

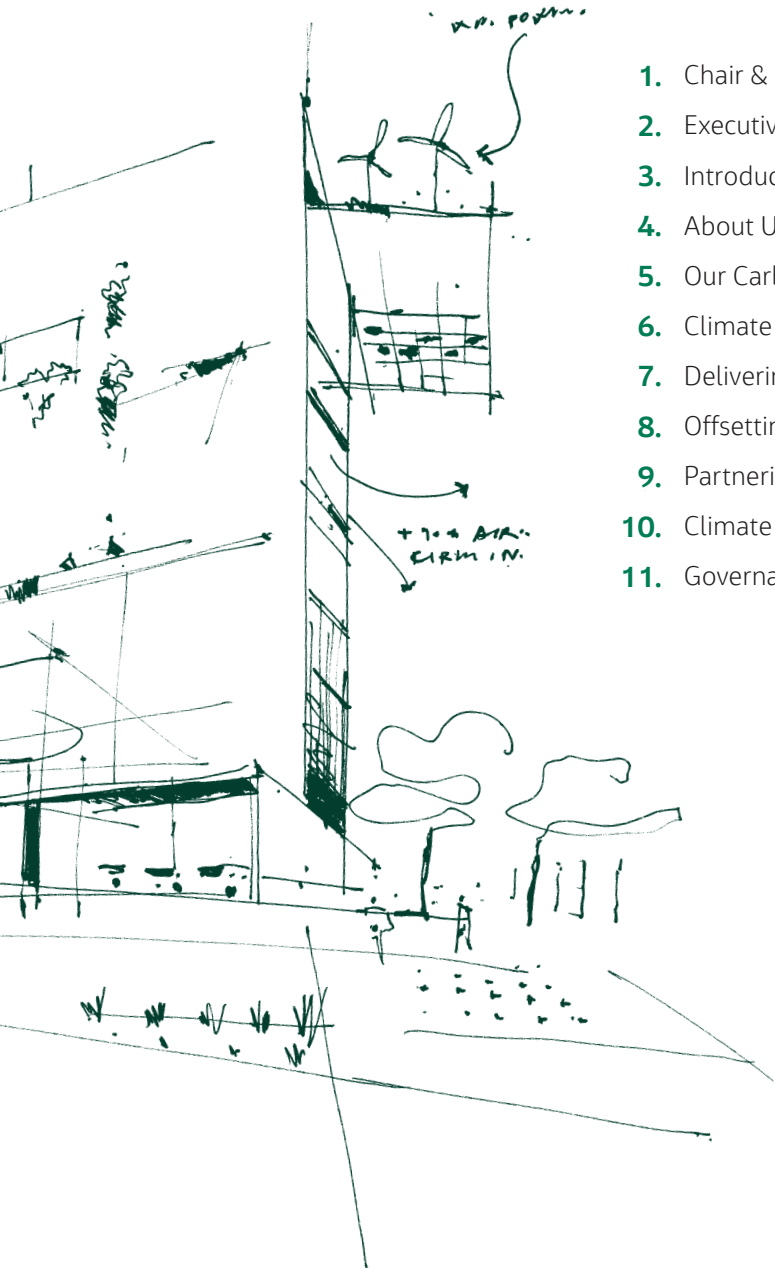
# Climate Action Plan

netzero

**Jacobs**

Challenging today.  
Reinventing tomorrow.

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# 1. Chair & CEO Statement

## Challenging today. Reinventing tomorrow.

At Jacobs, we see every day as an opportunity to make the world better. And we recognize the critical role we play in developing a sustainable future.

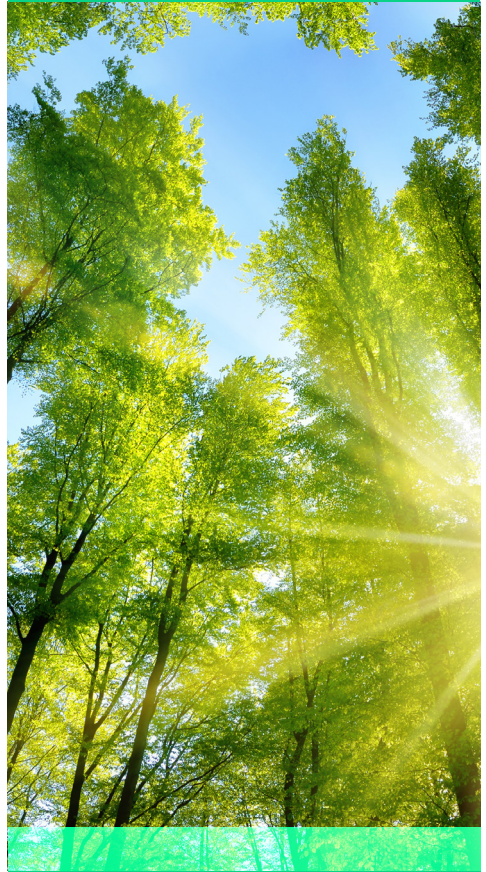
Today, we reveal a plan that sets us apart — capturing the shared passion, pride and drive of our people as we work to preserve our planet for future generations. From the way we operate our business, to the work we perform with clients and other organizations, Jacobs' Climate Action Plan details how we will continue to make a positive environmental, societal and economic difference for businesses, governments and communities around the world.

As we set out to reach these goals, our values continue to drive our behaviors, relationships and outcomes: **We do things right. We challenge the accepted. We aim higher. We live inclusion.** These values underpin and celebrate all that we do, both within our company and in our communities.

Together, we are pushing the limits of what is possible and staying ahead to create the new standards of our future — committing to 100% renewable energy and Net Zero Carbon in 2020 and a long-term goal to be carbon negative by 2030 — planning beyond today for a more sustainable tomorrow.



Steve Demetriou  
Chair and Chief Executive Officer



## 2. Executive Summary

The need for action to protect our planet from the impacts of climate change is urgent. It is time to think differently about the future — about how we better tackle climate change. It has been proven unequivocally that greenhouse gas (GHG) emissions caused by human activity have substantially altered our global environment. These changes will only worsen if global GHG emissions are not quickly reduced. GHGs emitted today will impact the environment for centuries to millennia.

Many of the world's largest companies have pledged to do their part to limit global average warming to 1.5°C<sup>1</sup> in accordance with the [Intergovernmental Panel on Climate Change \(IPCC\) recommendations](#). These companies are working to determine the emission reductions required of their businesses and sectors to meet GHG emission reduction targets, and how to incorporate those changes into profitable business strategies. Jacobs is also pledging to do our part through the actions outlined in this plan.

We deliver impactful, global solutions to create a more connected, sustainable world. We thrive on tackling the world's most complex challenges – including taking a role in solving the climate crisis. Together, we will accomplish more than we ever could alone.

In this Climate Action Plan, we commit to help solve the climate crisis by achieving and maintaining the following:

- 1. 100% renewable energy** for our operations **in 2020**<sup>2</sup>.
- 2. Net zero carbon** for our operations and business travel **in 2020**.
- 3. Carbon negative** for our operations and business travel **by 2030**.



We will achieve 100% renewable energy and net zero carbon by working tirelessly on reductions and neutralizing our remaining carbon impact by purchasing renewable energy and carbon offsets.

These commitments relate to our internal operations and the way we run our business. They address our carbon footprint from activities in our offices and facilities and from business travel.<sup>3</sup> Yet, our biggest opportunity to affect climate change comes through our influence and the work we perform with our clients – from the world's largest infrastructure projects to mission-critical outcomes and cutting-edge manufacturing. Partnering with our clients to challenge what is expected, we are able to better design resilient solutions that positively affect the projected climate change effects and discover a new way forward.

While the COVID-19 pandemic has had a profound impact on humanity and the world economy in 2020, it has taught us that it is possible for the world to come together for a common cause. If we solve for climate change with the same sense of community and urgency, with everyone looking for new ways to commute, communicate and work, there is hope that the climate crisis can be slowed, and ultimately, curbed. At Jacobs, we are doing our part to stay ahead and create the new standards our future needs.

<sup>1</sup>For more information on the 1.5°C limit and climate change generally, see [IPCC Summary for Policymakers](#).

<sup>2</sup>Before the end of Calendar Year 2020 and for full Fiscal Year 2020, Jacobs will achieve carbon neutral status. This note applies to all references to 2020 in our Climate Action Plan and related charts.

<sup>3</sup>Scope 3 emissions beyond business travel are not included in this commitment because Scope 3 emission estimates are not yet reliable and are being addressed through partnerships within our supply chain and through our commitment to the Science-based Target initiative (SBTi).

### 3. Introduction

**“What humans do over the next 50 years will determine the fate of all life on the planet.”**

**David Attenborough**

Broadcaster and Natural Historian

The world is facing a climate crisis. Carbon released to the Earth’s atmosphere by human activity since the Industrial Revolution is trapping heat, causing the planet’s temperature to rise. Global average temperatures have already risen 1°C since the Industrial Revolution, resulting in more extreme weather, rising sea levels and diminishing sea ice. This is reflected in the [World Economic Forum Global Risks Report 2020](#), which states that climate-related risks are among WEF’s top 10 risks for likelihood and consequence. Science tells us that if emissions are not reduced, these risks will intensify, with catastrophic results.

To avoid a climate catastrophe, the [IPCC](#) recommends reducing GHGs to limit global temperature rise to 1.5° C, a standard adopted by 195 signatory nations of the United Nations Framework Convention on Climate Change (UNFCCC) in the [Paris Agreement](#). To achieve this, global human-caused GHG emissions would need to fall by about 45% by 2030 from 2010 levels, and reach “net zero” by 2050, meaning we must remove as much carbon as we emit each year. Humanity currently releases more than 50 billion tonnes of GHGs each year. At this rate, the 1.5° C limit may be exceeded as soon as 2030. Jacobs recognizes that we must act now to reduce emissions.

While 195 nations have signed the Paris Agreement, it will take more than government action to meet this challenge. Every organization and individual must play their part. Companies, as employers, community leaders and citizens must take responsibility for their emissions



and seek not only to meet the Paris Agreement goals, but also be part of a broader solution. To do this, business growth must be decoupled from carbon emissions.

Climate resilience is a principal risk for Jacobs and our clients. We are a leading provider of climate risk and resiliency consulting services. We have begun an initiative to screen all new Jacobs projects for climate-related risks and to address these in conjunction with our clients, where they are material. An initial screening of 65 of our largest projects across geographies and client sectors has helped to uncover the extent to which our projects are exposed to climate risk and how we are working with our clients to address these. This work formed part of our initial response to recommendations of the [Task Force on Climate-related Financial Disclosures](#) (TCFD) and are incorporated in Section 10 of this plan.

The purpose of this Climate Action Plan is to acknowledge the recommendations of the IPCC and describe measures we are taking to address climate change and resiliency. The urgency of climate change is recognized in the [UN Sustainable Development Goals](#) (SDGs). SDG 13 calls for “urgent action to combat climate change and its impacts.” This Climate Action Plan describes our support and implementation of SDG 13, while recognizing the need to work together with our clients, communities and partners, to address climate change for a better tomorrow.

## 4. About Us

**“Climate change is the single greatest threat to a sustainable future but, at the same time, addressing the climate challenge presents a golden opportunity to promote prosperity, security and a brighter future for all.”**

Ban Ki-moon  
Secretary General of UN



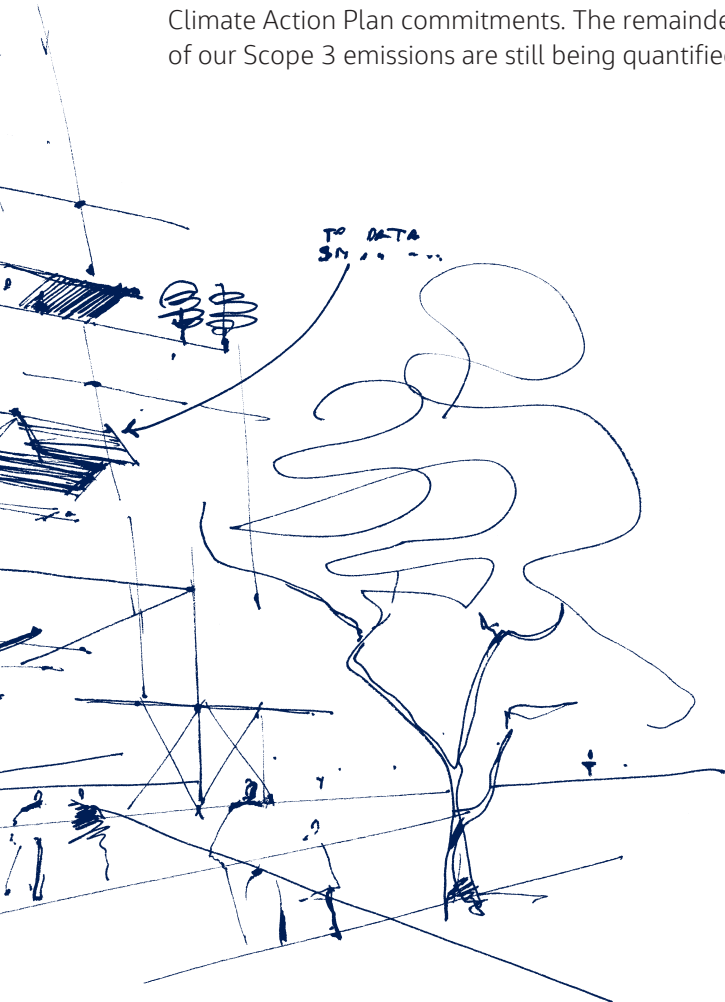
At Jacobs, we're challenging today to reinvent tomorrow, turning abstract ideas into realities that can help tackle climate change and transform the world for good. What we do is more than a job; we work every day to make the world better. Whether it is in partnership with our clients or in our own business practices, we address what matters most, so the future is better for all of us.

Aligned with the UN SDGs, **PlanBeyond™** is our approach to sustainability – planning beyond today for a more sustainable future for everyone. It sets out our sustainability priorities, guiding how sustainability is integrated across our business and how we help sustain the planet for future generations. Solving for climate change sits at the heart of our [PlanBeyond Strategy](#), cutting across our People, Places and Partnerships Pillars. Our Climate Action Plan commitments and supporting delivery plans build on the foundations of our PlanBeyond Strategy – to measure, report and disclose our carbon footprint, optimize our operational efficiencies, reduce our business travel and partner with our clients and suppliers to decarbonize our value chain.



## 5. Our Carbon Footprint

As shown in **Figure 1**, Jacobs' carbon footprint for total Scope 1 and 2 emissions from our operations, and the business travel portion of our Scope 3 emissions<sup>4</sup>, was 166,365 metric tonnes of CO<sub>2</sub> equivalent (tCO<sub>2</sub>e) in fiscal year 2019. The largest portion of our carbon footprint is business travel, comprising 60% of our total quantified emissions. To address this, our first carbon reduction goal was set in 2019 to reduce business travel emissions by 20% by 2022 against our 2019 baseline. This goal will be continually monitored and reassessed as we work to meet our Climate Action Plan commitments. The remainder of our Scope 3 emissions are still being quantified.



As a service provider, our carbon emissions are relatively low compared to other industries. However, we design solutions for some of the world's largest infrastructure and mission critical programs ranging from mass transit facilities to high technology manufacturing facilities to sports complexes. As the world's leading design company ranked by [Engineering News-Record](#), our biggest opportunity to affect climate change and reduce Scope 3 emissions is through our influence in design. That is why we are committing to working with our clients in conducting climate risk assessments; advising on adaptation and resiliency planning; and providing carbon management solutions to reduce or remove direct or embodied GHGs throughout our design and consulting services.

**Figure 1:**

Jacobs carbon footprint for fiscal year 2019 (data not verified externally)

### 2019 CO<sub>2</sub>e emissions

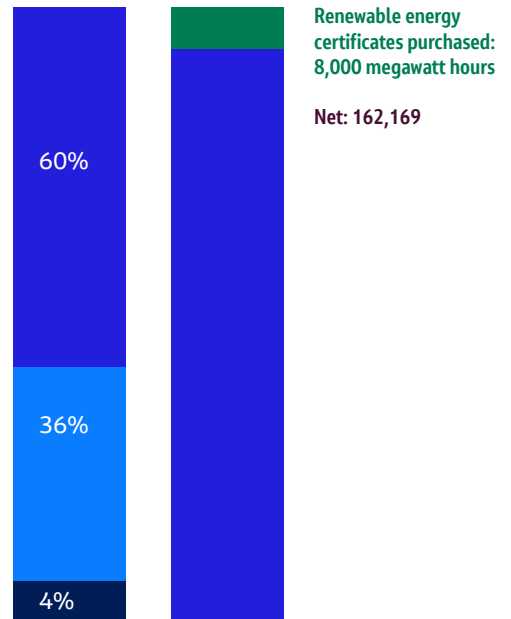
In tonnes

**Total emissions: 166,365**

**Scope 3: 100,019**  
Other indirect emissions from business travel

**Scope 2: 59,243**  
Indirect emissions from electricity and heating purchased and used by Jacobs

**Scope 1: 7,103**  
All direct emissions from Jacobs that we control



<sup>4</sup>Scope 1 emissions are carbon emissions that a company directly creates at the source. For example, exhaust from vehicles or combustion of natural gas in a boiler for heating a building. Scope 2 emissions are emissions that are indirectly caused by the energy consumption of a company but which are emitted from equipment or sources controlled by other parties. Scope 3 emissions are the indirect emissions that come from all the other activities a company engages in and is often referred to as emissions from the supply chain.

## 6. Climate Commitments

Jacobs commits to achieving and maintaining the following:

- 1. 100% renewable energy** for our operations **in 2020**.
- 2. Net zero carbon** for our operations and business travel **in 2020**.
- 3. Carbon negative** for our operations and business travel **by 2030**.



Our commitment to transition to 100% renewable energy in 2020 means that our electricity needs will be supplied through a variety of sources globally including, but not limited to, green tariffs, renewable energy certificates (RECs), energy attribute certificates (EACs) and virtual purchase power agreements (VPPAs).

Our commitment to achieve net zero carbon in 2020 means that we will minimize our emissions to the extent possible, and then remove as much carbon from the atmosphere as we emit in 2020 and every year thereafter. The amount of carbon we remove in 2020 is based on our Scope 1 and 2 emissions and the business travel portion of our Scope 3 emissions. While we recognize the importance of reducing carbon emissions across our entire value chain, Scope 3 emissions beyond business travel are not included in this commitment to

net zero carbon. Scope 3 emission estimates are not yet reliable and are being addressed through partnerships within our supply chain. Scope 3 emission targets will be covered by a corporate commitment to reduce Scope 3 emissions through the [Science-based Target initiative](#) (SBTi).

We will achieve net zero carbon emissions by working tirelessly on reducing emissions and neutralizing our remaining carbon impact by purchasing renewable energy and carbon offsets. We are committed to achieving carbon neutrality for Scope 1 and 2 and Scope 3 business travel in 2020 in line with [PAS2060:2014](#) specifications for the demonstration of carbon neutrality.

**“The decisions we make today  
are critical in ensuring a safe and  
sustainable world for everyone,  
both now and in the future.”**

**Debra Roberts**

Co-Chair of IPCC Working Group II



Our strategy for achieving net zero will be to quantify, and obtain independent verification of, the Scope 1, market-based Scope 2 and Scope 3 business travel carbon emissions. We will then procure the required amount of renewable energy for Scope 2 electricity and carbon offset credits for Scope 1, Scope 2 natural gas and Scope 3 business travel carbon emissions. We will purchase carbon credits per PAS 2060, from specified and audited sources, such as the Clean Development Mechanism (CDM), Gold Standard and Verified Carbon Standard (VCS); our focus on reputable programs such as these will ensure no double counting occurs and that the projects are actively removing carbon emissions.

We anticipate that our renewable energy and carbon offset purchases will diminish each year as we continually reduce our direct and indirect emissions.

Our commitment to achieve carbon negative by 2030 means that we will have reduced our carbon emissions to the extent technically and financially feasible, and then remove more carbon from the atmosphere than we emit for our operations and business travel by 2030 and every year thereafter. We will achieve this by committing to find more complete, higher-value solutions and through strong collaboration with our clients, supply chain, governments and communities. See Section 9 of this plan for more information.

**Figure 2:**  
Jacobs path to Carbon Negative by 2030

The path illustrates our plan for year over year carbon footprint reduction that is balanced with renewable energy and carbon offsets/removal. The details and exact timings of both the renewable energy procurement (PPA) and carbon removal projects are ultimately dependent on market conditions and subject to vary.



## 7. Delivering Carbon Reductions

Our plan for delivering on our Climate Action Plan commitments will evolve to ensure we base our decisions on the latest market conditions and science-based data and continually seek new ways to reduce our carbon footprint and evaluate our climate resilience.

**“Limiting warming to 1.5°C is possible** within the laws of chemistry and physics but doing so would require unprecedented changes.”

**Jim Skea**

Co-Chair of IPCC Working Group III



### 7.1 Business Travel

With business travel representing 60% of our quantified carbon footprint, it is essential that we meet our target to reduce business travel emissions by 20% by 2022 against our 2019 baseline. We have already implemented several measures to meet this target. Our senior leaders have pledged to reduce in-person meetings that require travel; we have increased promotion and awareness of web conferencing tools; and we have implemented employee and manager travel dashboards displaying their progress towards meeting the 20% reduction. These measures have already helped reduce our business travel emissions. Furthermore, we will engage with travel industry partners including airlines, hotels and ground transportation to explore partnering solutions that further reduce emissions from business travel.

The impact of the COVID-19 pandemic and associated travel restrictions have meant that from March 2020, our business travel significantly reduced and, in most cases, ceased entirely. While this had an immediate impact on the reduction of business travel emissions, we are working to ensure that when travel restrictions are lifted, business travel emissions do not rebound to pre-COVID-19 levels. The COVID-19 pandemic resulted in fast-tracking IT improvements to enable better virtual connectivity with coworkers and clients, along with a cultural and behavioral shift to better connect virtually, which we strive to continue to grow.

## 7.2 Buildings and Vehicles

The remaining 40% of our quantified carbon footprint comes from occupying buildings we own or lease and operating company vehicles. Our direct Scope 1 emissions relate to our vehicle use and energy consumption for those offices where we have direct control. Our indirect Scope 2 emissions comprise our emissions associated with electricity and heating purchased by Jacobs for leased offices.

Our Real Estate Operations team is leading our reduction in energy use intensity per office through a mix of strategies, including:

- Optimizing office space utilization.
- Implementing energy reduction initiatives through office sustainability plans.

- Collaborating with landlords across our office portfolio to improve energy metering.
- Focusing on sustainable office buildings.
- Exploring energy certifications for office space.
- Changing fleet and rental car policies to electric and hybrid car preferences.

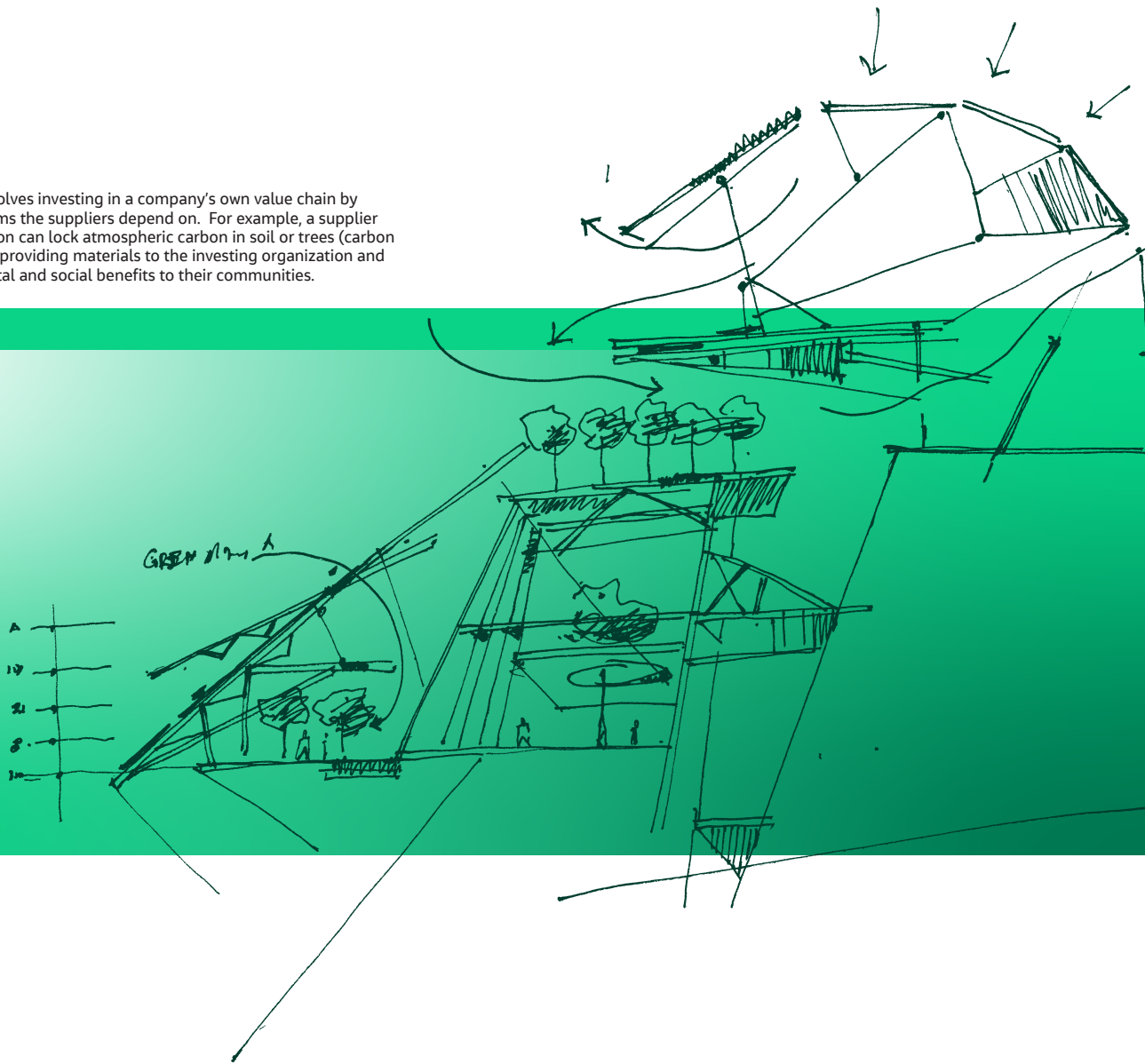
Our Supply Chain Management and Procurement teams will establish climate action goals for major suppliers; partner with our supply chain to improve Scope 3 data and target reductions; and explore green financing mechanisms attached to climate and carbon performance incentives.



## 8. Offsetting the Balance

As noted in Section 7, we are committed to prioritizing carbon reductions on our path to achieving net zero carbon. To meet this commitment, any carbon emissions remaining after reduction efforts will be offset by purchasing high quality carbon offsets. Similarly, we will purchase RECs to meet our 100% renewable energy commitment in 2020. However, as shown in **Figure 2**, our dependence on carbon offsets and RECs will diminish over time through emission reductions and other investments, such as Virtual Power Purchase Agreements (VPPA) and carbon insetting<sup>5</sup> programs in partnership with our clients.

<sup>5</sup>Carbon insetting involves investing in a company's own value chain by investing in ecosystems the suppliers depend on. For example, a supplier practicing reforestation can lock atmospheric carbon in soil or trees (carbon sequestration), while providing materials to the investing organization and tangible environmental and social benefits to their communities.



## 9. Partnering for Solutions

As one of the world's largest solutions company, our biggest opportunity to affect climate change comes not from managing our own emissions, but as an industry leader through our influence on the world's largest infrastructure projects. By partnering with our clients, governments and other stakeholders, and through our robust innovation processes, we are helping to identify and implement solutions to create a more connected, sustainable world.

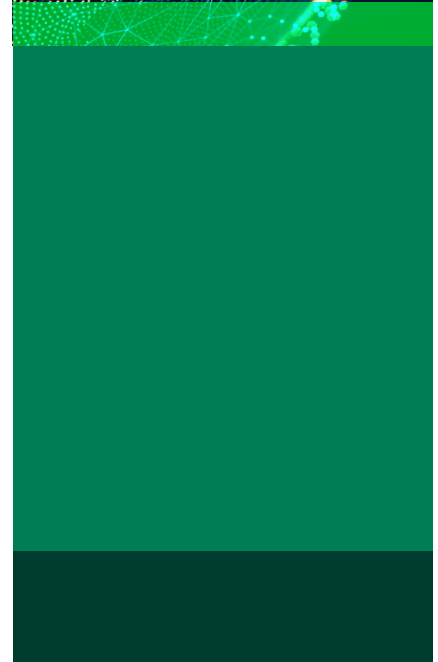
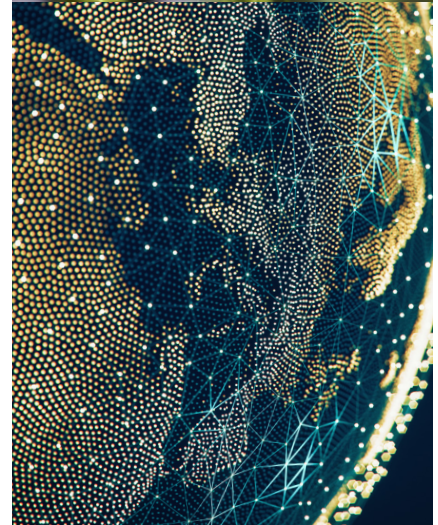
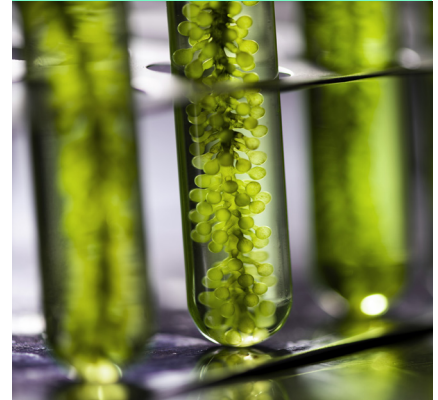
### 9.1 Partnering with Clients

We partner with government agencies, municipalities, private sector companies and leading environmental organizations to deliver resource management, sustainability services and proven industry expertise on infrastructure initiatives around the globe.

We are a recognized global leader in sustainability professional services including consulting and engineering. We are consistently ranked as the top firm by [Engineering News-Record](#) (ENR) in several environmental, program and resource management categories and are a recipient of the World Environment Center Gold Medal Award for Sustainable Development.

Our Global Sustainability and Decarbonization Practice focuses on key service areas that enable our clients to envision and achieve the most ambitious sustainability and climate action goals. These services include: sustainable performance improvement, carbon management and reporting, net-zero facility/campus/city design, utility scale renewable energy, distributed renewable energy, energy storage integration and corporate decarbonization. We help our clients establish their baselines and create strategies to achieve their sustainability goals, ultimately improving their performance while saving costs and resources.

Our Sales and Project Delivery teams work with our clients to embed climate action goals, implemented through a sustainability process within our Business Management System (BMS). Over time, Project Sustainability and Resilience Plans will be delivered across all phases of client projects as a standard practice. In addition, as a priority on our major projects and programs, we will recommend the inclusion of climate and natural hazard and resilience risk assessments, as well as adaptation, mitigation and decarbonization planning.



## 9.2 Partnering with Other Businesses and Governments

We will partner and engage in thought leadership with our clients and industry through networking with the following organizations at a minimum:

- [World Economic Forum, Alliance of CEO Climate Leaders](#)
- [Science-Based Targets initiative](#)
- [Business in the Community \(UK\) Net Zero Carbon Taskforce](#)
- [CDP](#)
- [UN Global Compact](#)
- [USEPA Green Power Partnership](#)
- [RE100](#)
- [Task Force on Climate-related Financial Disclosures \(TCFD\)](#)

These cross-industry partnerships help us demonstrate our commitment to mitigating climate change and alignment with their policies. These organizations also provide a platform to share learning, continually improve and influence performance.

## 9.3 Innovating for Solutions

Beyond If is our program for instilling and sustaining our innovation culture. We don't just ask "What if?" or "How might we?", we act to turn ideas into reality. In collaboration with our clients and partners, we reframe problems, ideate, develop and scale solutions to deliver outcomes that make a difference.

Our innovators deliver innovation workshops that leverage industry-leading methodologies including design thinking, lean start up, and business model innovation to quickly move from a challenge to clear, viable solution concepts. We will leverage this 'innovation as a service' offering to explore and work through the challenges of climate risk and decarbonization with our clients. For example, in March 2020, we ran a workshop in London, U.K. with major program directors and operations leads to create ideas that enable demonstration of significant progress toward improved climate policy on our major programs.

As part of our global Innovation Accelerator Program in 2020/2021, teams of innovators will participate in a series of sprints to develop a game-changing, validated new solutions that solve real client needs. Although all teams will be charged to be mindful of sustainability, during each sprint, one team will be specifically focused on resilience challenges.

We will explore projects focused on climate resilience in our planned global Innovation Centers. The Innovation Centers will be focused on the mission of developing, testing, prototyping, piloting, demonstrating and deploying a wide range of innovations and technology solutions.



## 10. Climate Risk Management

Our first global climate risk assessment was conducted between October 2019, and March 2020. We applied the TCFD-developed framework to identify climate risks that are material to our business, including those arising from the potential physical effects of climate change, as well as those created by the transition to a low carbon economy and consequent changes in policy and legal contexts, technology and markets.

Climate risks were assessed through the lens of two contrasting scenarios:

- Paris Agreement (or 1.5°C) scenario: in which greenhouse gas emissions are sharply and urgently reduced and global average temperature increases by no more than 1.5°C above pre-industrial levels.
- Business as Usual (BAU or 4°C) scenario: in which emissions continue to rise on the current trajectory, leading to a global average temperature increase of around 4°C above pre-industrial levels by the end of the 21st century.

Consistent with TCFD guidance, we conducted an assessment on a sample of 65 projects across transportation, built environment and water sectors in key geographies including the U.S., Canada, U.K., India and Australia.

Potential risks include project failure, operational and supply chain disruption, being outpaced by competitors, business fragmentation, and the “standing” of key markets or technologies by the low carbon transition. Our opportunity analysis indicates that Jacobs is well placed to take advantage of low/zero carbon transition and help our clients create the smart, resilient cities and infrastructure that will be required.

The implications of climate change risks and opportunities for our longer-term financial performance have yet to be assessed, but we recognize they could be significant.

In the near- to mid-term, to manage our business risks from climate change, we will:

- Publish annual disclosures of our key climate risks.
- Conduct climate risk assessments with our clients on all projects where greater climate risk exposure is expected.
- Assess the financial implications of our climate risks and opportunities;
- Incorporate climate risks into our new Enterprise Risk Management strategy and process.



## 11. Governance

Our passion and commitment to take action on climate change comes from our leadership and our 55,000 employees who make up our Culture of Caring, many of whom have already felt the devastating impacts of the climate crisis. The commitments and actions in this Climate Action Plan are made under the direction of Jacobs Chair and CEO, Steve Demetriou, who has made this a priority goal, with compensation tied to meeting this goal.

The PlanBeyond Executive Steering Committee has oversight responsibilities of PlanBeyond, including this Climate Action Plan. Regular updates and progress updates are reported to the Board by Jacobs Chair and CEO.



**“Together, we are pushing the limits of what is possible and staying ahead to create the new standards of our future — committing to 100% renewable energy and Net Zero Carbon in 2020 and a long-term goal to be carbon negative by 2030 — planning beyond today for a more sustainable tomorrow.”**

**Steve Demetriou**  
Chair and Chief Executive Officer





# Jacobs

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Climate Action Plan | Version 1.1 | April 2020

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