



COWI's climate transition plan

Our decarbonisation journey

2025

COWI

Contents

Message from the Executive Board	3
Our climate targets	4
Governance	5
Our role in the green transition	6
Our climate-related impacts, risks and opportunities	9
Our decarbonisation journey	11



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Message from the Executive Board

The 2025 Climate Transition Plan builds on our first plan launched in 2024. It reaffirms COWI's continued commitment to systematically following up on our initiatives and raising ambitions to further reduce our environmental footprint.

At COWI, we recognise that urgent action is needed to mitigate and adapt to the effects of climate change. As part of our climate ambitions, we are dedicated to driving more sustainable practices within our own operations and to support our customers' sustainability journey. We want to lead by example and drive positive impact by embedding environmental management, social responsibility and good governance into our business practices.

As a global engineering and consulting business, we support our customers to solve significant challenges of our time and transition to a more sustainable future. This is integral to our strategy, FUTURE-NOW. We offer

solutions within three market priority sectors: Infrastructure, Buildings and industry, and Renewable energy.

Equally important to us is to ensure order in our own house. We want to significantly reduce our emissions, and we have set validated science-based targets to be net-zero by 2050 for the entire Group. To achieve this, we are taking action to reduce our environmental footprint and strengthening our climate governance.

Our Climate Transition Plan consolidates all our climate-related activities into one comprehensive document, serving as our strategic action plan. It demonstrates our commitment to addressing climate change and enhancing transparency in our decarbonisation journey towards 2030 and net zero by 2050 in line with the Paris Agreement. Our progress made on our journey is disclosed annually as part of our integrated annual report.



Our climate targets

We commit to reducing our absolute Scope 1 and 2 greenhouse gas (GHG) emissions by 42% and our Scope 3 emissions by 25% by 2030, compared to 2022 levels. We also commit to reaching net-zero GHG emissions across all scopes by 2050. Our targets are validated by the Science Based Targets initiative (SBTi).

Scope 1 and 2



42%

Scope 3



25%

Net zero



>90%

reduction by 2030

reduction by 2050



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Governance

The Board of Directors is responsible for the overall management of the COWI Group. The Board of Directors holds overall responsibility for ESG matters, ensuring that environmental, social and governance principles are integrated into our strategy and operations, as well as having oversight of our climate ambitions and strategy and progress against targets. In addition, the Board of Directors provides the final approval of our double materiality assessment as shown in our annual report, including our climate related impacts, risks, and opportunities (IROs). Strategic sustainability considerations are discussed at the Board of Directors' annual strategy seminar, and sustainability performance is a standing item at regular Board of Directors meetings.

The Executive Board consists of our Group CEO, the Group CFO and the Group CBDO, who are responsible for the day-to-day operations of the COWI Group in line with our strategic focus. The Executive Board oversees target-setting and performance on several

non-financial KPIs, including greenhouse gas emissions from air travel. These are presented to the Board of Directors on a quarterly basis. Lastly, the Executive Board formally approves the ESG roadmap, resourcing and certain ESG deliverables, including this Climate Transition Plan.

The ESG Steering Committee defines operational conditions and oversees progress of the ESG Integration Programme, which includes climate strategy, carbon accounting and carbon reduction efforts. Each workstream is sponsored by a Steering Committee member at SVP level, accountable for policies, targets, action plans and resourcing.

This Climate Transition Plan has been reviewed and approved by the Executive Board. This plan is supported by a detailed action plan to ensure implementation and evaluation of our initiatives under the management of SVP of Group sustainability procurement and workplace.



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Our role in the green transition

At COWI, we recognise that urgent action is needed to enable the green transition.

We are dedicated to guiding our customers with informed consultancy services that promote a more sustainable and liveable world. By addressing critical environmental, social, and governance (ESG) challenges, we act not only through our solutions but also through our own behaviours and company practices. Our commitment is rooted in supporting our customers' sustainability transitions while exemplifying responsible environmental management, social responsibility, and sound governance in all that we do.

Our customers' projects: leveraging expertise and co-creating more sustainable solutions

We focus on providing options and guidance to our customers in line with their sustainability ambitions. We have identified four focus areas to help improve our customers' environmental and social performance through our consultancy services: biodiversity, climate change adaptation and mitigation, circularity, and social value. We will collaborate with our customers and partners to find meaningful ways to disclose the potential impact of our services. We commit to:



Supporting the transition to renewable energy.



Prioritising co-creation with customers and partners who share our foundation of values.



Focusing on biodiversity, climate change adaptation and mitigation, circularity and social value in the consultancy we provide for our customers.

Our services

The COWI Group's strategy FUTURE-NOW defines the most significant service areas where we want to support our customers in making informed choices to support sustainability. Namely, our three priority sectors. To support the systematic integration of sustainability into our practice and behavior, we have appointed a Group Sustainability Director.

To further strengthen our impact, our solutions and services revolve around supporting our customers in three market priority sectors:

- infrastructure
- buildings and industry
- renewable energy

Within these sectors, we have specific focus areas as listed below. These key areas align with our commitment to sustainability by promoting renewable energy, reducing carbon emissions and adapting to climate change.



Infrastructure:



There is a growing demand for more sustainable infrastructure and transportation. In addition, customers request new materials, designs and digital solutions to the benefit of the users; sometimes by building less but better. We have a very strong position in this growing market.

We will particularly focus on:

- Roads, major crossings, airports, and mass transit
- Water treatment and management
- Marine port facilities and coastal protection
- Environment and biodiversity
- Digital solutions.



Buildings and industry:



Buildings frame all parts of our lives. How buildings are shaped influences how we experience a home, a place of work or a public institution, like a hospital. The layout of urban areas affects how we live together and commute between important locations in our lives. The impact of buildings goes further as the design choices offer opportunities to reduce our carbon footprint, e.g. by transforming or renovating existing buildings. Customers are looking for such options, and we can support them in transforming their aspirations into realities. Based on our key strengths, we will have a strong focus on:

- Large-scale urban development
- Health and pharma
- Industry and data centres
- Defense and public institutions



Renewable energy:



The world is experiencing a massive energy transition from fossil energy to green fuels. We will particularly focus on:

- Offshore renewable energy
- District energy
- Carbon capture, utilisation and storage
- Green fuels
- Transmission, grid, pipelines and storage
- Energy from waste and biomass
- Hydropower, solar, onshore wind
- Nuclear energy
- Pipelines

Our climate-related impacts, risks and opportunities

In alignment with the Corporate Sustainability Reporting Directive (CSRD), we have carried out a double materiality assessment, assessing both impact materiality (COWI's ESG impacts on people and the environment) and financial

materiality (the ESG risks and opportunities impacting COWI as a business). The primary objective is to identify material ESG topics for COWI, which serves as a basis for our ESG performance and reporting efforts going forward.

The following climate-related impacts, risks and opportunities were found material to us:

Impacts, risks and opportunities	Value chain location
We have a negative climate impact through our daily operations	Own operations and upstream
Customers might de-select us if we do not manage our carbon footprint.	Own operations
We may indirectly impact the climate negatively through the delivery of our services.	Downstream
We have an opportunity to increase our revenue from services related to climate change mitigation and adaptation.	Downstream



We have assessed our resilience to our IROs vis-à-vis our strategy and business model by looking into how our identified climate risk may affect us in different climate scenarios in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

It is assumed, that as we transition to a lower-carbon and more resilient economy it will drive higher demand for renewable energy and energy-efficient technologies, with renewable energy sources (solar, wind and hydro) becoming the dominant components of the energy mix. Key technological advancements are also assumed to drive the transition to more renewable energy, and the rapid deployment and scale of these grid technologies are critical to meeting our climate targets. Our decarbonisation levers, as outlined below, will contribute to increase demand for renewable energy.

We have conducted a high-level analysis, by taking outset from the material transitional risk identified in our DMA. Going forward, we will mature our approach and assess physical risks and climate hazards. The transitional risk relates to our own operations, i.e. being de-selected by customers if we do not adequately manage our carbon footprint. However, we acknowledge that climate change adaptation poses both physical and transitional risks to our customers, also reflected by the adaptation services we provide today and that we categorise as an opportunity.

In all three scenarios (1.5° C, 3.0° C and 5.0° C), it is assumed that as the world experience increase in global warming, and if we do not manage our carbon footprint while the remainder of the society does, it may impact our business as customers may de-select us, which would negatively impact our revenue. With increasing temperature, we anticipate increased scrutiny by our customers that we take on responsibility to manage our carbon footprint and thereby there is an increase in risk of being de-selected. We thus need to stay on top of these developments and implement various risk responses, which would in this case be carbon footprint management and increased focus on reputational and customer management.

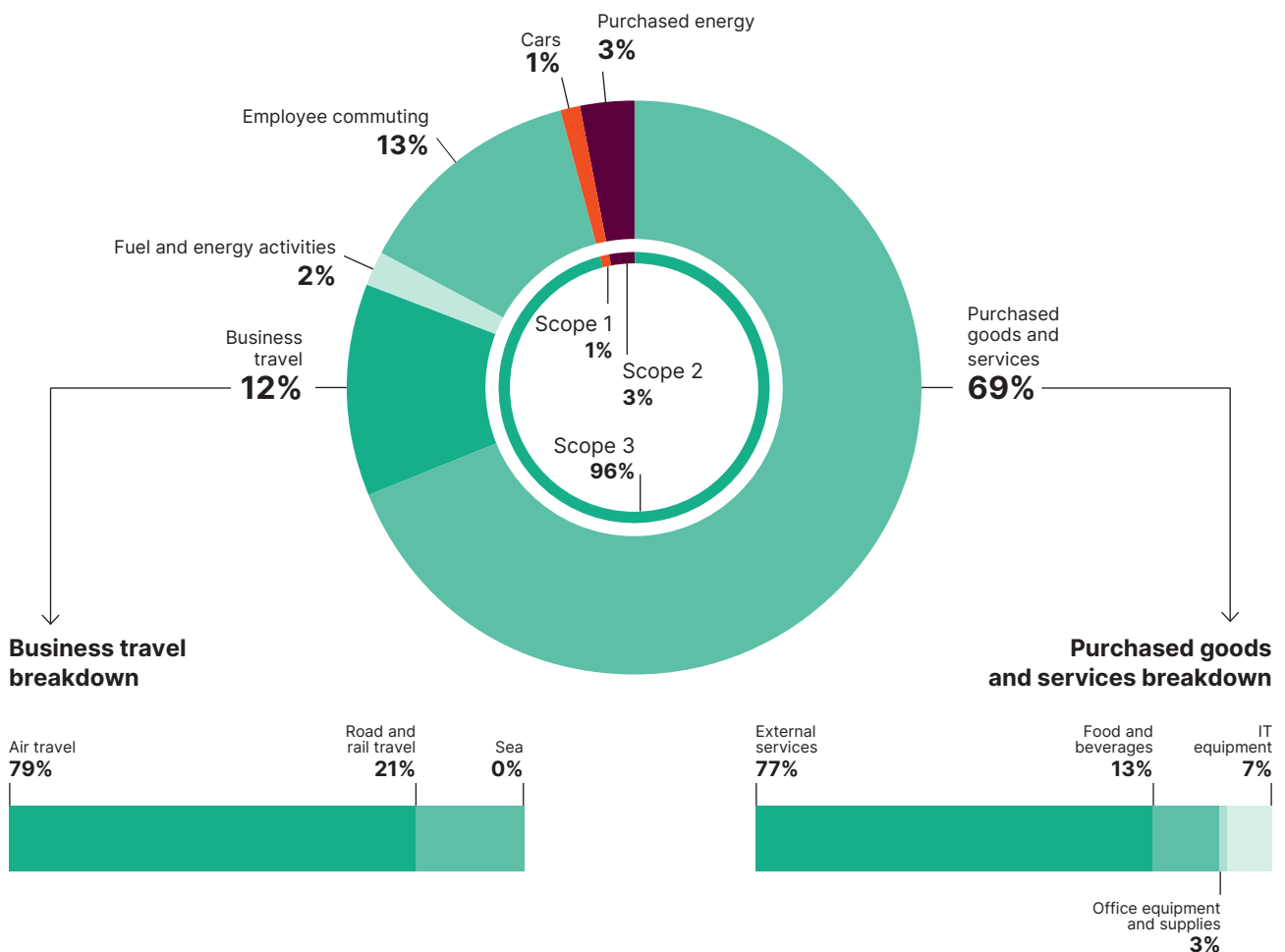
Our decarbonisation journey

Our sources of emissions include Scope 1 emissions such as fuel combustion in vehicles and on-site energy production, Scope 2 emissions from purchased electricity, district heating and district cooling used across our facilities, and Scope 3 emissions

encompassing our broader value chain, including purchased goods and services, business travel and employee commuting.

Please find below an overview of our 2022 emissions, which is the baseline year for our carbon targets.

Total 2022 emissions



Decarbonisation levers

To address these emissions and meet our targets, we have identified the following decarbonisation levers:

I Electrification

To achieve Scope 1 reductions, we must electrify our energy sources. This involves transitioning from fossil fuel-based energy sources to electricity for processes and activities that currently generate direct greenhouse gas emissions, such as cars and on-site energy production¹.

II Use of renewable energy

To address Scope 1 and 2 emissions, we must ensure that an increasing part of our energy consumption comes from renewable energy. We are committed to ensuring that 100% of our electricity consumption is matched with 100% renewable energy production¹.

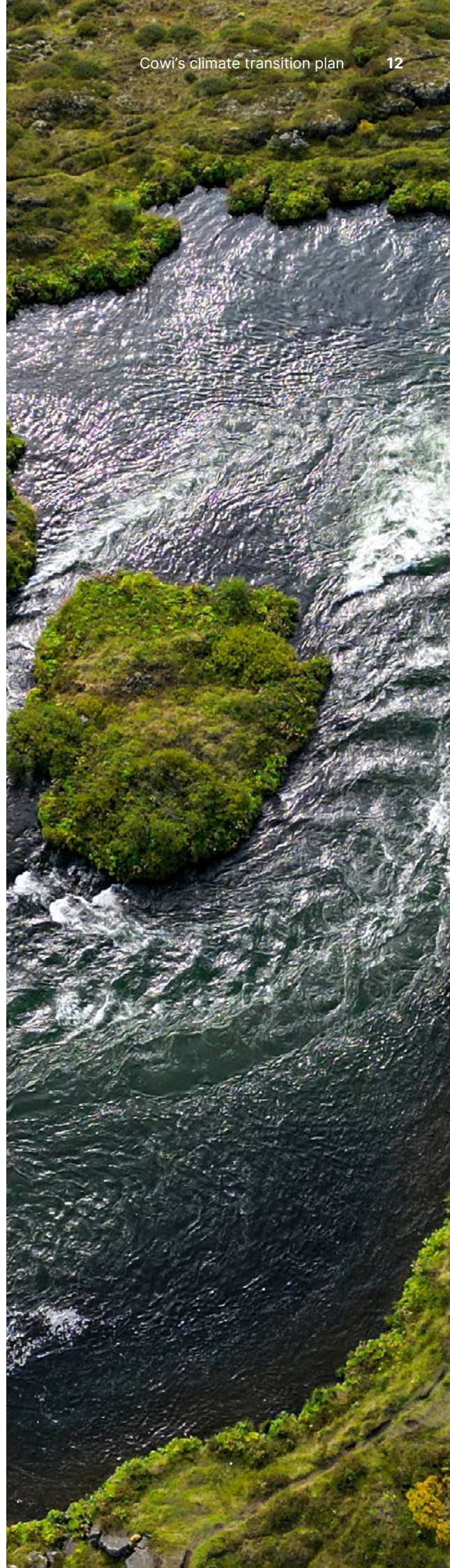
III Energy efficiency

We must also enhance energy efficiency to address scope 1 and 2 emissions. This consists of reducing the energy consumption in our buildings and vehicle fleet, implementing energy savings and ensuring that our building and vehicle lease agreements align with our reduction journey¹.

IV Supply chain decarbonisation

Our major emission hotspot in scope 3 is centred around our purchased goods and services, especially the external services that we procure. Reducing these emissions involves engaging and setting requirements with suppliers to jointly reduce emissions while also taking internal action on conscious consumption of goods and services.

¹ This will also impact our indirect Scope 3 emissions as we account for the upstream emissions from these energy sources.





Business travel management

We monitor our business travel since it is a significant scope 3 emission hotspot for us. These emissions are directly related to employee behaviour and company policies, which allows for direct management.



Enabling lower CO₂ employee commuting options

This key scope 3 decarbonisation lever involves encouraging and enabling employees to adopt lower CO₂ commuting options, such as public transportation or cycling.

mix. After reducing emissions to the greatest extent possible, we expect to meet our net-zero target by acquiring high-quality carbon removal credits to neutralise up to 10% of our total baseline emissions, in line with the SBTi framework. As part of continuously updating our climate transition plan, we will closely monitor the development of carbon removal frameworks and technologies to guide our future decisions, and we will make use of our expertise in the area of carbon removal projects.

In 2025, we conducted a comprehensive global commuting survey to better understand the travel habits and needs of our workforce. The next step will be to thoroughly analyse the survey results and develop targeted initiatives aimed at improving commuting efficiency and employee satisfaction worldwide.

Reaching net-zero

To ensure we reach our net-zero target by 2050, we will further implement our decarbonisation levers. In addition, as the wider society transitions to a lower carbon economy, it is assumed to drive higher demand for renewable energy sources, causing these to be the dominant components in the energy

Reduction initiatives

We have identified multiple reduction initiatives within each lever to ensure reaching our carbon targets. In the planning of our emissions reduction initiatives, we considered our expectations for organic growth in the Group, as this – all other things being equal – will lead to an increase in our absolute emissions over time.

The following table shows our identified reduction initiatives:

COWI's carbon reduction initiatives

Decarbonisation Lever	Status	Next steps	Timeline
 Scope 1 Cars			
	Electrification	After updating our company car policy in January 2024, all new company cars are to be electric vehicles. Our revised company car policy applies to supervision cars as well, and we only expect exceptions to the rule when it is practically infeasible to transition to an electric vehicle.	We expect a gradual transition from combustion engine company vehicles during the next few years as the current leasing agreements expire. By 2030.
 Scope 2 Purchased electricity			
	Use of renewable energy	For existing lease agreements, we are encouraging landlords to install solar panels on the premises we rent, and several of our offices benefit from solar panels. Renewable electricity generation is also part of the list of requirements for potential leases. In 2025, we entered into a third Power Purchase Agreement in Denmark to increase our share of renewable electricity while contributing to more renewable energy in the grid. With that, the majority (TBC) of our Danish electricity consumption is covered through PPAs. We have also entered into an agreement to purchase Energy Attribute Certificates in the remaining markets, where we have not been able to find suitable PPA solutions.	Continue purchasing market-based instruments to cover 100% of our electricity consumption. By 2030.

Decarbonisation Lever	Status	Next steps	Timeline
 Scope 2 Purchased energy			
 Energy efficiency	We are working to reduce and optimise our energy consumption in the buildings we operate in by installing LED lights and motion sensors, monitoring and adjusting temperature and ventilation, circulating air rather than cooling, and collaborating with landlords to find ways to reduce energy consumption. Several of our leased offices are LEED (Gold or Platinum) or BREEAM certified, which typically indicate high standards of energy efficiency. In our real estate decisions and operations, we aim to prioritize energy-efficient options and use space optimally to avoid wasting energy, for example, through flexible seating arrangements. For other energy consuming operations, we are monitoring internal servers and reducing hardware in server rooms. By setting requirements for eco-rated equipment and exchanging inefficient appliances, we expect to achieve marginal energy reductions.	We can see the need for improved and smarter energy management through submeters and CTS systems in some locations where we do not have direct control of data, to better track patterns and identify improvement areas.	Ongoing efforts with no end-date.

Decarbonisation Lever	Status	Next steps	Timeline
 Scope 3 Purchased goods and services			
IV Supply chain decarbonisation	We are improving our procurement practices by defining requirements to improve the sustainability performance of what we are procuring (e.g. ecolabels, energy rated equipment, extended lifespans). We have updated and extended the scope of our procurement policy, emphasising the role of environmental, social, and governance (ESG) considerations. Moreover, we are implementing our updated code of conduct towards business relationships reflecting our aim to achieve higher levels of responsible business practices.	We want to strengthen procurement requirements by standardising our selection criteria and requirements in key procurement categories. The external services we rely on represent COWI's biggest emission hotspot. This is an area that will need closer attention and exploration for improved data foundation and collaboration opportunities with our suppliers. We have assessed our top 50 suppliers from a CO₂e emissions point of view on ESG risk and performance. We will integrate ESG assessments into our procurement process and will continue the process of assessing our most significant suppliers in 2025–2026. As we believe we can achieve a bigger impact through collaboration, the results of these assessments will serve as a basis for further dialogue and improvement activities together with selected high-impact suppliers.	Ongoing efforts.
 Scope 3 Fuel and energy related activities			
I Electrification	By moving towards renewable fuel sources for cars and purchased electricity, we can consequently decrease the emissions in this category.	Continue focusing on the related scope 1 and 2 decarbonisation levers that will consequently impact this category.	By 2030.
II Use of renewable energy			

Decarbonisation Lever	Status	Next steps	Timeline
 Scope 3 Business travel			
	Business travel management	Our travel policy reflects environmental impact as a strong factor in travel choices. We have CO₂e travel quotas to ensure that we travel in line with our reduction targets. Through regular monitoring of air travel emissions, we keep track of progress at various levels across COWI and can take mitigating diversions or negative trends if necessary. Furthermore, a flight dashboard is available for managers for easier tracking on team or department level. Furthermore, business travel emissions also constitute one of our KPIs towards our sustainability credit facility agreements.	Continue to closely monitor our internal CO₂e travel quotas and adherence to the travel policy. Ongoing efforts.
 Scope 3 Employee commuting			
	Enabling lower CO ₂ e commuting options	We have EV chargers at some of our office locations to enable commuting with electric vehicles. From 2025 we offer electrical bicycles and a new car sharing provider for commuting purposes to our employees in our largest office In case of relocation projects, one of our core principles is choosing offices closer to public transportation.	We will focus on incentivizing and encouraging employee commuting options that have a smaller CO₂ footprint. We will also review to what extent we can continue rolling out EV chargers in our office locations. Ongoing efforts.



Locked-in emissions

The main sources of locked-in emissions for COWI come from our diesel generator in India and from district heating/cooling and their respective upstream emissions. These refer to future emissions that are inevitable due to existing operations, decisions, or infrastructure that cannot be easily changed. In our case, these are minor compared to our total emissions profile, and we do not foresee that they will impact our ability to reach our targets within our timelines. All in all, we consider the transition risk of locked-in emissions low.

Financing the transition

We have invested in our current actions to reduce our emissions. We expect our future actions above to require larger investments. We do not foresee any implications in our ability to implement our actions due to the availability and allocation of resources.

Going forward

We will review the climate transition plan on an annual basis, to ensure it stays up to date. Annual progress on our carbon emissions targets and carbon reduction actions is published in our annual report available at [COWI.com](https://www.cowi.com). In parallel, our internal action plan will be assessed and updated on an annual basis.

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