readers are cautioned, however, that such information may not be appropriate for other purposes.

Assumptions

We have made certain operational and other assumptions in preparing the forward-looking statements contained in this report. In particular, our ESG objectives are based on a number of assumptions, including, without limitation: assumptions regarding sufficiency of internal and external resources; assumptions that our clients will engage our services to assess and manage biodiversity impacts, that the market will support us dedicating the resources to de-veloping nature positive solutions; the continuation of supportive stakeholder engagement and collaboration; continued effective management of environmental risks; our ability to attract and retain diverse talent; and our continuation of members of the UKBBF, and other assumptions described in the “Forward-Looking Statements” sections of our most recent Global ESG Report, which sections are each incorporated by reference into this cautionary statement and which document is available on our website. If our assumptions turn out to be inaccurate, actual results or events could be materially different from what we expect.

Disclosure of risks factors

Important risk factors that could cause actual results or events to differ materially from those expressed in, or implied by, the previously-mentioned forward-looking statements and other forward-looking statements contained in this statement, include, but are not limited to factors such as: a failure to estimate our impacts and dependencies on nature; a failure to gather the correct data required for a TNFD assessment; or a failure to follow the Nature Positive Business Pledge Principles, as well as other risks detailed from time to time in reports filed by WSP Global Inc. with securities regulators or securities commissions or other documents that WSP Global Inc. makes public, which may cause events or results to differ materially from the results expressed or implied in any forward-looking statement.

Risk factors stated above and other risk factors that could cause actual results or events to differ materially from our expectations expressed in, or implied by, our forward-looking statements are discussed in this statement as well as in WSP Global Inc.’s most recent annual Management’s Discussion and Analysis, which section is incorporated by reference into this cautionary statement.

WSP’s forward-looking statements are expressly qualified in their entirety by this cautionary statement. The forward-looking statements contained in this report are subject to change. Except as may be required by applicable securities laws. we do not undertake any obligation to update or revise any forward-looking statements contained in this statement.

We develop creative, comprehensive, and sustainable solutions for a future where society can thrive. Equipped with an intimate understanding of local intricacies, world-class talent, and proactive leadership, we advise, plan, and design long lasting and impactful solutions to uniquely complex problems.

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