



AFRY provides engineering, design, digital and advisory services to accelerate the transition towards a sustainable society.

We are 19,000 devoted experts in industry, energy and infrastructure sectors, creating impact for generations to come.

AFRY 1.5°C Roadmap



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About this report

AFRY 1.5°C Roadmap is based on the 1.5°C Business Playbook developed by the Exponential Roadmap Initiative to which AFRY is a member. The Exponential Roadmap Initiative brings together innovators, disruptors and transformers taking action in line with 1.5°C ambition. The 1.5°C Business Playbook provides a framework for all companies to reach net zero emissions rapidly based on four pillars; reduce your own emissions, reduce your value chain emissions, provide and scale solutions, and accelerate climate action in society.

The AFRY 1.5°C Roadmap is intended to support and guide the company as our transition plan towards delivering on our climate commitments, and to be transparent about our climate action.

Version 2.0 published in December 2023.





The science is clear - now is the time for climate action. We need to accelerate our actions towards cutting greenhouse gas emissions and thereby limit global warming to 1.5 degrees Celsius compared to pre-industrial times. Contributing to this cross-boundary, cross-sectorial and cross-generational challenge, is what we call the 1.5°C ambition.

There are several efforts to avoid the irreparable damage to the world's ecosystems and safe operating space for humanity. However the world is not yet on the right trajectory of achieving the targets and six out of nine planetary boundaries are being transgressed, requiring even larger measures ahead.

AFRY is an engineering and design company with a mission to accelerate the transition to a sustainable society. The question is how to achieve this transition for us and for generations to come. To meet our long-term target of achieving net zero emission by 2040, and to contribute to the 1.5°C ambition, we know that actions need to be taken now.

This roadmap has been developed to provide a clear direction for the entire company ensuring that we take actions that lead to actual and measurable results. The AFRY 1.5°C Roadmap provides an insight to where we find ourselves along this journey and hopefully it answers any thoughts and inquiries regarding our climate action and our journey that lies ahead. It is important to remember that our work keeps on going and we intend to update the AFRY 1.5°C Roadmap as our work progresses.

The United Nations has declared that this is the Decade of Action. We have until 2030 to transform our world by delivering on the 2030 Agenda and the 17 Sustainable Development Goals. At AFRY, we have internalised the Decade of Action and increased our efforts within sustainability to support our overall mission. In 2020, we started off with a new strategy with sustainability at the core, 8 new sustainability targets and new strategic partnerships to support and drive sustainable development. Despite current energy crisis and geopolitical situation, we intend to maintain this momentum and accelerate the transition towards a sustainable society.

To us, collaboration is fundamental to take on climate change. We strongly believe in engaging in partnership - together with clients and strategic partners - to maximise the influence we have on society. Together we can limit global warming to 1.5°C and achieve a sustainable society.

HENRIK TEGNÉR
EVP and Head of Strategy
and Sustainability

SARA LINDSTRAND
Director of Sustainability



Executive Summary

Climate-related targets

AFRY has a climate target, a supplier engagement target and a target addressing the impact from its assignments. For AFRY's own operations and business travel in the value chain, the aim is to halve emissions by 2030 with 2019 as the base year and to achieve net zero emissions by 2040. Additional emissions from the value chain are targeted through the supplier engagement target, steering AFRY's prioritised suppliers towards setting their own climate targets. AFRY aims to increase the net positive impact through its assignments to accelerate the sustainability transition, which includes climate amongst other sustainability aspects.

Emission reduction activities

AFRY's emission reduction activities are based on the principles: remove, replace and reduce. For example, replacing vehicles in the vehicle fleet to cars with better sustainability performance and reducing business travel by always evaluating the potential for virtual collaboration.

Roles and responsibilities

Policies and other steering document support AFRY's climate action and they apply to everyone at AFRY. Business travel is closely aligned with AFRY's business, as employees travel to see clients and visit project sites, and therefore travel behaviour is in the control of the business lines. AFRY's offices and vehicle fleet are a cross-divisional matter and are therefore mainly handled on a country level. At AFRY, we are team players and will cooperate to ensure we meet our climate targets.

The sustainability strategy is the business strategy

Climate is an integral part of sustainability and sustainability is at the core of AFRY's business strategy. AFRY has a broad solutions portfolio and seeks innovative and transformative assignments to achieve the mission to accelerate the transition towards a sustainable society. It is in the assignments where AFRY has the largest impact, and AFRY's experts are to encourage clients to adopt solutions that promote sustainable development.

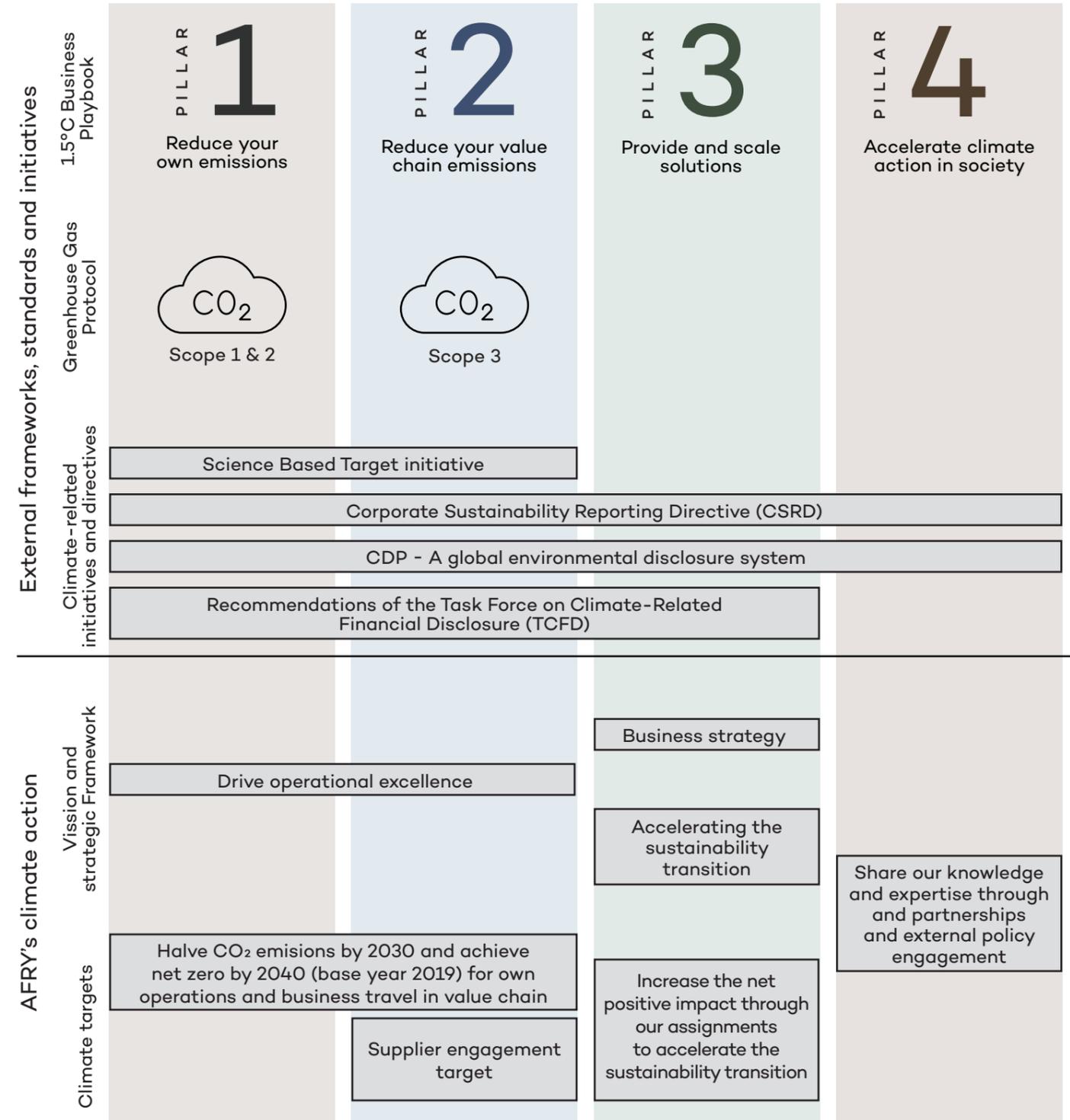
Strategic partnerships

Tackling climate change in line with the 1.5°C ambition requires collaboration across disciplines, countries and organisations. This is why AFRY partners up and shares knowledge and expertise to empower, influence and drive sustainable development.

Multiple targets and commitments

AFRY's approach to sustainability addresses the global challenges and adheres to science. Therefore, AFRY has multiple commitments, complies to applicable standards, follows relevant frameworks, joins appropriate initiatives and enters strategic partnerships relating to sustainability.

Below you find an overview of the external frameworks and standards brought up in the AFRY 1.5°C Roadmap and how AFRY's climate actions fits into these.



Highlights and progress

In line with our ambitions and climate-related targets, we are continuously developing our efforts to achieving these goals. As we progress on our climate action, we intend to do so transparently. Our roadmap will be updated periodically to reflect our progress and actions, which we will share with our stakeholders. Since last publications, the following highlights and updates are included.



Brave action-oriented climate milestones

We take responsibility for how we operate as a company by reducing emissions stemming from our operations. The markets in which we operate have different prerequisites for implementing emission reduction activities, meaning that some of our markets will have to go ahead of others. Our largest markets have during 2023 set brave action-oriented milestones, addressing vehicle fleet and energy consumption in offices. These countries have set milestones for aiming for fossil free operations by 2030 where locally possible, accounting for more than 90% of AFRY's total headcount. More described on page 15.

Country climate action forum

To follow up on our climate action in our largest markets we have established a forum to coordinate and share learnings between the country management teams in relation to their implementation of emission reduction measures.

CO₂ Dashboards

We have also taken significant steps to improve the quality of our data and processes for tracking our CO₂ emissions. In 2023 we published an internal business intelligence CO₂ dashboard to support our climate calculations, and as a tool to follow up on our emissions stemming from business travel throughout the organisation.

Climate scenario analysis

In 2023 we have advanced on climate work in line with the recommendations of the Taskforce on Climate-Related Financial Disclosure (TCFD), which continues to inform our strategic planning by anticipating market changes and enabling our business to align with climate trends for long-term sustainability, hence helping in future-proofing our business.

AFRY Awards - Climate action initiative of the year

It is our employees that brings success for us as a company. In the annual AFRY Award we highlight brave devoted team players who demonstrate the values of our company. In 2022 we introduced a new category, the Climate Action Initiative Award, as incentive and to bring attention to all of our colleagues who go the extra mile to contribute to AFRY's climate ambitions.

Trade and business associations

As a company we are recognizing that membership in associations can influence policy on climate, which is why we have initiated a mapping on our trade and business associations on Group level for alignment with the 1.5 degree ambition.

For emission reduction progress and actions forward, refer to the chapter per Pillar on the following pages.

Sustainability at AFRY

We strive to safeguard successful, long-term, sustainable development in balance between social, environmental and economical interests. We are 19,000 devoted experts with focus on engineering, design, and advisory services, creating impact for generations to come.



With more than a hundred years of experience in supporting our clients to find innovative technical solutions to a multitude of problems, we stand firm at the forefront of technical progress. Looking ahead, our aspiration is clear - to be pioneers of technology and the leading partner in the sustainable transition.

As a consulting company providing engineering, design and advisory services operating across the globe, we are uniquely positioned to accelerate the sustainability transition. Together with our clients, we create sustainable solutions that meet the needs of society without compromising future generations' ability to meet theirs.

To enable a transition towards a sustainable society, we need to understand the global challenges. The challenges we face today are complex due to their global nature and interconnectedness. For example, global warming intensifies biodiversity loss and environmental degradation, which themselves intensify global warming. This is important to recognise to deliver sustainable solutions.

At AFRY we apply a holistic approach to sustainability in order to address the complexity of the global challenges. A holistic approach considers the environmental, social and economic dimensions of sustainability as encompassed by the Sustainable Development Goals. The Sustainable Development Goals are part of the United Nations resolution 2030 Agenda, providing a "blueprint to achieve a better and more sustainable future for all" by 2030. We accept that design and engineering solutions can have both positive and negative impacts, which is why we aim to increase the net positive impact in our assignments.

Climate is an integral part of AFRY's strategy, influencing our business and how we operate as a company. We have a broad solutions portfolio within sustainability including climate mitigation and adaption. AFRY's sustainability targets, policies and directives are important elements of adhering to our strategy. Relevant policies and directives for AFRY's climate action include: the Code of Conduct; Sustainability Policy; Health, Safety, Environment and Quality Policy; Risk Management Policy; Delegation of Authorities; Business Partner Criteria; Compliance and Ethics Policy; Business Travel Directive; Sourcing Directive.

AFRY's climate action considers the greenhouse gases covered by the Greenhouse Gas Protocol. Our climate targets encompass carbon dioxide emissions (CO₂) since this is the only significant greenhouse gas stemming from our own operations and business travel. Carbon dioxide emissions are referred to in the AFRY 1.5°C Roadmap as 'emissions' or 'CO₂ emissions'.

AFRY'S SUSTAINABILITY TARGETS

OUR PEOPLE

Promote brave leadership, inclusion and diversity. Safeguard well-being, health and safety. Attract the best people to continue to improve our operations and solutions.

40%

PROPORTION OF FEMALE LEADERS BY 2030



EMPLOYEE ENGAGEMENT

OUR OPERATIONS

Conduct business responsible and ethically. Set ambitious targets and reduce our emissions in line with the 1.5°C ambition.

-50%

HALVE CO₂ EMISSIONS BY 2030 AND ACHIEVE NET ZERO EMISSIONS BY 2040

95%

CODE OF CONDUCT TRAINING

OUR SOLUTIONS

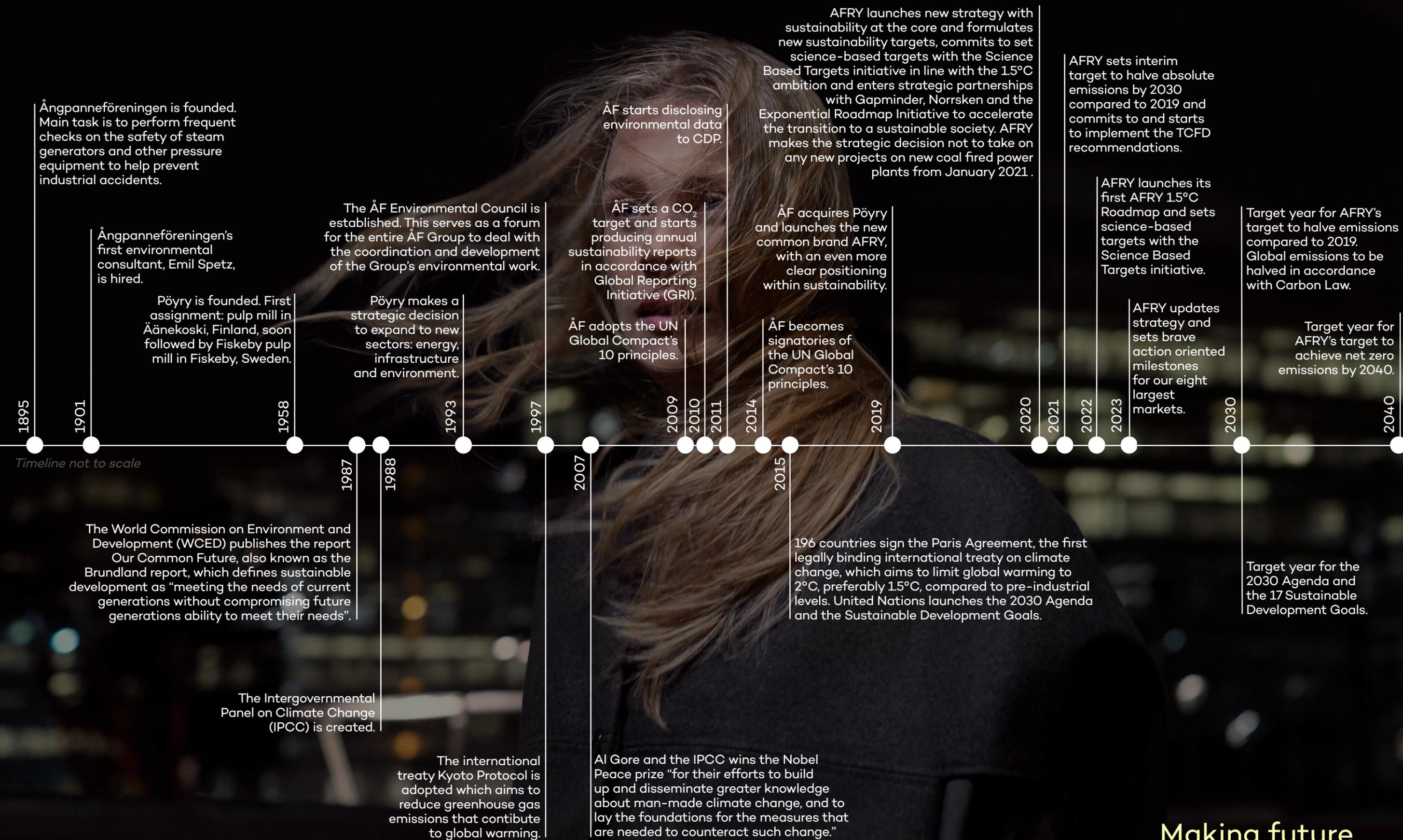
Increase our net positive impact and fully integrate sustainability in our solutions to generate longterm value for our shareholders, our clients, society and the planet.



TAXONOMY ELIGIBILITY

95%

SUSTAINABILITY TRAINING



Making future



The global challenges

The global challenges we face today are complex and interlinked, which is why AFRY applies a fact-based and holistic approach to sustainability. Curbing greenhouse gas emissions is an important aspect of overcoming other global challenges.

Climate change, rising sea levels, biodiversity loss and water stress are some of the major global challenges of the 21st century. The United Nations together with global scientific partner organisations declared in 2021 that the greenhouse gas concentrations in the atmosphere are at record high levels. Rising global temperatures are fuelling devastating extreme weather throughout the world, with spiralling impacts on economies and societies. The burning of fossil fuels is the main reason to the dramatic increase of greenhouse gas emissions in the atmosphere since the industrial revolution.

In recent decades, the international community has focused on climate change, adapting society to these changes and especially on finding a path for decarbonisation. The report from the Intergovernmental Panel on Climate Change (IPCC) “Climate Change 2023: Synthesis Report” states that human-induced climate change is already causing many weather and climate extremes in every region across the globe.

Climate change poses an existential threat for life on Earth. The temperature rise has an effect on the Earth’s climate system and materialises in impacts such as heatwaves, wildfires, melting permafrost, glacial retreats, ocean acidification and sea level rise. In addition to this, climate change is causing periods of extreme weather to become more common and longer lasting. The impacts of climate change threaten people’s lives, food security and livelihoods and cause economic losses, displacement and conflicts. These conditions increase the demand for sustainable solutions that reduce climate impact, use resources more efficiently and adapt society to a changing climate.

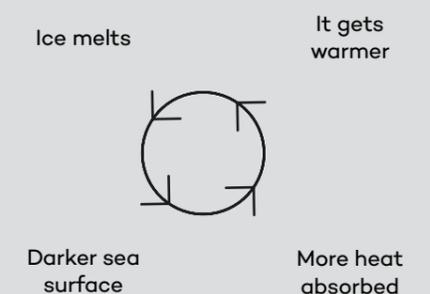
Earth’s climate system

Carbon dioxide (CO₂) and other greenhouse gases are natural components of the Earth’s climate system and the greenhouse effect is a prerequisite for life on Earth. The terms climate change and global warming represents humanity’s impact on the Earth’s climate system mainly through the burning of fossil fuels. Finding a path to decarbonisation is about limiting human-induced climate change by amongst other things reducing CO₂ concentrations in the atmosphere.

The climate system on Earth consists of interactive components, such as the atmosphere and the hydrosphere. Greenhouse gases such as CO₂ circulate among these components in a systemic way. Systemic effects within the climate system includes self-generating effects (positive or reinforcing feedback loops) or self-regulating effects (negative or balancing feedback loops). These systemic effects help regulate the climate system, providing resilience to change, but can also result in tipping points - where self-generating climate change is beyond a point of return.

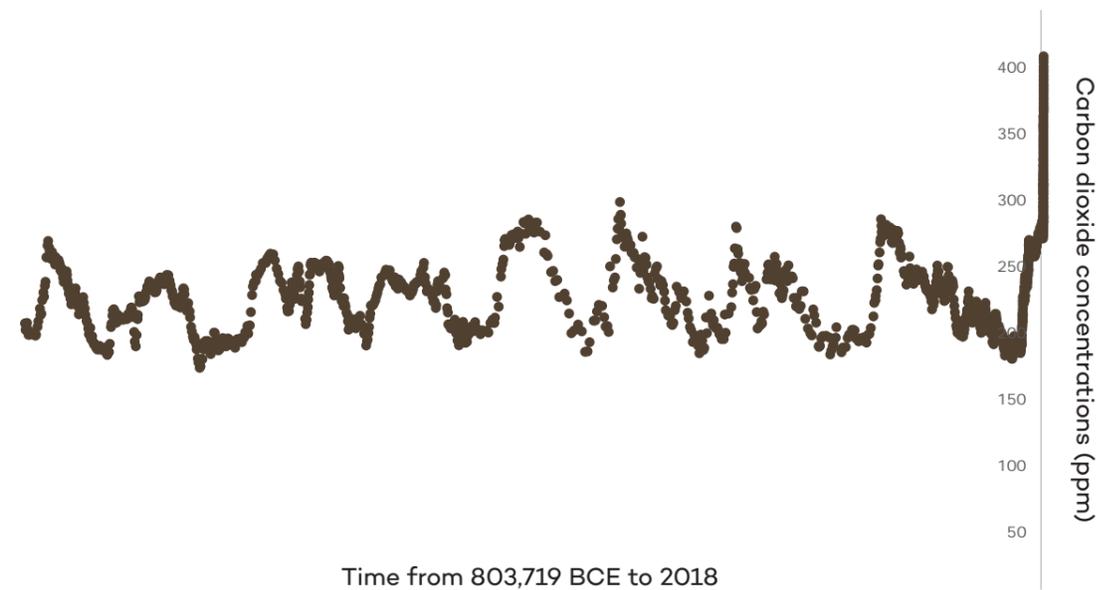
THE ALBEDO EFFECT

The albedo effect, with its self-generating effects, is one of the most well-known feedback loops. Albedo means white in latin and refers to the colour of ice - an important component of the effect. The albedo effect refers to the ability of white ice to reflect energy from the sun’s radiation. When the ice melts it becomes part of the darker sea which has the ability to absorb more heat and contributes to further warming.



Carbon dioxide concentrations

As carbon dioxide (CO₂) is emitted into the atmosphere, it contributes to the increase of carbon dioxide concentrations, which is measured in parts per million (ppm). The graph below presents the carbon dioxide concentrations over 800,000 years (source: Our World In Data). The graph shows that the carbon dioxide concentration is outside of Earth's natural variation.



Biodiversity loss

Biodiversity, the variety of plant and animal life, is fundamental for human life on Earth. It plays a critical role in providing food, fibre, water, energy, medicines and other genetic materials; and is key to the regulation of our climate, water quality, pollution, pollination services, flood control and storm surges.

By evaluating the status of more than 120,000 species, biologists conclude that around 30% of species are threatened or endangered and the current biodiversity loss rate is record high. The loss of biodiversity threatens our health, well-being and economy.

Climate and biodiversity loss

Climate change is interlinked with biodiversity loss. The increase of global average temperature affects species migratory patterns and living conditions. Ocean acidification, the increase of pH in the oceans, and desertification, the process by which fertile land becomes desert, are examples of this. The ambition to curb emissions in line with the 1.5°C ambition is therefore an important aspect of tackling biodiversity loss.

Biodiversity loss intensifies climate change. The loss of variety of plant and animal life reduces ecosystems resilience meaning that the ability to withstand environmental disturbances is diminished. It is therefore key that climate change and biodiversity loss are addressed together.



Adhering to science

Science states that we need to limit global warming to maximum 1.5°C compared to pre-industrial levels to avoid high risk of catastrophic consequences for people and the living environment.



Paris Agreement

The Paris Agreement is the first universal and legally binding global climate change agreement, adopted in Paris in 2015 at the 21st United Nations Climate Conference (COP21). The Paris Agreement provides a framework to limit global warming to well below 2°C compared to pre-industrial levels whilst pursuing efforts to limit global warming to 1.5°C. The Paris Agreement recognises that exceeding the stated global average temperature significantly increases the risks and impacts of climate change.

Intergovernmental Panel on Climate Change

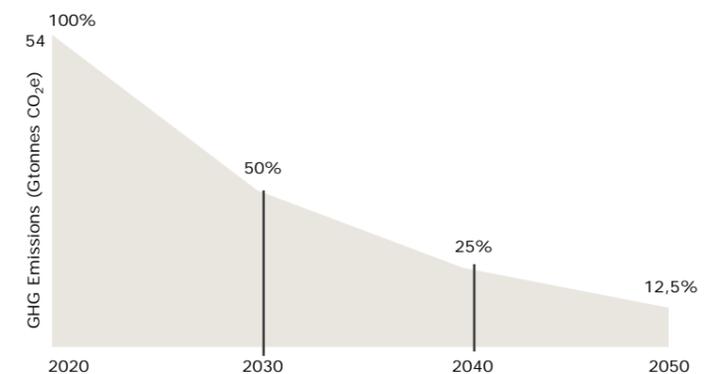
The Intergovernmental Panel on Climate Change (IPCC) is an international United Nations body for assessing the science related to climate change. The IPCC provides assessments of the scientific basis of climate change including impacts, risks, and options for adaptation and mitigation.

According to IPCC, it is unequivocal that human influence has warmed our planet. The IPCC stresses that unless there are deep reductions in greenhouse gas emissions in the coming decades, global warming of 1.5°C and 2°C compared to pre-industrial levels will be exceeded during the 21st century.

The warmer planet is affecting weather and climate extremes globally, such as heatwaves, heavy precipitation and droughts. The IPCC notes that many changes due to greenhouse gas emissions are irreversible for centuries to millennia.

Carbon Law

Carbon Law is a roadmap for rapid decarbonisation inspired by Moore's Law¹. Similar to Moore's Law, Carbon Law outlines exponential progress. The Carbon Law states that greenhouse gas (GHG) emissions should halve every decade and reach close to zero by mid-century to meet the Paris Agreement's goal of limiting global warming to well below 2°C compared to pre-industrial levels. It can be seen as a simple rule of thumb and applied at any scale; a country, an individual or an organisation.



1) Moore's Law stems from Gordon Moore's observation that the number of transistors in a dense integrated circuit doubles every two years, meaning that the computational progress becomes significantly faster, smaller and more efficient every year.

Planetary boundaries

The planetary boundaries is a framework defining the safe operating space for humanity within nine earth system processes. The framework builds upon the idea that planet Earth is a finite system with limits, including limits to human-induced impact. The defined earth system processes can be seen as “planetary life support systems” that are essential to humanity since they provide a habitable planet. Transgressing one or several boundaries implies risk of crossing thresholds that will trigger non-linear, abrupt environmental change within continental-scale to planetary-scale systems.

Climate change is one of the planetary boundaries and it is currently defined to be in the zone of uncertainty, meaning that it poses an increasing risk of crossing a threshold. The remaining eight planetary boundaries that make up the framework are ocean acidification, chemical pollution, nitrogen and phosphorus loading, freshwater withdrawals, land conversion, biodiversity loss, air pollution and ozone layer depletion.

The 2030 Agenda and the Sustainable Development Goals

The 2030 Agenda is a plan of action for people, planet and prosperity that was adopted by the United Nations in 2015. The agenda embodies the 17 Sustainable Development Goals (SDGs) and 169 targets that together form a universal development agenda that aims to achieve a better and more sustainable future for all. The 2030 Agenda is universal meaning it is targeted towards all countries and stakeholders and intends to leave no one behind.

The SDGs are interconnected meaning that there are both supporting and conflicting goals and targets within the agenda. This means that progress in one of the SDGs could hinder progress or have synergetic effect on another target. For example, progress towards SDG 15 Life on Land would support SDG 13 Climate Action since it aims to end deforestation and protect biodiversity which would lead to keeping stored carbon in the forests and safeguarding nature's ability to absorb CO₂. The United Nations sees an integrated approach as critical to taking on the difficult challenges we are facing.



SDG 13: CLIMATE ACTION

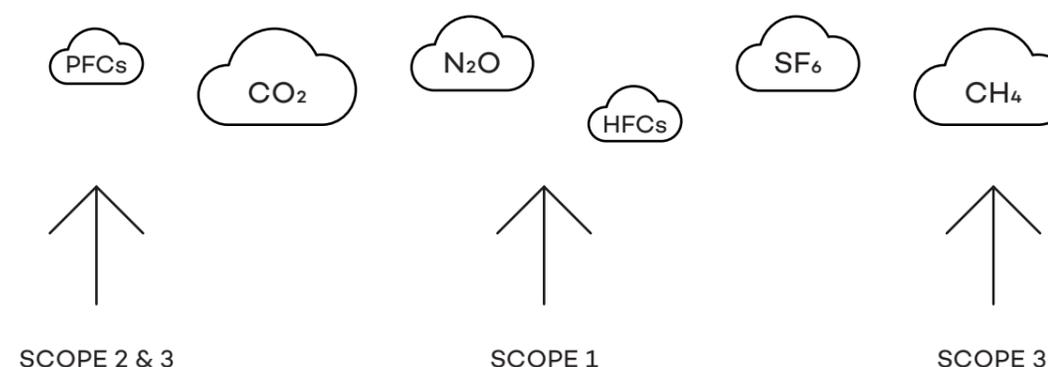
The SDG 13 is about taking urgent action to combat climate change and its impacts. It consists of five targets and nine indicators. According to the Sustainable Development Goals Report 2023, the global average temperature was about 1.1°C above pre-industrial levels in 2020. Besides performance not being in line with progress towards target, climate change is making the achievement of many other Sustainable Development Goals less likely.

Greenhouse Gas Protocol

The Greenhouse Gas Protocol is the world's most used standard for accounting and reporting greenhouse gas emissions. The standard encompasses the six greenhouse gas emissions that are included in the Kyoto Protocol, which are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF₆). The greenhouse gas emissions have different global warming potential (GWP) meaning that they have different ability to trap heat in the atmosphere, which can be aggregated to the common unit of carbon dioxide equivalents (CO₂e).

The Greenhouse Gas Protocol categorises greenhouse gas emissions into three scopes:

- Scope 1 covers *direct* emissions, meaning that emissions occur from sources controlled by the reporting company such as company cars.
- Scope 2 covers *indirect* emissions from the generation of purchased energy consumed by the company, such as electricity and district heating.
- Scope 3 covers *other indirect* emissions where emissions stem from sources not controlled by the reporting company. Scope 3 is divided into 15 categories split between upstream and downstream activities.



Upstream activities



Reporting company



Downstream activities

SCOPE 3 CATEGORIES

Scope 3 has 15 categories with 8 upstream activities and 7 downstream activities. For most sectors Scope 3 makes up the largest category of emissions, often several times larger than Scope 1 and 2 emissions combined. Often these emissions stem from a few categories since not all categories are applicable or material for all businesses.

UPSTREAM ACTIVITIES

- Purchased goods and services
- Capital goods
- Fuel- and energy-related activities
- Upstream transportation and distribution
- Waste generated in operations
- Business travel
- Employee commuting
- Upstream leased assets

DOWNSTREAM ACTIVITIES

- Downstream transportation and distribution
- Processing of sold products
- Use of sold products
- End-of-life treatment of sold products
- Downstream leased assets
- Franchises
- Investments

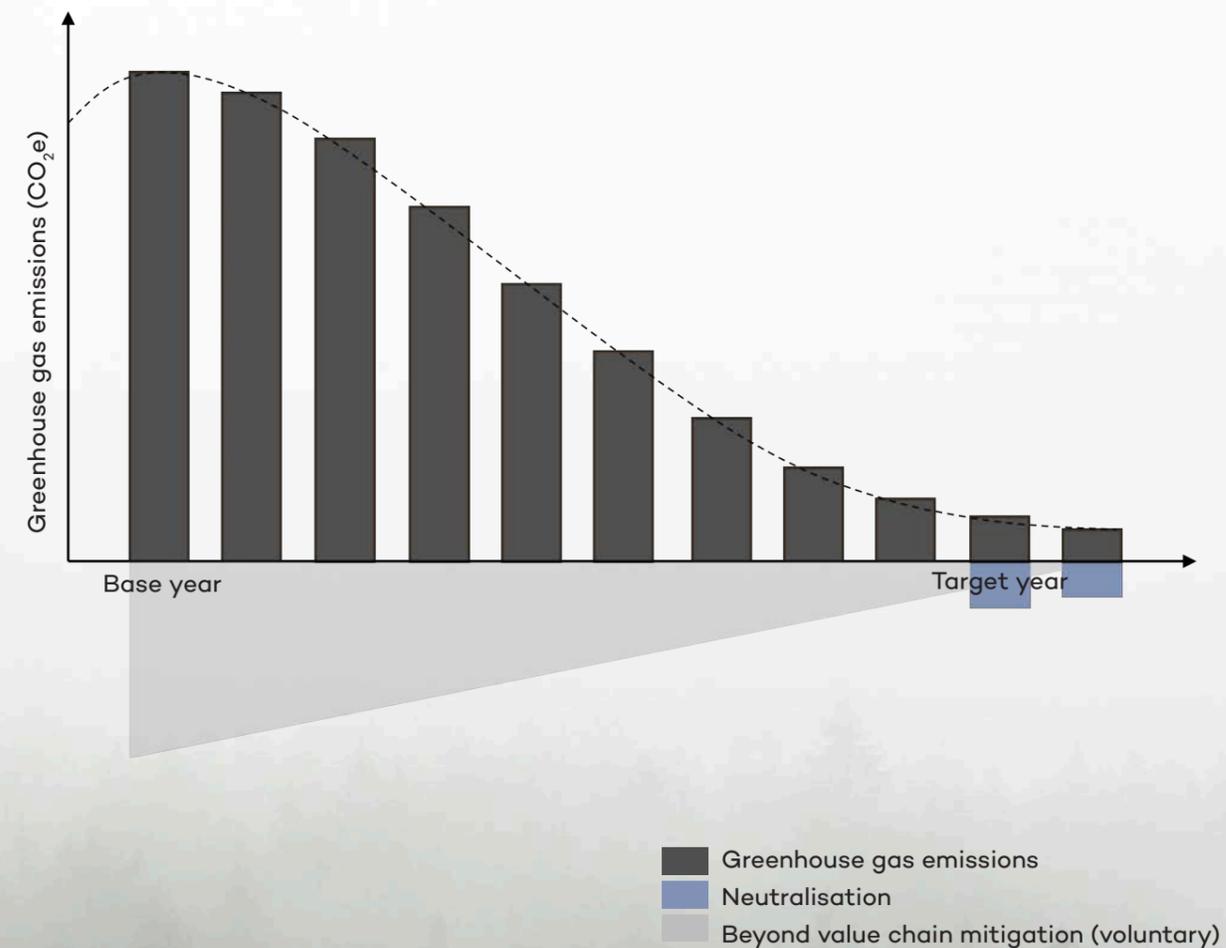
Defining Net Zero

To combat climate change, companies are increasingly setting climate targets. Corporate commitments to reach net zero emissions have grown rapidly, but the approach to and definition of net zero varies. The Science Based Targets initiative (SBTi) has therefore developed the Corporate Net-Zero Standard to provide a common understanding of what net zero is in the corporate context. The Science Based Targets initiative is a partnership between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF).

The Science Based Targets initiative launched the Corporate Net-Zero Standard in October 2021 to provide clarity on corporate climate action. The standard includes guidance for setting near- and long-term targets, target validation criteria and a science-based definition of net zero. Near-term targets are to be met in 5-10 years and long-term targets by 2050 at the latest.

According to the Corporate Net-Zero Standard, net zero is to be reached through reducing greenhouse gas emissions to a level that is zero or to a residual level. It also states that residual emissions at the net zero target year and any greenhouse gas emissions released into the atmosphere thereafter are to be neutralised. See further clarification and visualisation to the right. Elaborated definitions and sources can be found on pages 25-26.

AFRY adheres to science and thus acknowledges and accepts Science Based Targets initiative's Corporate Net-Zero Standard.



BEYOND VALUE CHAIN MITIGATION

Beyond value chain mitigation entails actions or investments to mitigate emissions outside of a company's value chain. This includes abatement and removals. Abatement entails measures to prevent, reduce and eliminate sources of emissions and removals entails measures to remove and permanently store carbon from the atmosphere.

Examples of abatement include improving energy efficiency and implementing renewable energy. Examples of removal include Direct Air Capture (DAC) and Bio-Energy with Carbon Capture and Storage (BECCS).

In the transition to a net zero economy, mitigation of greenhouse gas emissions beyond the value chain, by for example investing in nature protection and restoration, is encouraged by the Science Based Targets initiative, the Exponential Roadmap Initiative and others.

RESIDUAL EMISSIONS

Residual emissions are emissions that cannot be reduced by the net zero target year. A residual level is consistent with reaching net zero emissions at the global or sector level in eligible 1.5°C-aligned pathways. Residual emissions cannot exceed 10% of base year emissions.

NEUTRALISATION

Neutralisation is the process of counterbalancing residual emissions by permanently removing and storing an equivalent amount of greenhouse gas emissions.

AFRY'S PLAN FOR BEYOND VALUE CHAIN MITIGATION

We are following the mitigation hierarchy to prioritize making real emission reductions first and through our net zero target we have committed to neutralising residual emissions by our target year 2040. We acknowledge the encouragement to engage in beyond value chain mitigation prior to our target year and see this as prerequisite to secure for example future carbon removals by target year.

We do not currently participate in beyond value chain mitigation activities on a Group level. There are local initiatives throughout the organisation that already participate in carbon removal activities.

AFRY × 1.5°C Business Playbook

The AFRY 1.5°C Roadmap, based on the 1.5°C Business Playbook, provides an overview of our climate action and aims to take it to the next level.



The AFRY 1.5°C Roadmap is based on the 1.5°C Business Playbook, which is developed by the Exponential Roadmap Initiative to which AFRY is member. The 1.5°C Business Playbook provides a framework for all companies to reach net-zero emissions rapidly, which is based on four pillars:

1. Reduce your own emissions
2. Reduce your value chain emissions
3. Provide and scale solutions
4. Accelerate climate action in society

AFRY 1.5°C Roadmap is our transition plan describing our climate action across our value chain and how we operate as a company. Our climate action, as formalised by the AFRY 1.5°C Roadmap, covers two important parts of our sustainability targets. Our objective for our sustainability targets covering our solutions, to increase the net positive impact through our assignments, is primarily encompassed by pillar 3 (provide and scale solutions). The other climate-related target covering our operations, to halve CO₂ emissions by 2030 and achieve net zero emissions by 2040 with the base year 2019, is encompassed by pillar 1 (reduce your own emissions) and pillar 2 (reduce your value chain emissions) which also encompasses our supplier engagement target.

PILLAR 1
Reduce your own emissions
READ MORE ON PAGES 15-17

PILLAR 2
Reduce your value chain emissions
READ MORE ON PAGES 18-19

PILLAR 3
Provide and scale solutions
READ MORE ON PAGES 20-22

PILLAR 4
Influence climate action in society
READ MORE ON PAGES 23-24

SET TARGET AND STRATEGY
PLAN AND PROCEED
MEASURE AND DISCLOSE

AFRY Business Strategy

- Our sustainability strategy is our business strategy.

Halve CO₂ emissions by 2030 and achieve net zero emissions by 2040 (base year 2019).

- This target includes emissions stemming from business travel (scope 1) and energy consumption in offices (scope 2).
- Country Climate Milestones of 8 largest markets to aim for fossil free vehicle fleet and energy in offices by 2030 where locally possible.
- AFRY's operations in Sweden has renewable electricity in all offices where it is possible to choose.

Science-based targets

- We have set near-term science-based targets with the Science Based Targets initiative.

AFRY Business Strategy

- Our sustainability strategy is our business strategy.

Halve CO₂ emissions by 2030 and achieve net zero emissions by 2040 (base year 2019).

- This target includes emissions stemming from business travel (scope 3).

Supplier engagement target

- Our prioritised suppliers are to set climate targets in line with Carbon Law and the 1.5°C ambition.

Science-based targets

- We have set near-term science-based targets with the Science Based Targets initiative.

Offices

- Choosing fossil free energy where possible.
- Apply a smart and efficient energy consumption.

Business travel

- Reducing our travel needs by increasing virtual meeting capacity.
- Providing sustainable modes of transport for when we need to travel.
- Set up business intelligence dashboards for business travel so that CO₂ data can be followed up throughout the business lines.
- The control of business travel is to be reviewed on a global level.

Implement country climate milestones to reach our targets and improve CO₂ data coverage and quality.

Business travel

- Reducing our travel needs by increasing virtual meeting capacity.
- Providing sustainable modes of transport for when we need to travel.
- Set up business intelligence dashboards for business travel so that CO₂ data can be followed up throughout the business lines.

Supply chain

- Supplier engagement target.
- Sustainable procurement practices.

Set clear milestones to reach our targets and improve CO₂ data coverage and quality from our value chain, including purchased goods and services and employee commuting.

Annual and Sustainability Report

CDP Climate Change Questionnaire

Group-level KPIs:

- Scope 1 and 2 absolute CO₂ emissions (CO₂)
- Scope 1 and 2 CO₂ intensity per employee (CO₂/employee)
- Share of facility energy usage from renewable energy sources (%) for offices where information is attainable
- Average emission level of vehicles used in business travel (CO₂/km)

Note that AFRY's CO₂ calculations are based on actual data (>85%) and interpolated data for completeness as per the Greenhouse Gas Protocol. There is ongoing work to improve data coverage.

Annual and Sustainability Report

CDP Climate Change Questionnaire

Group-level KPIs:

- Scope 3 absolute CO₂ emissions (CO₂)
- Scope 3 CO₂ intensity per employee (CO₂/employee)
- Share of prioritised suppliers with CO₂ reduction targets (%)

Note that AFRY's CO₂ calculations are based on actual data (>85%) and interpolated data for completeness as per the Greenhouse Gas Protocol. There is ongoing work to improve data coverage.

AFRY Business Strategy

- Our sustainability strategy is our business strategy.

Mission

- Accelerate the transition towards a sustainable society.

Target

- Increase the net positive impact through our assignments to accelerate the sustainability transition.

Sustainability Policy

- Actively seek transformative and innovative assignments.

AFRY Business Strategy

- Our sustainability strategy is our business strategy.

Mission

- Accelerate the transition towards a sustainable society.

Sustainability Policy

- Share our knowledge and expertise through investments in cooperation and partnerships. This includes participating in climate-related forums such as the United Nations Climate Change Conferences (COP), being part of boards and governmental collaboration groups, communicating in social media and engagement with strategic partnerships such as the Exponential Roadmap Initiative.

Business planning

- Continuing to provide and scale our offerings in climate change mitigation and adaptation, leveraging insights from Double Materiality Assessment and Climate scenario analysis.

Growth

- Increase capacity to deliver sustainable solutions by growing organically and through acquisitions.

Knowledge and training

- Secure adequate training in climate-related competence in respective field of deep sector knowledge.

Implement the EU's Taxonomy Regulation and the recommendations of the TCFD and prepare for disclosure according to Corporate Sustainability Reporting Directive (CSRD).

Share knowledge and expertise

- Continue to share knowledge and expertise through cooperation and strategic partnerships to empower, influence and drive sustainable development.

Showcase sustainable solutions

- We seek to act as a role model and source of inspiration to our partners and clients. As part of this, we showcase sustainable solutions through our Sustainable Stories Magazine, AFRY Insights and in our social media channels.

Public engagement activities

- Ensure that external engagement activities are consistent with the goals of the Paris Agreement.

Annual and Sustainability Report

CDP Climate Change Questionnaire

Group-level KPIs:

- Employees who have conducted the sustainability e-learning (%)
- Share of EU Taxonomy eligible and aligned with substantial contribution to the climate change mitigation and adaptation objectives (%)
- Percentage of employees who state that they are aware of their contribution to AFRY's sustainability performance through their assignments and daily work (%)

Annual and Sustainability Report

- In our Annual and Sustainability report you can read more about partnerships and community engagement.

Sustainable Stories Magazine

- In our Sustainable Stories Magazine you can read more about the sustainable solutions that we develop together with our clients.

AFRY Insights

- In our AFRY Insights we share knowledge and expertise from AFRY experts.

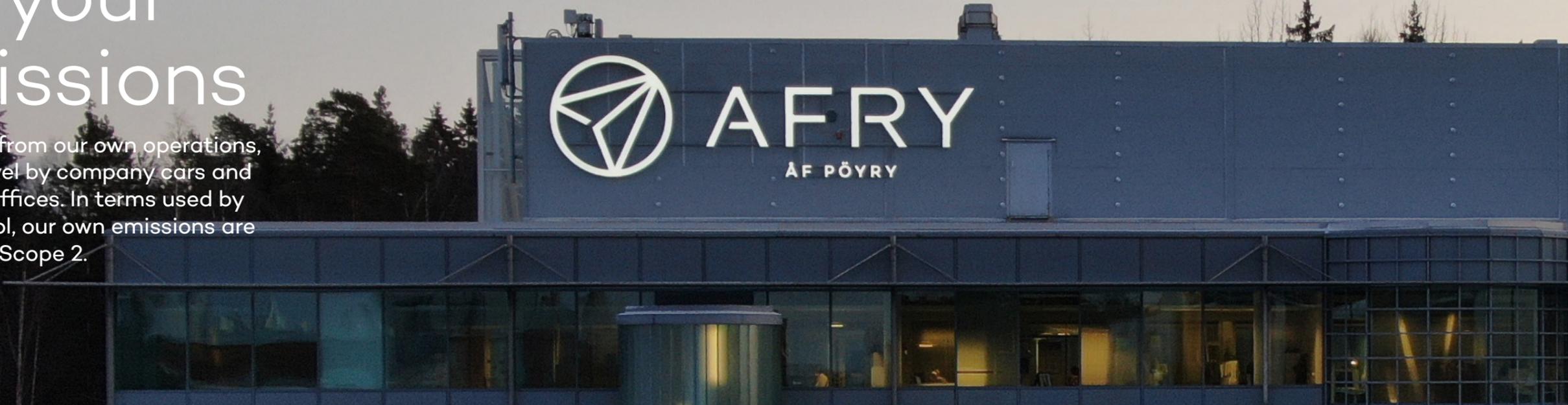
Website and social media

- On our website and in our social media channels you can read more about how we influence climate action in society.

SET TARGET AND STRATEGY
PLAN AND PROCEED
MEASURE AND DISCLOSE

Reduce your own emissions

AFRY's own emissions stem from our own operations, which includes business travel by company cars and energy consumption in our offices. In terms used by the Greenhouse Gas Protocol, our own emissions are categorised as Scope 1 and Scope 2.

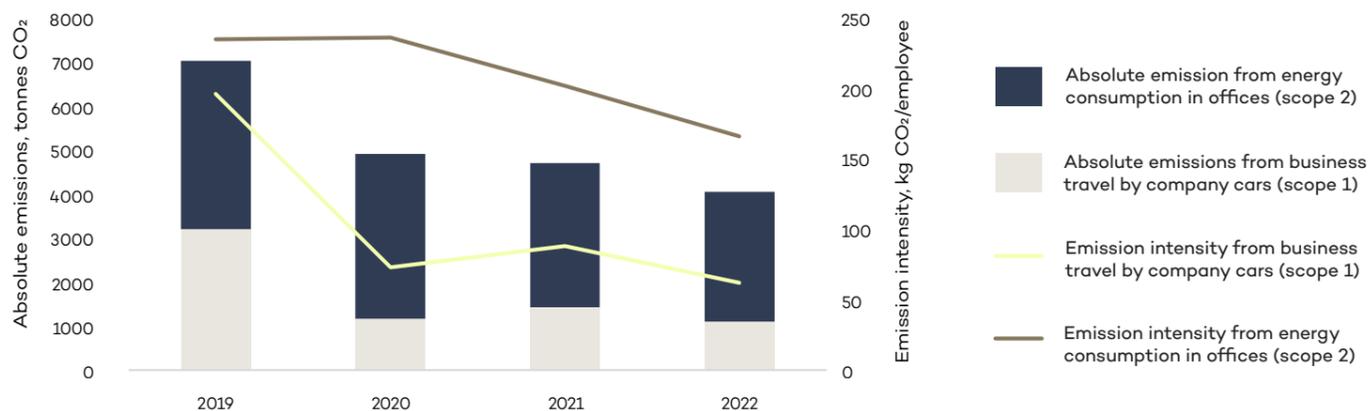


Targets covering our own operations

Our emissions stemming from business travel (scope 1) and energy consumption in offices (scope 2) are to be halved by 2030, and reach net zero by 2040, from a 2019 base year. We have also committed to a near-term target validated by SBTi to reduce absolute scope 1 and 2 GHG emissions 36% by 2027 with same base year.

Results 2019 - 2022

Our scope 1 and 2 emissions have decreased by 31% since our base year 2019, explained by mitigation measures such as updated travel directive, vehicle policy and efforts on increasing share of renewable energy consumption in offices, while also impacts of the Covid-19 pandemic have influenced the outcome by reduced travel as seen in graph below. Our emission intensity, measured in CO₂ per employee, has decreased with 36%, between 2019 and 2022.

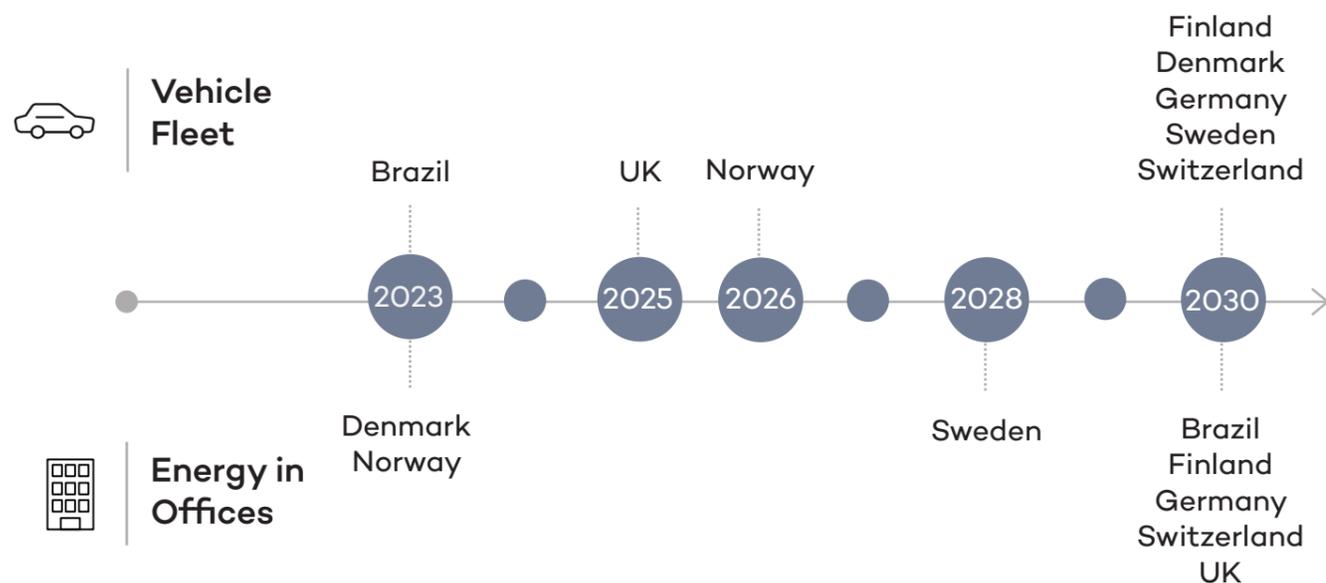


Emission reduction activities in our largest markets include:

- In 2023 the Swedish vehicle policy was updated to increase the requirements regarding vehicles emission, to a maximum of 40 g CO₂/km, below EU's 2023 target and in line with our long term-goal of fossil free vehicle fleet as described in next page.
- A central agreement has been established with the electricity provider in Sweden to ensure renewable electricity in all offices where there is a possibility to choose. This electricity contract encompassed 47% of our office space in Sweden in 2022.
- In 2023, Finland launched a new real estate strategy with including the target to reduce their CO₂ emissions by only using green electricity in office premises by 2030. In addition the real estate strategy includes the target to implement carbon-neutral district heating in all existing and new locations by 2030.
- In 2021, the Swiss country management has approved a directive mandating the systematic replacement of fossil-fueled cars with electric vehicles. By adhering to this directive, AFRY Switzerland will achieve their climate milestone as described on next page.

Brave action-oriented milestones

As part of the planning for our emission reduction targets and setting interim targets in line with our emission reduction trajectory, we have during 2023 have set climate milestones for eight of our markets. These milestone cover more than 90% of our headcount, with an aim for fossil free vehicle fleet and energy in offices by 2030 in those countries where local conditions exists. The achievement of these milestones depend on action taken by us and others in our value chain, which are subject to maturity of the market. The progress of those and any challenges to achieve those will be updated periodically.



- By 2028 all of AFRY Sweden energy consumption is aimed to be fossil free and the vehicle fleet is to be fossil free in 2030.
- In 2023, AFRY Finland launched a new real estate strategy including the milestone to only have green electricity in office premises and implement carbon-neutral district heating in all offices by 2030. The vehicle fleet is to be carbon neutral by 2030.
- AFRY Brazil vehicle fleet is by 2023 running on ethanol and the aim is to ensure fossil free electricity by 2030.
- AFRY Norway has fossil free energy in offices and the vehicle fleet is to be fossil free from 2026.
- AFRY Switzerland has a milestone to have 95% of its vehicle fleet to be electric. By 2025 Switzerland offices will have 100% of electricity in office buildings from renewable sources, and the aim is to have 95% of fossil free energy from heating and cooling by 2030, where locally possible.
- AFRY Denmark has set a milestone to have a fossil free vehicle fleet by 2030, all electricity from 2023 is from renewable sources and at least 92% of offices by headcount has ensured district heating.
- AFRY Germany will have a 100% electric vehicle fleet by 2030 and are aiming to reach fossil free energy in offices by the same year.
- AFRY UK have set a milestone to ensure a fossil free vehicle fleet by 2025, and is to reach fossil free energy in offices covering at least 80% of headcount by 2030.

WE HAVE OFFICES IN OVER 40 COUNTRIES AND WORK IN ASSIGNMENTS IN OVER 100 COUNTRIES



Reducing our own emissions

How we achieve our climate milestones and work towards reaching our company climate targets for our own emissions are through emission reduction measures for our company cars and offices, guided by the following aspects.

Emission reduction measures for offices:

- **Consider space and energy efficiency when choosing, planning and managing offices**

Example KPIs: kWh/m² and m²/employee

Our offices should provide a good working environment suitable for our business. Space and energy efficiency can be relevant metrics considering that most offices have a climate impact.

An example of this is the new AFRY office in Helsingborg, Sweden. The new office has received the highest certification in Miljöbyggnad, an environmental certification scheme in Sweden. The office's environmental footprint is minimised considering energy, indoor environment and materials.

- **Choose fossil free energy contracts where possible and consume energy efficiently**

Example KPI: CO₂/kWh

Energy consumed in our offices have an inherent climate impact. Where possible we aim to have fossil free energy. We strive for our energy consumption to be efficient and smart, meaning that we don't use more than we need and if possible, steered to times of day where the emission intensity of energy is low.

- **Engage with landlords to achieve high environmental performance in offices**

We don't own our offices, which means that we rely on our landlords to achieve high environmental performance in our offices.

Emission reduction measures for company cars:

- **Reduce business travel by increasing virtual meeting capacity**

Example KPI: km/employee

Our Group Directive for business travel states that all business travel must be justified in the sense that it must have a clear business purpose and that the potential for a virtual collaboration must always be evaluated with the aim of reducing climate impact.

- **Shift to more sustainable modes of transport**

Example KPI: CO₂/km

For us, sustainable modes of transport implies that it doesn't have a large climate impact and is safe and economically viable. In many of our offices employees are able to borrow bicycles for business travel, which is one example of how we incentivise sustainable modes of transport today.

Roles and responsibilities

AFRY intends to lead by example, delivering best in class operations. This means that we take responsibility for our own emissions. The principles we commit to are further described in our Code of Conduct and Sustainability Policy which apply to all AFRY's employees including the Board of Directors.

AFRY's Board of Directors and Group Executive Management incorporate sustainability topics into the overall decision process. Each Head of Division is responsible for promoting sustainability in their operations and business planning. This includes developing additional steering documents needed for their line of business.

Reduce travel and travel sustainably

Our business involves visiting clients and attending internal meetings which is why travelling is a necessary part of our operations. Considering that business travel is closely aligned with our business, our travel behaviour is in the control of the business lines. The business lines (Divisions, Business Areas and Business Units) are thus responsible to ensure that our business travel have a clear business purpose and is conducted in such a way that minimizes the climate impact. For further information, see Group Travel Directive and Business Travel Procedure.

Make it easy to be sustainable

Access to sustainable modes of transport (safe, economically viable and with low environmental impact) and adequate virtual meeting capacity is fundamental to reduce emissions stemming from our own operations. It is therefore key that the goods and services we source, including our vehicle fleet, meet our needs and support our CO₂ targets. For further information, see the Sourcing Directive.

Offices are a cross-divisional matter

In over 40 countries there are AFRY offices that bring us together. Considering that the offices gather employees from all divisions, it is a cross-divisional matter. The country organisation in respective country is therefore responsible for implementing actions to reduce emissions stemming from our offices. Our influence over the office spaces and the local circumstances vary between offices and countries. Country management and additional employees involved in choosing and managing AFRY's offices are expected to use their influence and make use of the local circumstances in order to reduce emissions stemming from our offices.

Be a team player

The roles and responsibilities going into reducing our own emissions are many. It is therefore important, regardless of role and responsibility, that we are team players and work together towards our climate targets.

Reduce your value chain emissions

We aim to reduce emissions from our value chain in line with the 1.5°C ambition, meaning to address CO₂ emissions embedded into products and services.



Our value chain emissions

The emissions stemming from our value chain have been estimated in order to identify the most significant sources of emissions as part of the process to set near-term science-based targets with the Science Based Target initiative. This exercise, a so-called scope 3 screening, shows that material value chain emissions include business travel, purchased goods and services and employee commuting. It has provided us with a foundation to further engage with our suppliers in order to reduce emissions stemming from our supply chain. The main categories in AFRY's supply chain are IT hardware, IT software, IT services, telecom, office-related purchases and professional services.

As a consultancy company, our biggest impact comes from the assignments we deliver to our clients. Greenhouse gases stemming from our engineering, design and advisory services are not included in value chain emissions (Scope 3) as defined by the Greenhouse Gas Protocol. The climate impact stemming from our assignments are encompassed by the third pillar of the 1.5°C Business Playbook (Provide and scale solutions) and our objective to increase the net positive impact in our assignments to accelerate the sustainability transition.

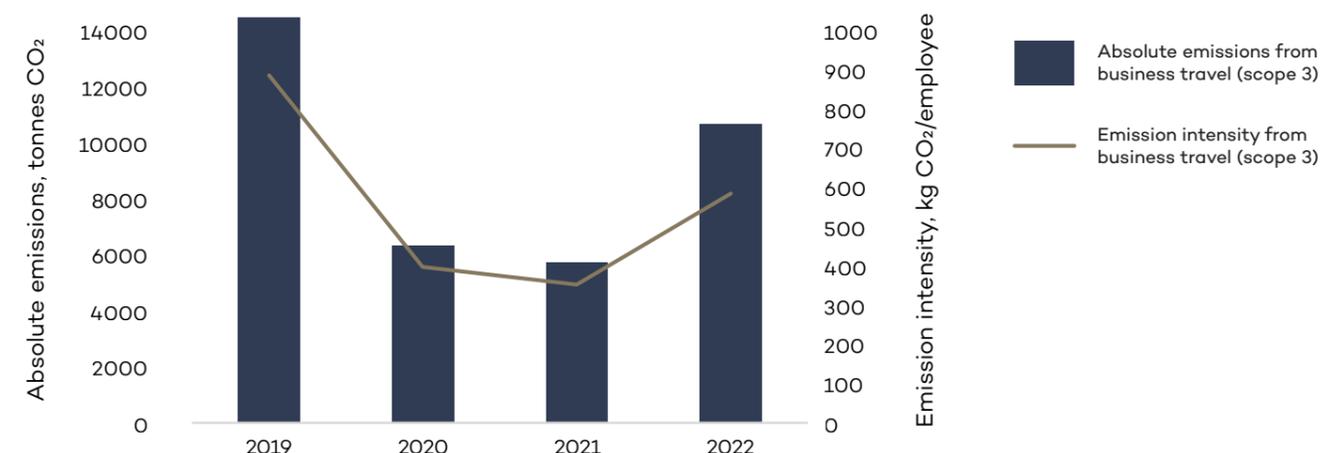
Targets in our value chain

The value chain emissions included in our climate targets include business travel by air and vehicles not controlled by AFRY (Scope 3 category 6). In addition to this, AFRY's supplier engagement target aims to reduce emission in the supply chain (Scope 3 category 1 and 2). The supplier engagement target entails that AFRY's prioritised suppliers are to set own climate targets in line with Carbon Law and the 1.5°C ambition. Our near-term targets addressing the value chain validated by SBTi include reducing business travel by 36% by 2027, and that 87% of our suppliers by spend covering purchased goods and services and capital goods will set science-based targets by 2027.

Results 2019 - 2022

Our reported value chain emissions from business travel have decreased with 25% between 2019 and 2022 in absolute terms. Our reported value chain's emission intensity, measured in CO₂ per employees, has decreased by 31% between 2019 and 2022. The emission reduction has been influenced by the Covid-19 pandemic since travel was reduced significantly, complemented with new ways of working and our office directive for purposeful travelling indicates to have an effect since emissions from business travel continue lower than base year as seen in the graph below.

Our result of the supplier engagement target for 2022 show that at least 30 percent of AFRY's supplier by spend covering purchased goods and services and capital goods have set science-based targets that have been approved by SBTi. During 2022 AFRY also started reaching out to managed suppliers informing about our target and how to take climate action in line with the 1.5°C degree ambition.





Reducing our value chain emissions

To reduce our value chain emissions we are implementing emission reduction measures for our business travel and engage with our suppliers.

Emission reduction measures for business travel by flights and vehicles not controlled by AFRY:

- **Reduce business travel by increasing virtual meeting capacity**

Example KPI: km/employee

Our Group Directive for business travel states that all business travel must be justified in the sense that it must have a clear business purpose and that the potential for a virtual collaboration must always be evaluated with the aim of reducing climate impact.

- **Shift to more sustainable modes of transport**

Example KPI: CO₂/km

For us, sustainable modes of transport implies that it doesn't have a large climate impact and is safe and economically viable. This emission reduction measure could for example entail choosing train over flying.

- **Consider accessibility when choosing office location**

Example KPI: km to closest public transport station

It should be easy to get to our offices in a sustainable way, meaning that it doesn't have a large climate impact and is safe and economically viable. Proximity to public transport shall be considered when choosing an office considering employees commute to work.

- **Encourage the usage of sustainable modes of transport for commuting**

At the Malmö office with more than 700 employees, AFRY has during 2023 engaged in the Malmö Works initiative, an initiative that aims to achieve more sustainable travel, both for commuting and for business travel. For AFRY, the initiative is in line with our climate contract with Malmö Stad to contribute to the city of Malmö's goal of becoming climate neutral by 2030.

- **Reduce emission level of privately owned vehicles used for business travel**

We have refined collecting emission data from travel expenses with privately owned vehicles. Example KPI: CO₂/km

Emission reduction measures for supply chain emissions:

- **Engage with suppliers**

Our supplier engagement target aims for our prioritised suppliers to set their own climate targets.

- **Review control of suppliers**

Ensure that our steering documents, purchasing criteria and support for our suppliers reflect our ambitions.

Roles and responsibilities

AFRY intends to lead by example, delivering best in class operations. This means that AFRY takes responsibility for its value chain emissions. The principles we commit to are further described in our Code of Conduct and Sustainability Policy which apply to all AFRY's employees including Board of Directors.

AFRY's Board of Directors and Group Executive Management incorporate sustainability topics into the overall decision process. Each Head of Division is responsible for promoting sustainability in their operations and business planning. This includes developing additional steering documents needed for their line of business.

Reduce travel and travel sustainably

Many tasks involve visiting clients or attending internal meetings which is why travelling is a necessary part of our operations. Considering that business travel is closely aligned with our business, our travel behaviour is in the control of divisional lines. The business lines (Divisions, Business Areas and Business Units) are thus responsible to ensure that our business travel have a clear business purpose and is conducted in such a way that minimizes the climate impact. For further guidance, see Group Travel Directive and Business Travel Procedure.

Sustainable procurement practices

Considering that AFRY is a large and decentralised organisation, we have contact with thousands of suppliers throughout our business lines and in different countries. Together with our suppliers we have the opportunity to reduce our value chain emissions. Procurement is to be done considering sustainability as mentioned in the Group Sourcing Directive.

Actions

Value chain actions going forward include increasing data coverage and quality from value chain emissions. This includes collecting data from prioritised suppliers for accurate emissions data and to measure employee commuting and use estimate when data is not available.

Provide and scale solutions

AFRY's mission is to accelerate the transition towards a sustainable society. We aim to deliver sustainable solutions for generations to come and take responsibility for the impact we have as a company. The sustainability targets, policies and guidelines in place are important elements for adhering to the strategy.



Strategic framework

To reach our mission, create value for our stakeholders and take AFRY to the next level, we have defined an updated business strategy, launched at the Capital Markets Days in March 2023. The strategy outlines that we are to lead in sustainable solutions and also how we build long term value by focusing on our clients, employees and operational excellence. Climate is an integral part of our strategy, influencing our offering and our operations. We strive to deliver best in class operations, meaning that we lead by example and take responsibility for the impact we have through our operations.

It is through the assignments that AFRY has the greatest opportunity to have a positive impact and through this contribute to the transition to a sustainable society in line with the 1.5°C ambition. We shall actively seek transformative, innovative assignments and one of our sustainability objectives is to increase the net positive impact through our assignments to accelerate the sustainable transition.

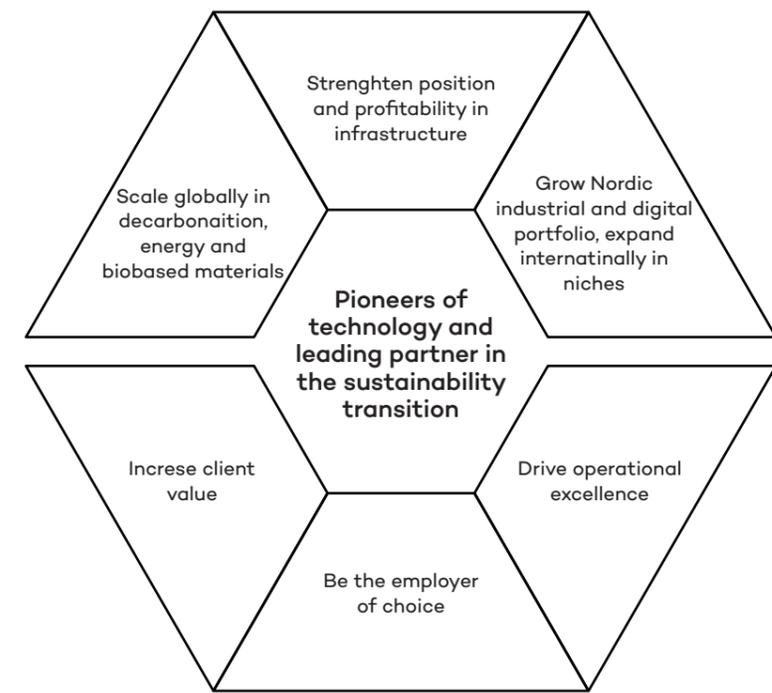
WHO WE ARE

<p>OUR VISION</p> <p>Making Future</p>	<p>OUR MISSION</p> <p>We accelerate the transition towards a sustainable society</p>	<p>OUR VALUES</p> <p>Brave Devoted Team players</p>	<p>OUR PEOPLE</p> <p>Inclusive and diverse teams with deep sector knowledge</p>
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ASPIRATION

We have been in the forefront of the industrial transformation for more than 125 years. Looking ahead, our aspiration is clear - to be pioneers of technology and the leading partner in the sustainable transition. By growing our business, we increase the positive impact on society and the planet together with our clients. We provide purposeful assignments and inspiring career opportunities for our employees as well as long term value to our shareholders.

BUSINESS STRATEGY



Sustainable solutions

Wherever and whenever AFRY is involved, we aim to play a part in creating a more sustainable society by finding new solutions to old problems. We strive to improve the life around us by developing energy-efficient solutions, decarbonising the energy system, expanding infrastructure, upgrading technology for supplying sustainable energy services and more. In our Sustainable Stories Magazine and AFRY Insights you can read about some of our recent assignments and how we, together with our clients, contribute to a more sustainable society.

AFRY connects innovation, technology, design and expertise in order to deliver sustainable solutions in our assignments. Our experts work with both mitigating greenhouse gas emission and adapting society to a changing climate. Our offerings encompass both climate change mitigation and adaptation as well as the solutions presented in the Exponential Roadmap (see figure below).

Positioning

We aim to support our clients to align with the 1.5°C ambition through innovative, transformative, scalable solutions in order to fulfill our missions to accelerate the transition towards a sustainable society. To support the sustainable transition, we position ourselves in sectors meaning we clarify what we do and don't do. This is an important part of adhering to science and complying to emerging regulations and legislation.

We have taken the strategic decision not to take on any new projects on new coal fired power plants in order to further adapt our products and services in accordance with our ambitions. Going forward we continue working with our positioning in relevant sectors.

SOLUTIONS FOR MITIGATING AND REMOVING GREENHOUSE GAS EMISSIONS

Solutions mitigating greenhouse gas emissions



Solutions removing greenhouse gas emissions



Emission reduction potentials of 36 solutions to halve global emissions by 2030 (Exponential Roadmap). The emission reduction potential between 2020-2030 is shown to the right.

A broad solutions portfolio

AFRY has a broad solutions portfolio with deep sector knowledge in multiple areas. To meet the 1.5°C target and comply with Carbon Law, actions need to be taken in all sectors simultaneously. We are dedicated to deliver solutions for climate change mitigation and adaptation to our clients in order to accelerate the transition towards a sustainable society. Below you will find a few examples of offerings we provide in our strategy pillars that reflect the direction of our divisions.



Scale globally in decarbonisation, energy and biobased materials

- Clean energy
- Pulp & paper and other biobased industries
- Green capex such as green steel, hydrogen and batteries



Strengthen position and profitability in Infrastructure

- Future climate neutral cities
- Circularity and reuse of material (Up-cycling)
- Energy efficiency in real estate
- Sustainable transport infrastructure
- Environmental plans and permits



Grow Nordic industrial and digital portfolio, expand internationally in niches

- Industrial decarbonisation transformation
- Automotive and future mobility
- Technology for future food production

Risks and opportunities

AFRY continuously identifies, assesses and monitors the risks and opportunities derived from its mission, vision, objectives and strategy. Our risk management process seeks to identify the key risks to which the AFRY may be exposed, the probability of the risks being realised and their potential impact.

Our biggest climate-related impact is through our assignments. Climate-related risks and opportunities in our assignments are addressed at the tender stage as specified in the Sustainability Policy. Proactively seeking climate-related opportunities is part of our strategy as we aim to target transforming segments where we see increasing demand for scalable, cross-functional, and sustainable solutions, made possible by digitalisation.

AFRY has accepted the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and has initiated work in implementing the TCFD recommendations. The TCFD recommendations cover governance, strategy, risks and opportunities, and metrics and targets.

Actions

Climate is part of our business development and planning. Actions going forward are listed below.

- Developing our non-financial disclosure in line with the EU's Taxonomy Regulation and Corporate Sustainability Reporting Directive (CSRD)

We are further developing our climate related disclosures and climate change mitigation and adaptation is part of the scope of the Double Materiality Assessment we are performing in line with CSRD.

- Aligning our Enterprise Risk Management and strategy process in line with the recommendations of the Task Force on Climate-Related Financial Disclosure (TCFD)

In 2023 we have advanced on climate scenario analysis, continuing to inform our strategic planning by anticipating market changes and enabling businesses to align with climate trends for long-term sustainability, hence helping in future-proofing our business.

- Increase our capacity to deliver on climate change mitigation and adaptation assignments by growing organically and through acquisitions
- Securing adequate training in climate-related competence in respective field of deep sector knowledge

In 2022 a new Sustainability Learning Programme was launched, including a new mandatory sustainability e-learning to all employees and guidance for the business lines to further drive training initiatives.

- We continue to further adapt our products and services in accordance with our ambitions

Roles and responsibilities

Group Executive Management are responsible for setting the strategy and associated targets. The Executive Vice President and Head of Strategy and Sustainability has strategic responsibility for AFRY's sustainability efforts and is part of the Group Executive Management.

All parts of AFRY are to put the strategy into action, contribute to achieve set targets and comply with the supportive steering documents. Group Support Functions are responsible for developing and maintaining relevant steering documents on Group level in support of the strategy.

Divisional Management are responsible for developing the divisional strategy as a complement to the corporate strategy. The business lines are responsible for implementing the corporate and divisional strategies which includes promoting sustainability in business planning and developing additional steering documents needed for their line of business.

Accelerate climate action in society

AFRY's mission is to accelerate the transition towards a sustainable society. This requires climate action beyond AFRY's own operations and the sustainable solutions we provide our clients. The influence that AFRY has on climate action beyond its own business can take many forms, including strategic partnerships, media activities and sharing best practices.



Strategic partnerships and industry initiatives to accelerate climate action

AFRY is part of several strategic initiatives and partnerships to empower, influence and drive sustainable development. Our Sustainability Policy states that we are to share our knowledge and expertise through investments in cooperation and partnerships.

We are members of Exponential Roadmap Initiative and other initiatives and community engagement such as the International Chamber of Commerce (ICC), Climate Leadership Coalition (CLC) and participation in Swedish governmental cooperation programme.

EXPONENTIAL ROADMAP INITIATIVE The Exponential Roadmap Initiative is for innovators, transformers and disruptors taking action in line with 1.5°C, with the mission to halve emissions before 2030 through exponential climate action and solutions. AFRY supports and works with the Exponential Roadmap Initiative to develop and scale-out the narrative and methods such as the 1.5°C Business Playbook globally.

As members of the Exponential Roadmap Initiative, AFRY is part of the United Nations Race to Zero campaign. Race to Zero is a global campaign to rally leadership and support from multiple stakeholders including businesses to reach net zero emissions.

The Climate Leadership Coalition (CLC) stands as the largest non-profit climate business network in Europe. Backed by support from companies, universities, researchers, and private individuals, among others, CLC advocates for ambitious long-term climate objectives and endorses a systemic, market-driven solution. Members of the Coalition hold the conviction that a fundamental societal shift towards sustainable consumption habits and a green economy is not only achievable but also economically feasible and financially viable. Their collective goal is to create a substantial positive climate impact through innovative business solutions.

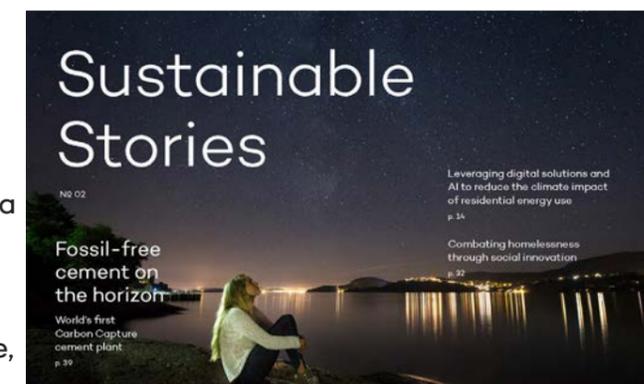
We also participate in business initiatives locally connected to our offerings, in Sweden we are members in six city roadmap initiatives for climate neutral cities, with purpose to share knowledge and accelerate action with cross sectoral collaboration. This includes R&D projects aiming to facilitate the construction industry's decarbonisation transition. One initiative is LFM30, where AFRY is an active member of a local roadmap for a climate-neutral construction sector in Malmö by 2030.

Sharing sustainable solutions

We seek to act as a role model and source of inspiration to our partners and clients. As part of this, we showcase sustainable solutions through our Sustainable Stories Magazine, AFRY Insights, Annual and Sustainability report and in our social media channels.

In AFRY Sustainable Stories, you can read extracts of recent assignments and how we, together with our clients, contribute to a more sustainable society. The AFRY Insights magazine, issued by AFRY's Management Consulting division, compiles insights from AFRY's experts and external leaders on current topics. In the autumn 2023 edition, focus lies on bio-based industries' journey towards net zero.

On our website you can find Insights from our devoted experts that contribute to our mission in accelerating the transition towards a sustainable society.



Public policy engagement

We aim to align external policy and engagement to the goal of halving emissions by 2030 and reaching (net) zero by 2050 and support engagements where we as an actor can have influence on policy development on national and international level as appropriate to each business and market.

We participate in and organize opportunities for sharing our knowledge and support policies promoting solutions aligned with the 1.5°C ambition. Examples of this includes participation in the UNFCCC Conference of the Parties (COP) and energy seminar in the Swedish parliament, as we see that the participation of the private sector plays a critical role in the transition to a sustainable society.

Actions

- Share knowledge and expertise about climate change mitigation and adaptation
Showcase sustainable solutions that we deliver in our assignments together with our clients and other partners.
- Partnership and industry initiatives
Explore new new climate impact performance follow up in relation to established frameworks.
- Integrate a 1.5°C commitment in our external engagement activities and engage in policy influencing for 1.5°C aligned policies at local, national and international levels
Participation in COP28 together with Business Sweden to push agenda for increased ambition in international level and share our solutions. We are also mapping our Group membership in trade and business associations and their alignment with the 1.5 degree ambition.
- Be challenged by the Youth Panel, a youth-led initiative at AFRY
The Youth Panel is to continue raising the youth perspective and challenge the organisation to ensure that AFRY is accelerating the transition towards a sustainable society.

Roles and responsibilities

The influence we have on climate action in society is closely linked to everything we do; our offerings, our assignments and our partnerships. As described in our Sustainability Policy, we are committed to sharing our knowledge and expertise through investments in cooperation and partnerships. This includes AFRY experts being part of boards, networks and governmental collaboration programmes. We regularly discuss and evaluate received requests for new partnerships.

Our experts are responsible for selecting partners, clients and assignments, and to actively seek out transformative, innovative assignments to accelerate the sustainability transition. AFRY seeks to act as a role model and source of inspiration to our partners and clients. For more information, read our Sustainability Policy.



Definitions

AFRY strives to use publicly accepted and recognised definitions that adhere to science. We believe this is an important aspect in being transparent and credible towards our stakeholders. To the right you will find definitions of terminology relevant for our climate action.



Abatement	Measures that companies take to prevent, reduce or eliminate sources of greenhouse gas emissions within their value chain. Examples include reducing energy use, switching to renewable energy and retiring high-emitting assets. ¹
Like-for-like	When a source of emissions and an emissions sink correspond in terms of their warming impact, and in terms of the timescale and durability of carbon storage. ²
Net Zero	Setting corporate net-zero targets aligned with meeting societal climate goals means (1) achieving a scale of value chain emissions reductions consistent with the depth of abatement at the point of reaching global net zero in 1.5° C pathways and (2) neutralising the impact of any residual emissions by permanently removing an equivalent volume of CO ₂ . ¹
Neutralisation	Measures that companies take to remove carbon from the atmosphere and permanently store it to counterbalance the impact of emissions that remain unabated. ¹
Residual emissions	Emissions sources that remain unabated in a specific year of a mitigation scenario. Long-term science-based targets are consistent with the level of residual emissions in the year of global or sector net-zero in 1.5°C-aligned mitigation pathways with low or no overshoot. ¹
Science-based targets (SBTs)	Targets that are in line with what the latest climate science says is necessary to meet the goals of the Paris Agreement – to limit global warming to well-below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C. ¹
Scope 1 emissions	A reporting organization's direct greenhouse gas emissions. ¹
Scope 2 emissions	A reporting organization's (indirect) emissions associated with the generation of electricity, heating/ cooling, or steam purchased for own consumption. ³
Scope 3 emissions	A reporting organization's indirect emissions other than those covered in scope 2. ³
United Nations Climate Change Conference	The annual Conference of the Parties brings together the 197 countries (Conference of the Parties, COP) that have ratified the United Nations Framework Convention on Climate Change (UNFCCC). As the twenty-eight such gathering, it is known as COP ²⁸ and took place in Dubai in December 2023. ¹

1 Corporate Net-Zero Standard, Science Based Targets initiative
2 Race to Zero Lexicon, Race to Zero
3 The Greenhouse Gas Protocol

References

AFRY's climate action adheres to science. The reference list is therefore under constant change as research advancement and technological progress.



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Intergovernmental Panel on Climate Change (IPCC)	IPCC, 2023: Climate Change 2023: Synthesis Report. Contribution of Working Groups I, II and III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [Core Writing Team, H. Lee and J. Romero (eds.)]. IPCC, Geneva, Switzerland, 184 pp., doi: 10.59327/IPCC/AR6-9789291691647. Find the latest version of the IPCC glossary on https://www.ipcc.ch/
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You can read more about our strategy and sustainability performance in our Annual and Sustainability Report. On our website www.afry.com you can read more about our policies and management system, including Code of Conduct, Business Partner Criteria and Sustainability Policy.

Contact

If you have any questions about the AFRY 1.5°C Roadmap, contact sustainability@afry.com.

