Wilson James

CARBON OUTPUT REPORT 2022

AUGUST 2023

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Message from Leadership

At Wilson James, environmental enhancement and creation of social value is integral to our organisational values. Our sustainability strategy embodies our ambition to go further to reduce our environmental footprint while having a net positive impact wherever we are able to deliver this at our corporate and operational sites.

With the release of our 2022 Carbon Output Report, we highlight our continued carbon efficiency as we exited the Pandemic and recovered business operations in the most sustainable way with our client partners. During 2022 and the first half of 2023, we have invested in our sustainability team, carbon reporting and analytics tools and the creation of an Executive Board Sub Committee to drive our Net Zero and broader Sustainability ambitions. These foundations will support the 2023 review of our existing targets to deliver carbon neutrality by 2040 and Net Zero by 2050.

Our unique perspective as an integrated solutions partner with over 200 clients enables us to share best practice, pilot innovative and sustainable new ways of working and operating, engage and empower our teams and as a result find creative ways to speed up our collective journey to Net Zero.

Elizabeth Hegarty
Managing Director (Aviation & Transport)
& Executive Sponsor for Sustainability

Executive Summary

In June 2019, the UK government became the first major economy to pass the legally binding 2050 target of reaching Net Zero Greenhouse Gas Emissions. At Wilson James, we have pledged to achieve carbon neutrality by 2040 and Net Zero by 2050. As part of this commitment, it is essential that we keep track of our carbon efficiency and reduction progress year on year. This report aims to uncover the majority of Wilson James' scope 1, 2 and 3 carbon emissions within the period 1st January 2022 to 31st December 2022.

In 2022, we reduced our carbon emissions by 24,472.03 $KgCO_2e$ compared to 2020 levels, with our most impactful reduction emanating from an 11.6% reduction in fleet emissions which makes up 80% of the total carbon emissions we currently capture. However, the total carbon emissions recorded this year was 4.9% higher than 2021 emissions, with emissions from business travel being the most significant contributor. For instance, we observed increases in emissions of up to 21.2% and 7.4% in business travel for car and air transport respectively when compared against our 2019 baseline – attributed to new business in the north of the UK and for existing business, significant management movement to deliver a successful return from the pandemic and broader business practices post-Covid. This increase has influenced our tactical actions for 2023 including a review of the business travel elements of our Expenses Policy and how we record these activities and therefore emissions.

Our data shows a 24,472.03 $KgCO_2e$ reduction in emissions compared to 2020 baseline, representing a 2.9% reduction in total emissions for the scope of our reporting. This might not appear significant, but as a business that's in the very early stages of our journey to Net Zero, it represents a step in the right direction, and demonstrates that we have not only mitigated increases in our annual carbon emissions but have ignited the process to start driving annual reductions in our carbon emissions while our business continues to grow.

We have a deep appreciate of the contribution of fleet operations to our carbon output and are constantly seeking ways to drive reductions of our own fleet and that which we operate on behalf of clients. We prioritise prevention of emissions from fleet in the first instance, through consolidation, clever use of data through digitisation and process efficiency improvements. We are then focused on transition to ultra low and zero emission fleet – including through one of the largest zero emission fleets in operation at Heathrow Airport, for example, comprised of electric and dual diesel and hydrogen fuel cell vehicles. We are working with our clients to adapt and upgrade their infrastructure and that of our own sites to increase the pace of transition to these vehicle types in our draft Net Zero Roadmap.

We appreciate that there is still a lot of work to do to drive meaningful change and have identified opportunities for improvement and are committed to driving continual improvements annually.

For instance, we are always seeking improvements to our reporting methodologies and have invested in the transition from mileage records to digital telematics to increase the frequency and accuracy of reporting. Further, we are obtaining external GHG performance data assurance from a CDP approved standard in preparation for commitment to the SBTi Near-Term and Net Zero targets.

> **"The climate crisis has already been solved. We already have the facts and solutions. All we have to do is wake up and change."**
>
> Greta Thunberg, Climate Activist

1.0 Introduction

1.1 Sustainability Priorities

Sustainability lies at the heart of Wilson James vision to deliver excellence for every project and for every client, whilst raising Industry Standards across our three service lines. We are committed to playing our part in ensuring a sustainable future for future generations to enjoy. We do this through our Sustainability Plan (see Table 1.0) built around the three pillars of **'People, Planet and Performance',** which reduces our impact on the environment whilst promoting social and economic improvement and rigorous governance.

Sustainability is at the forefront of good business. At Wilson James we understand the impact of our actions on the planet and the consequences for future generations, and actively play our part in mitigating this impact. Our performance in terms of carbon reduction, circular economy, social value and employee wellbeing is regularly reviewed at Board level and we continue to invest in ways to reduce our impact and improve our performance.

More recently our clients are demanding higher levels of sustainability engagement to meet their own objectives, which challenges us to remain one step ahead and deliver best practice through investment in our Sustainability Plan. We believe our unique position with more than 200 clients across a variety of sector will enable us to lead and innovate in sustainability.

This year we updated our Sustainability Plan and produced 'Sustainability, The WJ Way' which sets out our ambitious framework to develop our business over the next 10 years. As a 'people-business', many of our impacts relate to the choices our employees make, their wellbeing, how we interact with our local communities, the goods and services that we procure, or the services that we provide.

Our ten-year plan is to reduce our carbon emissions by 30% absolutely by 2030, to ensure that we are on track to deliver our longer-term goal of Net Zero Carbon Emissions by 2040 - ten years ahead of the National target because we believe that if we wait until 2050 to act, it will be too late.

We are also aiming to have completed our Carbon Management Plan by the end of 2023, which will deep dive into how we will reach our 2040 Net Zero Carbon target step by step.

"There's one issue that will define the contours of this century more dramatically than any other, and that is the urgent threat of a changing climate."

Barack Obama

Table 1: Sustainability, The WJ Way

Wilson James Vision	UN SDG*	Objective	Goal
People **Providing the greatest opportunities to our people and the communities in which we work.**		**PE01:** We will provide a workplace in which sustainability, well-being and behavioural safety (WBS), and equality, diversity and inclusion (EDI) is valued.	**G1:** Our employees feel valued, safe and supported through effective working practices and procedures.
			G2: Our employees are supported to reach their potential and maximise their contribution to Wilson James.
			G3: Well-being and behavioural safety is part of our DNA.
		PEO2: We will give back to our communities through the creation of jobs, volunteering opportunities, community outreach, support for good causes, and robust apprenticeship.	**G1:** Our community outreach focusses on future generations, hard to reach groups and social mobility, and employment from the local communities in which we operate.
			G2: Our employees are encouraged to contribute to local communities through volunteering and fundraising campaigns.
Planet **Protecting the world we live in.**		**PLA1:** We will achieve Net Zero Carbon by 2040.	**G1:** Develop Net Zero carbon roadmap in 2022.
			G2: Carbon reduction is embedded into our business operations across scope 1,2 & 3 carbon emissions.
		PLA2: We will invest in circular economy practices, optimise resource efficiency, monitor and reduce our consumption of natural resources, and prioritise the procurement of sustainable products and materials.	**G1:** We employ closed-loop circular economy thinking into our business operations and procurement decisions.
			G2: We will create environments where biodiversity thrives at our offices and logistics centres.
Performance **Embedding sustainability into everything we do.**		**PER1:** We will work collaboratively to build a successful business, with a proven reputation where sustainability is at the heart of what we do.	**G1:** Sustainability is embedded within our business practices and board decisions.
			G2: Our services meet client needs whilst having consideration for the impact on the natural environment and communities where we operate, and across our supply and client chains.
			G3: Sustainability is integrated within our business systems, processes, procedures and reporting cycles to deliver our objectives.
		PER2: We will drive improved ethical performance throughout our supply chains in accordance with the values and behaviour standards set out in our Ethics Policy.	**G1:** We have a transparent, ethical and sustainable supply chain.

* Wilson James's Sustainability Plan is aligned to the United Nations Sustainable Development Goals: https://sdgs.un.org/goals

1.2 Purpose of our Report

Through our Sustainability Plan we aim to establish a best practice culture, particularly in the carbon arena, where we intend to build carbon resilience into our business operations, deliver a significant reduction in our direct and indirect carbon emissions and achieve Net Zero Carbon by 2040. We recognise that our future success will depend on our ability to navigate to a low carbon and circular economy, by shifting the way we do business, investing in new technology, research and initiatives, and embracing this change.

This report aims to contribute towards our Wilson James Sustainability Planet Objective: **'We will achieve Net Zero Carbon by 2040'**. In order to reach our Net Zero Carbon target by 2040, we are suggesting at least a 30% reduction in carbon emissions by 2030. Carbon output at Wilson James will be reviewed on a calendar yearly basis.

30% reduction in carbon emissions by 2030

2.0 Specifics and Supporting Information

2.1 Timeframe

The information included within this report refers to carbon output from 1st January 2022 to 31 December 2022. Carbon output will be measured internally on a calendar yearly basis, with the addition of SECR and ESOS reporting calculated for Wilson James' financial year timeframe.

2.2 Metric

Carbon output is measured in this report in $kgCO_2e$, which can also be easily converted into tonnes of CO_2 by dividing by 1000. In most instances either fuel usage or mileage have been captured to convert into $kgCO_2e$. This conversion is made simple through the BEIS (Department for Business, Energy and Industrial Strategy) conversion factors, which are updated yearly on gov.uk.

$KgCO_2e$ refers to 'kilograms of carbon dioxide equivalent'. This is a standard unit for measuring carbon footprints. "CO_2e" is a term for describing different greenhouse gases in a common unit. For any quantity and type of greenhouse gas, CO_2e signifies the amount of CO_2 which would have the equivalent global warming impact.

2.3 Definitions

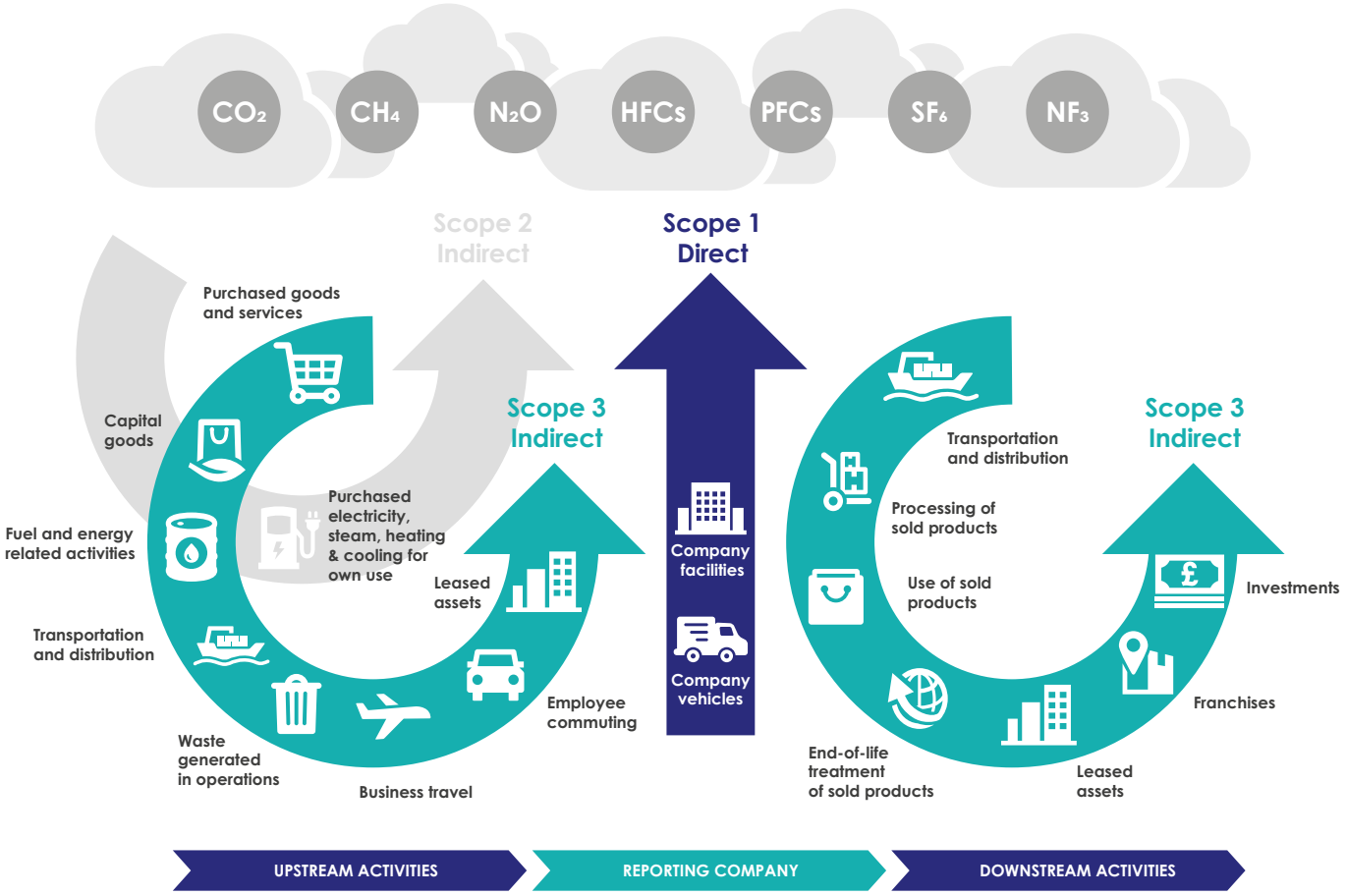
Emission Types:

Scope 1 – **direct emissions** from company owned or controlled sources

Scope 2 – **indirect emissions** from the generation of purchased electricity, steam, heating and cooling consumed by a company

Scope 3 – **all other indirect emissions** that occur in a company's value chain (upstream and downstream)

Figure 1: Scope 1, 2 and 3 emission examples via ghgprotocol.org



2.4 Sources Measured and Excluded

The sources of greenhouse gas emissions making up Wilson James carbon footprint are as follows:

- **Fleet**
- **Energy usage in offices**
- **Business travel (road, rail and air)**
- **Supply chain**
- **Staff travel to and from work**

This report includes all carbon emissions produced by Wilson James fleet, business travel and energy usage in offices.

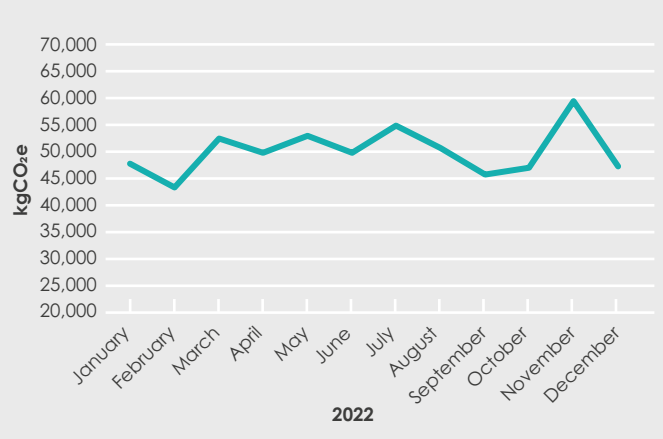
Not included are supply chain emissions and staff commuting. Gathering accurate supply chain emissions will require an update to our Procurement processes and data, which we are planning for our 2023/24 financial year. Staff commuting is a work in progress. Collecting this information requires rolling out specific travel surveys to all Wilson James employees (5000+) in different sectors of the business. There are plans to roll this out in the near future (next 6-12 months).

3.0 - Scope 1

3.1 Table 2: Fleet 2022

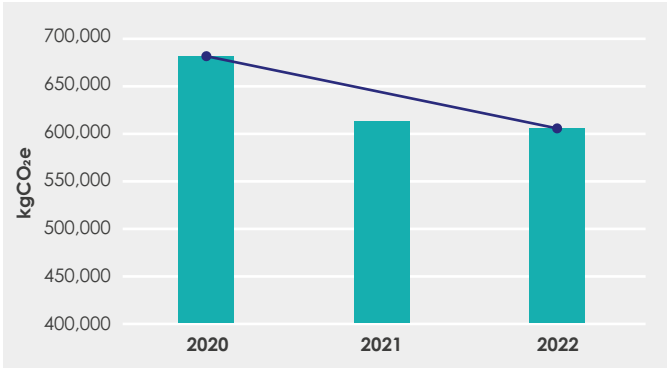
Month	Emissions ($kgCO_2e$)
January	47,744.08
February	43,341.14
March	52,402.51
April	49,830.42
May	52,960.60
June	49,848.84
July	54,902.28
August	50,628.09
September	45,782.76
October	47,015.34
November	59,458.70
December	47,248.08
Total Emissions	**606,043.34**

3.2 Figure 2: Monthly Fleet Emissions 2022



3.3 Figure 3: Annual Comparisons

Below is a comparison to the emissions produced by fleet annually since 2020.



4.0 - Scope 2

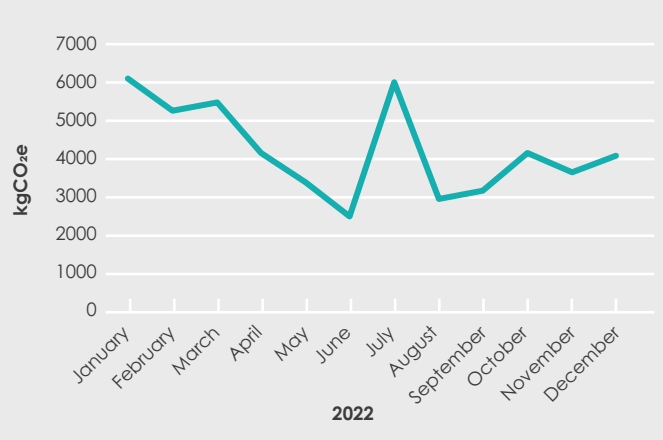
4.1 Table 3: Office Energy Usage 2022 by Month (kWh)

January	February	March	April	May	June	July	August	Sept	October	November	Dec	Total
31,557.00	27,228.00	28,342.00	21,492.00	17,514.00	12,905.00	31,010.00	15,221.00	16,369.90	21,491.67	18,807.00	21,081.00	**263,018.57**

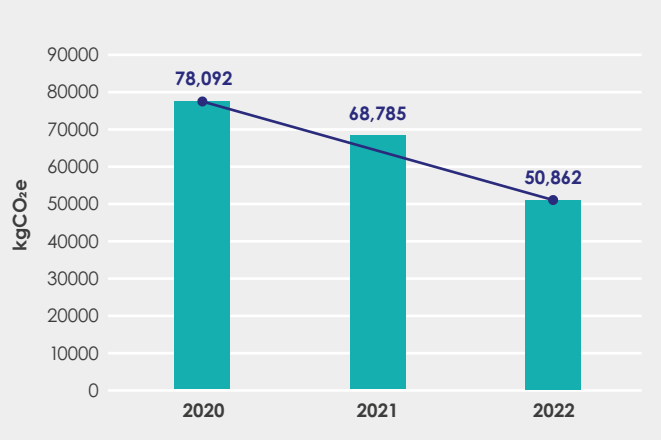
4.2 Table 4: Carbon Emissions produced by Month 2022 ($kgCO_2e$)

January	February	March	April	May	June	July	August	Sept	October	November	Dec	Total
6,102.49	5,265.35	5,480.78	4,156.12	3,386.86	2,495.57	5,996.71	2,943.44	3,165.61	4,156.06	3,636.90	4,076.64	**50,862.53**

Figure 4: Monthly emissions from office energy usage (2022)



4.3 Figure 5: Annual Comparisons



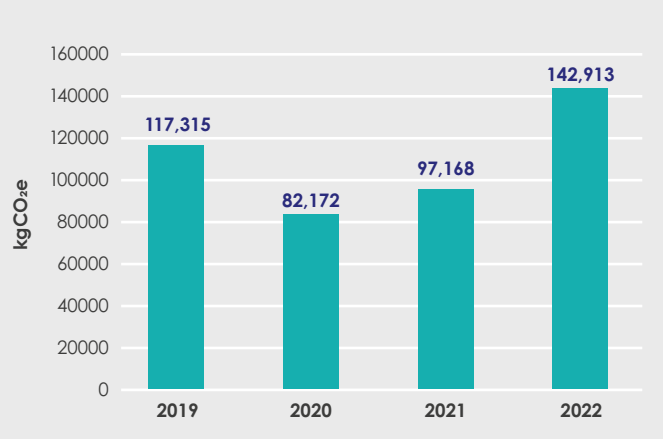
5.0 - Scope 3

5.1 Table 5: Business Travel – Road 2022

Total carbon emissions ($kgCO_2e$)

142,913.52

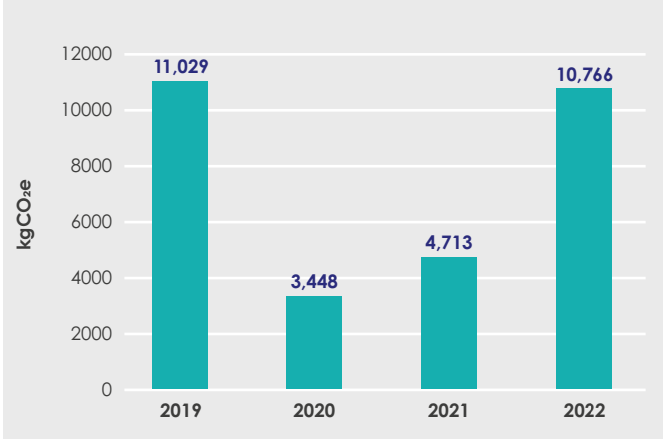
5.2 Figure 6: Annual Comparisons



5.3 Table 6: Business Travel – Rail 2022

National Rail Emissions ($kgCO_2e$)	London Underground Emissions ($kgCO_2e$)	**Total Emissions Output in 2022 ($kgCO_2e$)**
10,272.65	493.87	**10,766.53**

5.4 Figure 7: Annual Comparisons



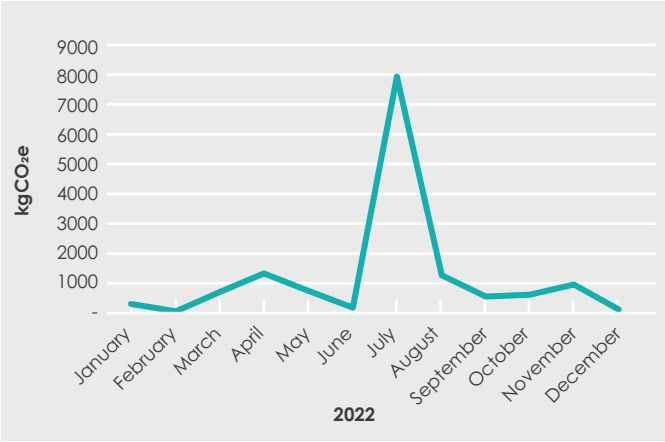
5.0 - Scope 3 (continued)

5.5 Table 7: Business Travel – Air 2022

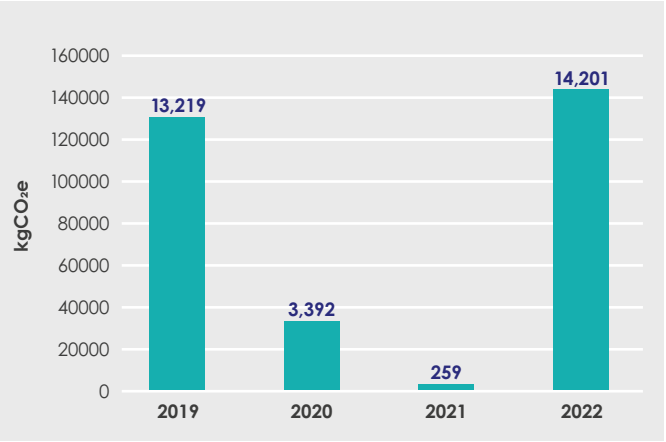
January	February	March	April	May	June	July	August	Sept	October	November	Dec	Total
258.1635	0	654.83457	1296.17124	705.89277	129.0818	7901.459	1214.106	516.9015	559.70465	899.6306	65.15555	14,201

14,201.10
Total $kgCO_2e$ emissions 2022

5.6 Figure 8: 2022 Monthly Comparisons



5.7 Figure 9: Annual Comparisons



6.0 Total Carbon Emissions

Table 8: Wilson James Ltd.'s total energy consumption by source

Scope	Source	Emissions ($kgCO_2e$)
1	Fleet	606,043.34
2	Office Energy	50,862.53
3	Business Travel - Road	142,913.52
	Business Travel - Rail	10,766.53
	Business Travel - Air	14,201.10
Total		**824,787.02**

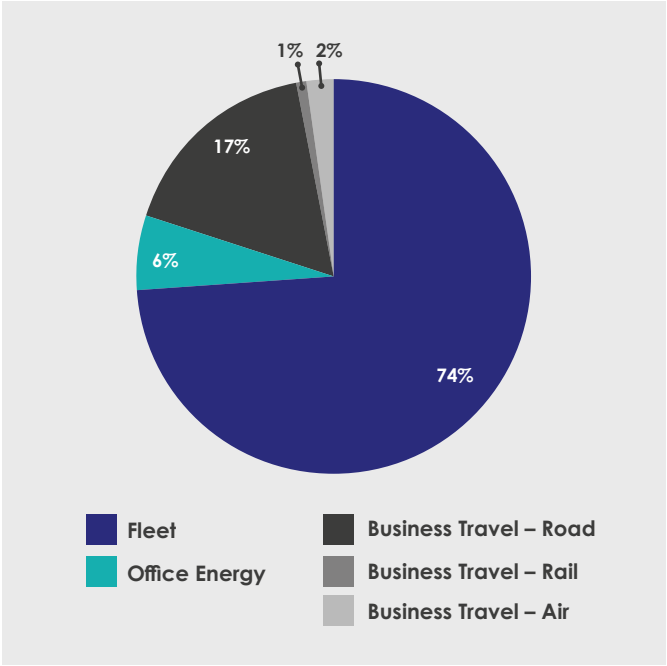


Figure 10. Pie chart representation of Wilson James Ltd.'s 2022 carbon emissions by percentage

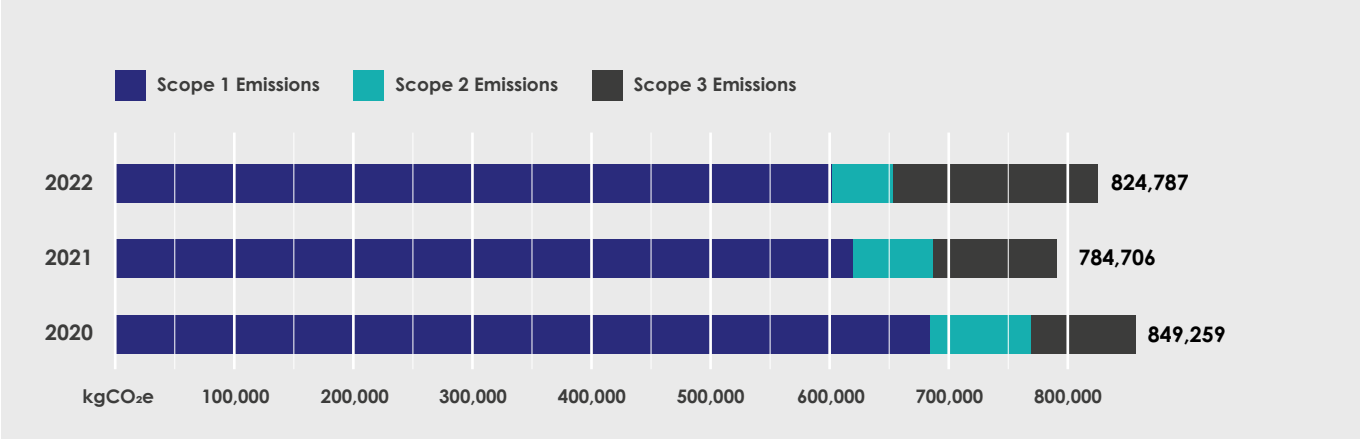


Figure 11. Wilson James Annual Carbon Emission by Scope

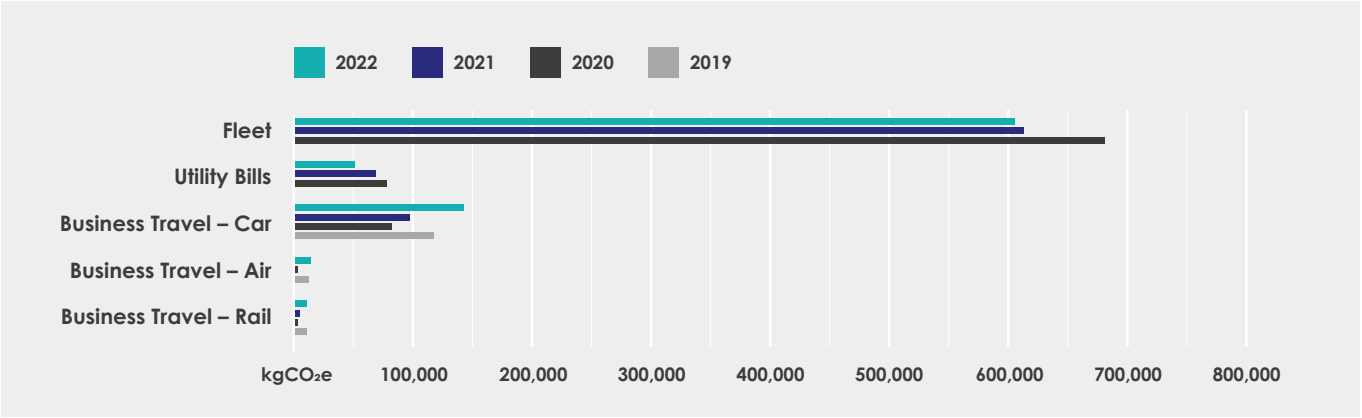


Figure 12. 2019 – 2022 Emission Comparisons by source

7.0 Intensity Ratios

	Number of WJ permanent (non-agency) employees	**Kg of carbon emitted per employee**
2022	5,573	**148**
2021	4,906	**159.95**
2020	5,147	**165**

Table 9.

	Turnover (£m)	**Kg of carbon emitted per £1000 spent**
2022	£248,115,000	**3.32**
2021	£205	**3.83**
2020	£175	**849.26**

Table 10.

8.0 Annex

8.1 Methodology

Fleet
Fleet data is requested to our Fleet Coordinator who can extract data reports on fuel usage. Each fuel transaction is recorded, along with vehicle type and fuel type. Fuel usage is recorded in litres. To convert fuel usage (litres) into $kgCO_2e$ a conversion factor (CF) must be used. Conversion factors are listed by BEIS on gov.uk and updated annually. The following formula was used:

Litres * CF = $kgCO_2e$

The CF depends on the type of fuel used. There were four different fuel types present in our Wilson James fleet:

Fuel Type	Conversion Factor
Unleaded	2.16
Premium Unleaded	2.34
Diesel	2.56
Premium Diesel	2.70

This was calculated for each fuel transaction and then totalled to give full 2022 fleet emissions.

Office Energy Usage
Energy usage was collected monthly for each office via utility bills in kWh. To convert from kWh to $kgCO_2e$ the following formula was used:

kWh * CF = $kgCO_2e$

The carbon emissions for each month in 2022 was added together to result in the total carbon emissions produced by all Wilson James offices in 2022.

Business travel – road
Business car travel could only be collected through expense claims. As part of an expense claim, the total distance travelled in miles, engine size of vehicle and fuel type must be input, so using this information along with conversion factors the $kgCO_2e$ was able to be calculated.

Engine size	
001	Up to 1400 CC Capacity
002	1400 – 2000 CC Capacity
003	Over 2000 CC Capacity

Fuel type	
	Private (Petrol) (No Allowance)
A	Allowance (Petrol)
D	Company Car (Diesel)
P	Company Car (Petrol)
Y	Allowance (Diesel)
Z	Private (Diesel) (No Allowance)

Engine size/fuel type	Conversion Factor
< 1400 cc (petrol)	0.2358
< 1400 cc (diesel)	0.22514
1400 – 2000 cc (petrol)	0.29724
1400 – 2000 cc (diesel)	0.27039
> 2000 (petrol)	0.4448
> 2000 (diesel)	0.33722
< 1400 cc (electric)	0.07348
1400 – 2000 cc (electric)	0.08455
2000 cc (electric)	0.09762

Then the following formula is applied:

Mileage * CF = $kgCO_2e$

8.0 Annex (continued)

Business travel – rail

Business rail travel was collected via expense claims. Distance input is not a mandatory field on our SAP expense claim system for rail tickets, therefore in a lot of cases no distance could be measured which is a vital piece of information for this calculation. In order to avoid disregarding the majority of this data and losing out on counting these emissions, the distances that were recorded were taken and averaged based on the distanced travelled per pound (£) spent. This then gave a best guesstimate of each transactions distance based on the price of the ticket. This was done separately for National Rail and Tube.

The following table outlines how emissions per £ spent were gained:

Type	Average km travelled per £ spent	Conversion Factor	$kgCO_2e$ output per £ spent
	This was calculated by averaging those transactions that did include distance travelled	2022 BEIS conversion factors (km to $kgCO_2e$)	Multiplied km per pound spent by conversion factor
National Rail	3.61	0.03549	0.12797
Tube	2.45	0.02781	0.06803

Then the expenditure on National Rail tickets and Tube tickets were calculated and multiplied by their respective conversion factors:

'Total expenditure (National Rail)' * 'kgCO₂e output per £ spent (tube)'

and

'Total expenditure (Tube)' * 'kgCO₂e output per £ spent (tube)'

These two numbers were then added together to give the total:

National Rail Emissions ($kgCO_2e$)	Tube Emissions ($kgCO_2e$)	**Total Emissions Output in 2022 ($kgCO_2e$)**
10,272.65	493.87	**10,766.53**

N.B. This calculation is not accurate as train fares vary considerably due to supply and demand, but was the best available figure.

Business travel – air

Flight booking is done through admin and personal assistants. All flights details were requested. Flight distance (km) was calculated between origin and destination location for each flight. Then the following formula was applied:

km * CF = $kgCO_2e$

The 2022 conversion factor for km in the air to $kgCO_2e$ varies depending on flight length and class flown in:

Haul	Class	Unit	Conversion Factor to $kgCO_2e$
Domestic, to /from UK	Average pass.	pass. km	0.24587
Short-haul, to /from UK	Average pass.	pass. km	0.15353
	Economy class	pass. km	0.15102
	Business class	pass. km	0.22652
Long-haul, to /from UK	Average pass.	pass. km	0.19309
	Economy class	pass. km	0.14787
	Premium economy class	pass. km	0.23659
	Business class	pass. km	0.42882
	First class	pass. km	0.59147
International, to/from non-UK	Average pass.	pass. km	0.18362
	Economy class	pass. km	0.140625
	Premium economy class	pass. km	0.225
	Business class	pass. km	0.40781
	First class	pass. km	0.56251

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