



UK Carbon Reduction Plan 2023

Commitment to achieving Net Zero

Workday is committed to achieving Net Zero emissions by 2050. In 2022, we announced that we've developed science-based emissions reduction targets across our entire value chain that are aligned with a 1.5°C pathway. Our sustainability journey at Workday aligns with transitioning to a zero-carbon future. We've achieved net-zero emissions (across offices, data centres, and business travel), have reached our 100% renewable electricity goal, and have provided our entire customer community with a carbon-neutral cloud. In addition, we'll continue to work with suppliers to set their own science-based targets. As we share in our Workday Position on Climate Policy, we're committed to creating a better future for employees, customers, and the larger global community and playing an active and collaborative role in addressing climate change. Our commitment will not waver. We're excited to continue expanding our commitments, building collaborations with other stakeholders, and pushing policy conversations forward globally to address climate change.

Baseline Emissions Footprint

Baseline Year: 2019 (Fiscal year 2020)		
Additional Details relating to the Baseline Emissions calculations:		
Workday has chosen 2019 (Workday fiscal year 2020, 1st February 2019 - 31st January 2020) as our baseline year for reporting. We have included both Scope 2 emissions using both the location-based and market-based methods in the following tables. More information about our corporate carbon footprint and methodology can be found online in our Global Impact Report ¹ . Scope 3 emissions (other than upstream leased assets) for the UK were determined on a pro-rata basis, using the proportion of our full-time employees located in the UK compared to our global headcount.		
Baseline year emissions:		
EMISSIONS	UK TOTAL (tCO ₂ e)	GLOBAL TOTAL (tCO ₂ e)
Scope 1	22	1,733
Scope 2	Market-based: 0 Location-based: 81	Market-based: 0 Location-based: 36,611
Scope 3 (Included Sources)	9,383	298,079
Total Emissions	Market-based: 9,405 Location-based: 9,486	Market-based: 299,811 Location-based: 336,422

¹ <https://globalimpact.workday.com/>



Current Emissions Reporting

Reporting Year: 2022 (Fiscal year 2023)		
EMISSIONS	UK TOTAL (tCO ₂ e)	GLOBAL TOTAL (tCO ₂ e)
Scope 1	45	2,660
Scope 2	Market-based: 0 Location-based: 124	Market-based: 0 Location-based: 60,927
Scope 3 (Included Sources)	8,434	245,000
Total Emissions	Market-based: 8,479 Location-based: 8,603	Market-based: 247,660 Location-based: 308,587

Emissions reduction targets

In May 2022, Workday announced science-based emissions reduction targets, across the entire value chain, that are consistent with keeping global warming to 1.5 degrees Celsius, above pre-industrial levels. Specifically, Workday commits:

- to continue annually sourcing 100% renewable electricity through our fiscal year 2030.
- to reduce absolute scope 3 business travel emissions by 25% by fiscal 2026 from a fiscal 2020 base.
- that 70% of our suppliers (by spend) will have science-based targets by our fiscal year 2026.

Carbon Reduction Projects

Workday has long been recognised as a leader in sustainability. For example, in 2023 we were named the top-performing company for the environment in Just Capital’s list of America’s Most Just companies. In line with our commitments, and specific Science-Based Targets, we continue to innovate and invest in both internal and external initiatives to support our carbon reduction initiatives. Examples of the kinds of projects to which we have committed are as follows:

Renewable Energy

In 2016 Workday made a commitment to using 100% renewable energy and to reach Net Zero carbon by 2021. By the end of our FY17 we achieved Net Zero Carbon across our offices and data centres globally and achieved the overall goal a year early in 2020. By way of example, this means that for our Fiscal Year 21, while our location-based emissions (total emissions if Workday did not match electricity consumption with renewables) amounted to 38,401 MT CO₂e, our market-based emissions (accounting for Workday renewables purchasing) were 0 MT CO₂e.



Infrastructure Optimisation

The Workday data centre infrastructure team has implemented a unique power optimisation project. A team of performance, infrastructure, and data centre engineers worked to identify the BIOS settings, operating system parameters, and appropriate processor drivers for our servers across various models to enable power-saving settings that could significantly reduce power consumption without impacting application performance. We have now enabled power-savings settings across 80 percent of our physical servers globally. Over the course of this project, although we've increased the number of physical servers by approximately 80 percent, our total data centre electricity consumption only increased by 25 percent. Due to this energy savings project, our per-server electricity consumption has decreased by 30 percent and our per-server carbon emissions have decreased by 35 percent.

New models for purchasing renewable energy

Workday has partnered with Bloomberg, Cox Enterprises, Gap, and Salesforce to sign the first-ever small-buyer aggregate renewable energy project. Our group aimed to create a blueprint for other smaller buyers to engage in similar aggregation projects that achieve the large-scale impact that traditionally only the largest corporate buyers can achieve. This project received the Green Power Market Development Award from Centre for Resource Solutions and the 2020 Innovation Award from Smart Energy Decisions. This 100 MW off-site solar project became operational in late 2020, and now provides five of our data centres in Virginia with clean electricity.

Sustainable Air Travel

As part of our commitment to reduce our Scope 3 emissions, we've made a five-year advance purchase of Sustainable Aviation Fuel (SAF) via the SkyNRG Board Now programme. Board Now is an innovative programme with a network of leading companies as members. We're entering as a Board Now programme "Leader", the highest membership level. By investing, we are supporting the development of the first European SAF production facility, located in the Netherlands, which will produce 100,000 tons of SAF annually.

We have also joined the Sustainable Aviation Buyers Alliance (SABA), a buyer-led collaboration spearheaded by RMI and the Environmental Defense Fund focused on accelerating the path to decarbonising aviation and driving investment in and adoption of SAF. SABA will directly drive high-quality investments in SAF, standing up a rigorous and transparent system of SAF certification, educating members on policy opportunities to advance SAF adoption in the market, and addressing barriers to scaling SAF.

Driving sustainability throughout our own supply chain

The sustainability expectations we place on our suppliers and contractors are set out in our Supplier Code of Conduct. Specifically, this mandates that suppliers will adhere to the Workday Environmental Sustainability Policy. Suppliers are expected to contribute to our environmental objectives stated in this policy and to collaborate with us to improve environmental performance. We require that suppliers should have their own environmental management system, including quantifiable goals to reduce environmental impact and greenhouse gas (GHG) emissions, and minimise waste, energy consumption, and the use of materials of concern, as well as adopt measures and controls (including audits), reporting, and training. As part of our commitment to Science Based Targets, we have committed that 70% of our suppliers by spend, covering purchased goods and services and capital goods, will have science-based targets by our fiscal year 2026.



Permanent Carbon Removal

Most climate models agree we need to remove carbon from the atmosphere on the scale of 5-10 gigatons per year by 2050. Less than 10,000 tons of carbon have been permanently removed to date, so to make a difference we must accelerate high-potential carbon removal solutions. Workday is supporting Frontier, a \$1 billion advance market commitment to buy permanent carbon removal founded by Stripe, Alphabet, Shopify, Meta, and McKinsey Sustainability. The initiative aims to accelerate the development of carbon removal technologies by guaranteeing future demand for them; in effect signalling to researchers, entrepreneurs, and investors that there’s a growing market for these technologies. Run by technical and commercial experts who facilitate carbon removal purchases, Frontier aims to create a net new, durable carbon removal supply, rather than compete over what exists today. A range of methods for carbon removal are sprouting up but need significant support, so Frontier members bring more power and funds to scale these efforts. Members, like Workday who commit funds, help spur new technologies and support those with the greatest long-term potential.

More information on Workday’s carbon reduction initiatives can be found on our corporate website, at <https://globalimpact.workday.com>

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard⁷ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁸.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard⁹.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of Workday:

.....

Date: 27 July 2023

Shaun Redgrave, Vice-President and Director, Workday UK