

Wickes Group plc GHG Emissions Supplier Engagement Methodology Statement 2025

Context

Wickes has Science Based Targets (SBTs) that were validated by the Science Based Targets initiative (SBTi) in 2022, and reapproved in 2025:

- Wickes commits to reduce absolute scope 1 and 2 GHG emissions 42% by 2030 from a 2021 base year.
- Wickes commits to reduce absolute scope 3 GHG emissions from the use of sold products 42% by 2030 from a 2021 base year.
- Wickes commits that 77.5% of its suppliers by emissions covering purchased goods and services, will have science-based targets by 2027.

The company also set an ESG target linked to the 2023 LTIP that by 2025, 30% of its suppliers by emissions from Scope 3 will have validated Science-based targets (SBTs).

This methodology outlines the process for identifying these suppliers and calculating their contribution to the Scope 3 Category 1 emissions and the total Scope 3 emissions inventory.

Scope

The scope of this measurement is limited to purchased goods and services for Wickes Building Supplies Limited only. All data associated with Gas Fast Ltd is excluded from this calculation.

Definitions

The metrics and components of the calculation are defined as follows:

- **Science-based targets (SBTs):** Greenhouse gas reduction targets that are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement (as defined by the SBTi's Corporate Net-Zero Standard).
- **SBT approval organisation:** Organisations that offer approval or validation of SBTs against the SBTi's Corporate Net-Zero Standard.
- **SBT targets set:** Evidence provided from one of the following SBT approval organisations:
 - SBTi near-term "Targets Set"
 - Planet Mark's Net Zero Certification Programme: Net Zero Committed and Net Zero Aligned certificate.
 - The Carbon Trust's Route to Net Zero Standard: Advancing or Leading certificate.

- Third party ESG assurance providers can provide assurance that a target is science-based and aligned with the SBTi's Net Zero standard principles.
- **Scope 3 emissions:** Indirect emissions that occur in Wickes' upstream (suppliers) and downstream (customers) activities (as defined by the GHG Protocol and calculated based on the GHG Accounting Methodology 2025).
- **Scope 3 Category 1 emissions:** Emissions from the purchase of goods and services (as defined by the GHG Protocol and calculated based on the GHG Accounting Methodology 2025).
- **Goods for Resale (GFR):** Products purchased by Wickes specifically to be sold to customers.
- **Goods Not For Resale (GNFR):** Products or services purchased to support business operations (e.g., IT, marketing, utilities) rather than for direct resale.
- **SBTi Score:** A numerical value between 0 and 1 generated by an automated matching script, where 1 represents a perfect name match with the SBTi database and 0 represents no match.

Process

The calculation involves identifying the SBT status of suppliers and weighting them by their respective emissions profile.

1. Data Collection and Segmentation

- **GFR Selection:** Because over 95% of Scope 3 Category 1 emissions originate from Goods for Resale (GFR) suppliers, the engagement effort is primarily focused on this group of suppliers.
- **GNFR Manual Review:** Top 10 Goods Not For Resale (GNFR) suppliers by spend are reviewed manually.
- **Internal Lists:** The GFR supplier list is derived from the **Combined Supplier Master List**, a cross-functional database maintained by the Finance and Commercial teams. This is supplemented by "Supply Chain Emissions - SBT tracker" which groups individual suppliers under their respective parent companies.

2. SBT Identification (Matching Process)

- **Database Source:** The full list of companies with science-based targets approved by the Science Based Targets initiative (SBTi) is downloaded directly from the SBTi target dashboard. There is no evidence that any Wickes suppliers have achieved the requisite levels in Planet Mark or The Carbon Trust for 2025, and so data from those sources is not included.
- **Automated Matching:** An AppScript is used to compare Wickes' supplier names (and parent company names) against the SBTi target dashboard.
- **Scoring and Verification:** * A score of 1 (full match) or 0 (full unmatched) is assigned automatically.
 - Any score between 0 and 1 undergoes a manual verification process to determine if a legitimate match exists.

- **Validation Criteria:** A supplier is only marked as "SBTi Real Match" if their company name or parent company name appears in the SBTi database with a near-term status of "Targets Set."

3. Core Calculation

- **Supplier Coding:** Validated matches are linked back to specific Wickes supplier codes.
- **Emissions Weighting:** The list of validated SBT suppliers is passed to the environmental consultancy, ERM, for calculations.
- **Final Percentage:** ERM determines the subset of emissions attributable to these specific suppliers and calculates their percentage relative to the Scope 3 Category 1 emissions and total Scope 3 emissions.

4. Additional Calculation

For the 2025 financial year this metric forms part of our milestone ESG target within the 2023 LTIP scheme with the following wording:

"30% of Wickes suppliers by emissions will have Science Based Targets by 2025"

At the time the target was set in 2022 for inclusion in the 2023 LTIP, the understanding of the business was that the measurement was a percentage of the total Scope 3 emissions.

5. Sources

GHG Protocol - <https://ghgprotocol.org/standards-guidance>

GHG Accounting Methodology 2025:

<https://www.wickesplc.co.uk/company/responsible-business/policies-and-reporting/>

SBTi's Corporate Net-Zero Standard - <https://sciencebasedtargets.org/net-zero>

SBTi's Target Dashboard - <https://sciencebasedtargets.org/target-dashboard>