



Comply Direct Carbon Footprint Report January-December 2022

Contents

Descriptive Information

Scope of Footprint

Baseline year GHG emissions data

Current year GHG emissions data

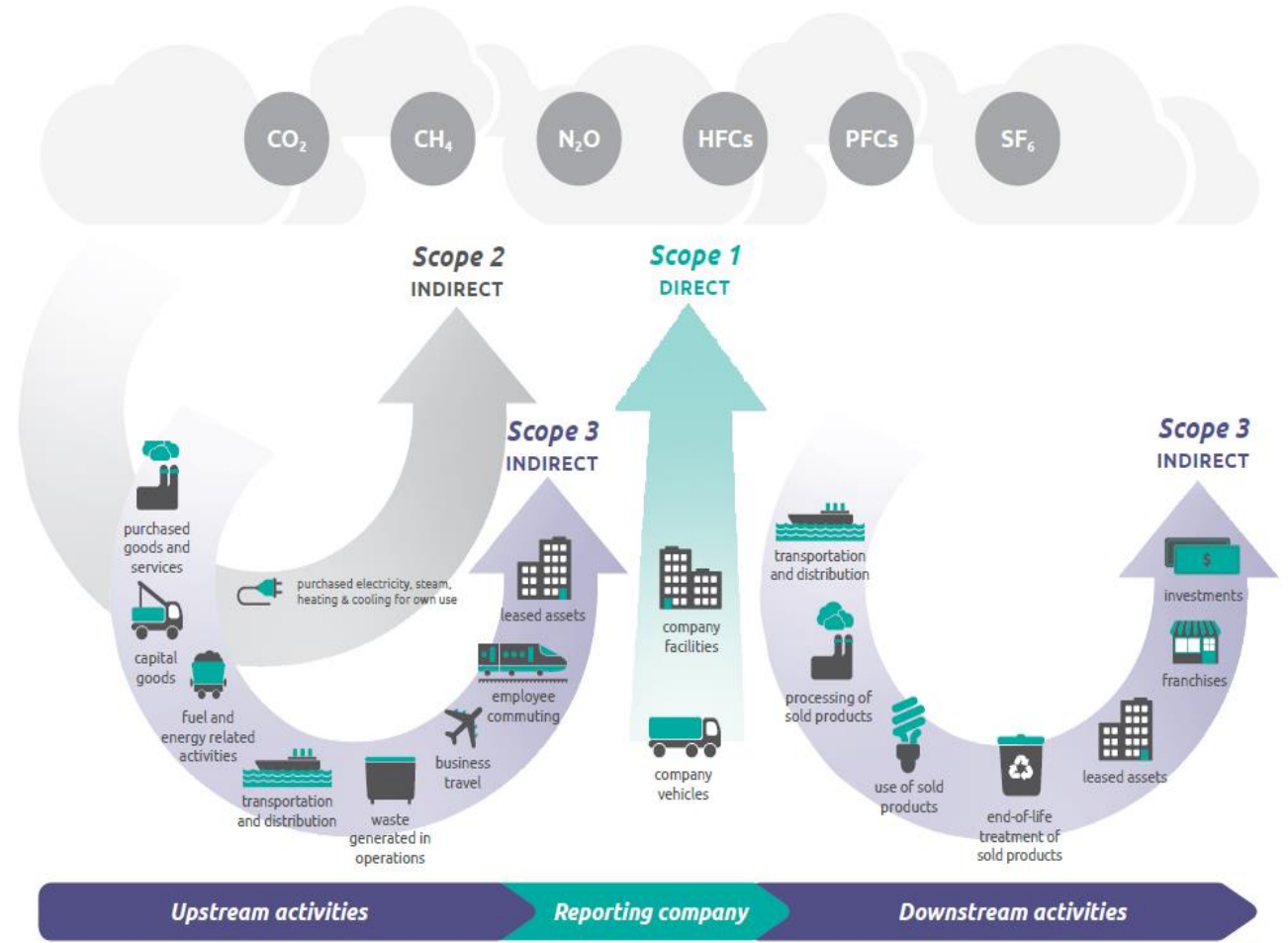
Methodologies, data, and assumptions

Emissions Reduction Targets

Carbon Reduction Plan

Declaration and Sign Off

Figure [5.2] Overview of GHG Protocol scopes and emissions across the value chain



Reference: GHG Protocol Corporate Value Chain Accounting Reporting Standard

Descriptive Information

Descriptive information	Company response
Company Name	Comply Direct Ltd
Description of the company	Environmental compliance and consultancy company
Chosen consolidation approach	Operational control
Description of the businesses and operations included in the company's organizational boundary	Comply Direct reports scope 1, scope 2, and selected scope 3 emissions from its only operational leased office site. There are no other companies in the group.
Reporting Period	1 st January 2022 – 31 st December 2022
Base Year	2019 – this was the first year Comply Direct calculated a calendar year carbon footprint, and represented a normal operating year for business activities
Recalculation Policy	We will adjust our base year emissions to account for significant changes (e.g. acquisitions, methodology changes, discovery of errors) which drives a change in emissions of greater than 5%)

Scope of Footprint

Descriptive information	Company response
A list of scope 3 activities included in the report	Category 1: Purchased Goods & Services Category 3: Fuel and Energy Related Activities Category 5: Waste generated in operations Category 6: Business Travel Category 7: Employee commuting Category 8: Upstream leased assets Outside of scopes: Homeworking emissions
A list of scope 1, scope 2, and scope 3 activities excluded from the report with justification for their exclusion	Category 2: Capital Goods – not applicable Category 4: Upstream Transportation & Distribution – not applicable Category 9: Downstream Transportation & Distribution – not applicable Category 10: Processing of sold products – not applicable Category 11: Use of sold products – not applicable Category 12: End-of-Life treatment of sold products (Disposal) – not applicable Category 13: Downstream leased assets – not applicable Category 14: Franchises – not applicable Category 15: Investments – not applicable

Baseline Emissions Footprint (2019)



Our baseline emissions year in January-December 2019.

Operational Control Boundary applied with selected Scope 3 emissions included.

Scopes and categories	Metric tonnes CO ₂ e
Scope 1: Direct emissions from owned/controlled operations	Not Applicable
Scope 2: Indirect emissions from the use of purchased electricity	3.24 (location-based)
	1.91 (market-based)
Scope 3: Value Chain Emissions (Partial)	62.5
Total Gross Emissions	64.41

Scope 3 emissions Breakdown:	Metric tonnes CO ₂ e
Category 1: Purchased Goods & Services	Not recorded in 2019
Category 3: Fuel and Energy related activities	Not recorded in 2019
Category 5: Waste generated in operations	0.87
Category 6: Business Travel	17.45
Category 7: Employee Commuting	32.23
Category 8: Upstream leased assets	11.95
Outside of scopes: Homeworking emissions	Not recorded in 2019

Current Year Emissions Footprint (2022)



Our GHG emissions in January-December 2022.

Operational Control Boundary applied with selected Scope 3 emissions included.

Scopes and categories	Metric tonnes CO ₂ e
Scope 1: Direct emissions from owned/controlled operations	Not Applicable
Scope 2: Indirect emissions from the use of purchased electricity	2.89 (location-based) 0 (market-based)
Scope 3: Value Chain Emissions (Partial)	279
Outside of Scopes	7
Total Gross Emissions	288

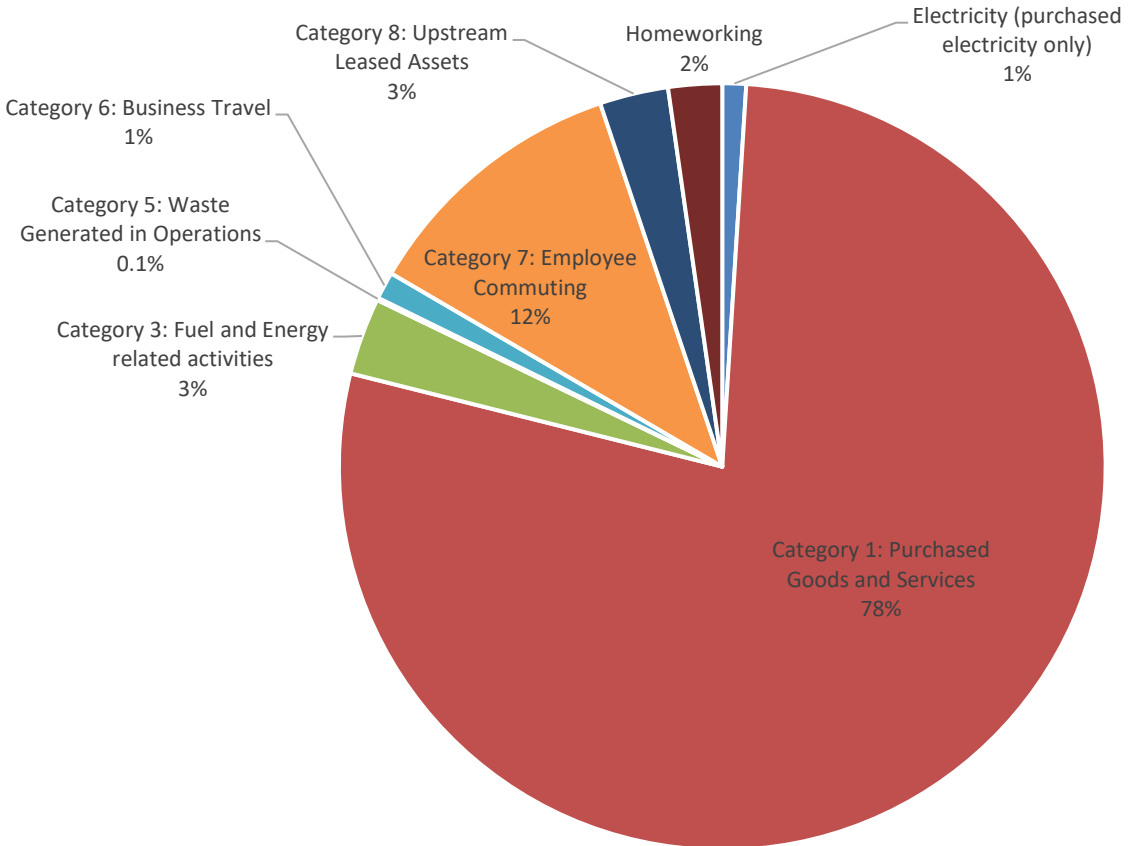
Scope 3 emissions Breakdown:	Metric tonnes CO ₂ e
Category 1: Purchased Goods & Services	225
Category 3: Fuel and Energy related activities	9.4
Category 5: Waste generated in operations	0.3
Category 6: Business Travel	3.3
Category 7: Employee Commuting	33
Category 8: Upstream leased assets	8
Outside of scopes: Homeworking emissions	7

Current Year Emissions Footprint



2022 is the first period we have calculated our emissions from Scope 3 Category 1: Purchased Goods and Services. As expected, this is a significant contributor to our overall emissions at 78%. Employee commuting is also a significant source of emissions, accounting for 12%. Other categories which have been calculated for the first time in 2022 include Fuel and Energy related activities and homeworking emissions, which are relatively minimal accounting for 3% and 2% respectively. Given our purchased electricity is 100% renewable, all emissions associated with our activities fall within the scope 3 categories.

Overall GHG Emissions by fuel type (tCO2e)

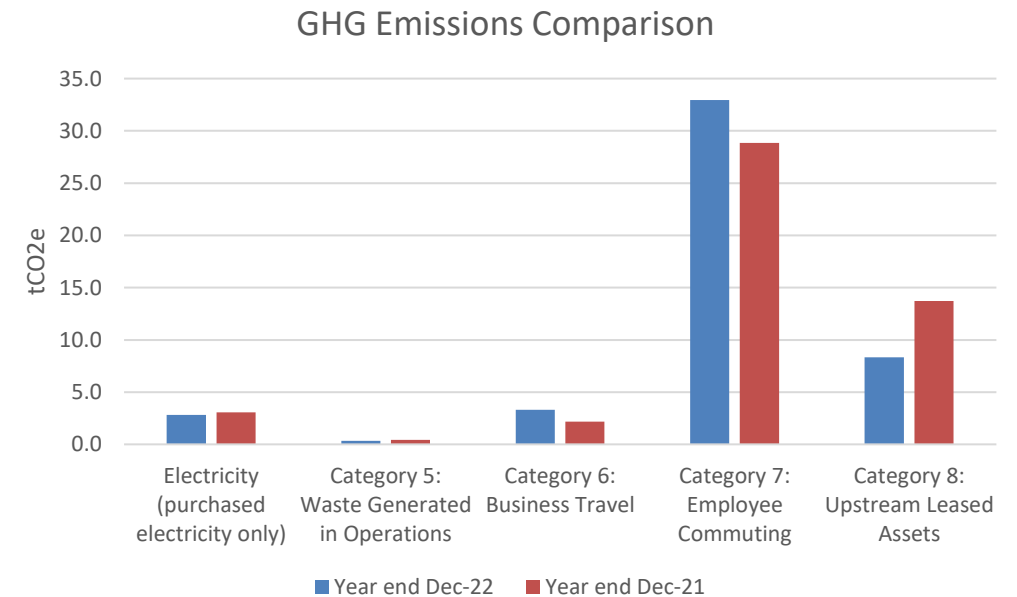


Current Year Emissions Footprint



Overall our emissions have reduced by 0.9% since 2021 against the same scopes.

Emissions (tCO2e) by activity	Scope	Year end 2022	Year end 2021	Percentage Change
Electricity (purchased electricity only)	2	2.9	3.1	-6%
Category 5: Waste Generated in Operations	1	0.3	0.4	-21%
Category 6: Business Travel	1	3.3	2	52%
Category 7: Employee Commuting	3	33	29	14%
Category 8: Upstream Leased Assets	3	8	14	-39%
Total Gross Carbon Emissions (tCO2e)		47.8	48.2	-0.9%
Total Gross Carbon Emissions Scope 1 (tCO2e)		0	0	
Total Gross Carbon Emissions Scope 2 (tCO2e) Location Based*		2.9	3.1	-8%
Total Gross Carbon Emissions Scope 2 (tCO2e) Market Based*		0	0	
Total Gross Carbon Emissions Scope 3 (tCO2e)		45	45.2	-0.4%
Intensity Metric CO2 to £m turnover (tCO2e)		1.3	1.6	-21%
Intensity Metric CO2 to £m turnover (tCO2e)		1.4	1.8	-21%
Total annual net emissions (tCO2e)		44.9	45.2	



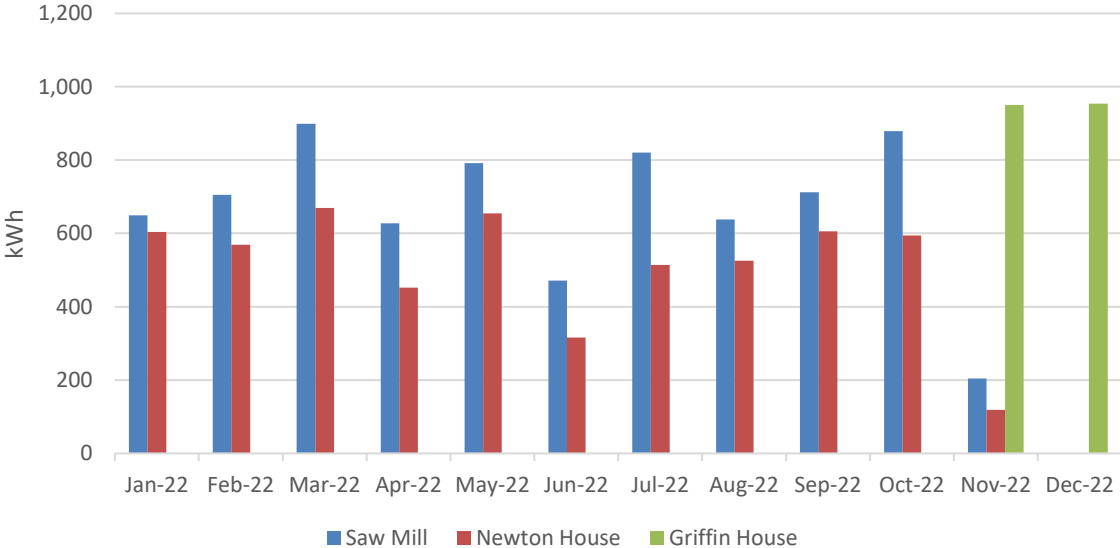
*A location-based method of reporting reflects the average emissions intensity of the electricity grid (which in the UK is a mix of renewables, gas etc), whereas a market-based method reflects any contractual supply of green energy.

Current Year Emissions Footprint – Scope 2



Overall our electricity consumption has increased by 1.4% since 2021. This is likely due to a move to the new office in November 2022 where heating is supplied via a ground-sourced heat pump, which is powered by electricity. As all electricity supplies are renewable, the emissions associated with running this are zero. In contrast, the emissions associated with our kerosene consumption reduced by 39% due to eliminating it as a source of heating.

Purchased Electricity by MPAN



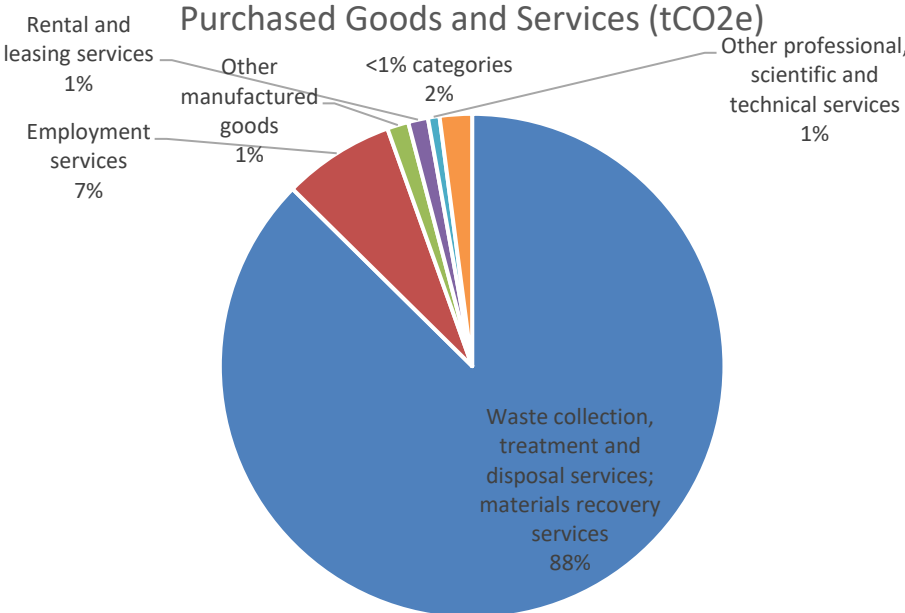
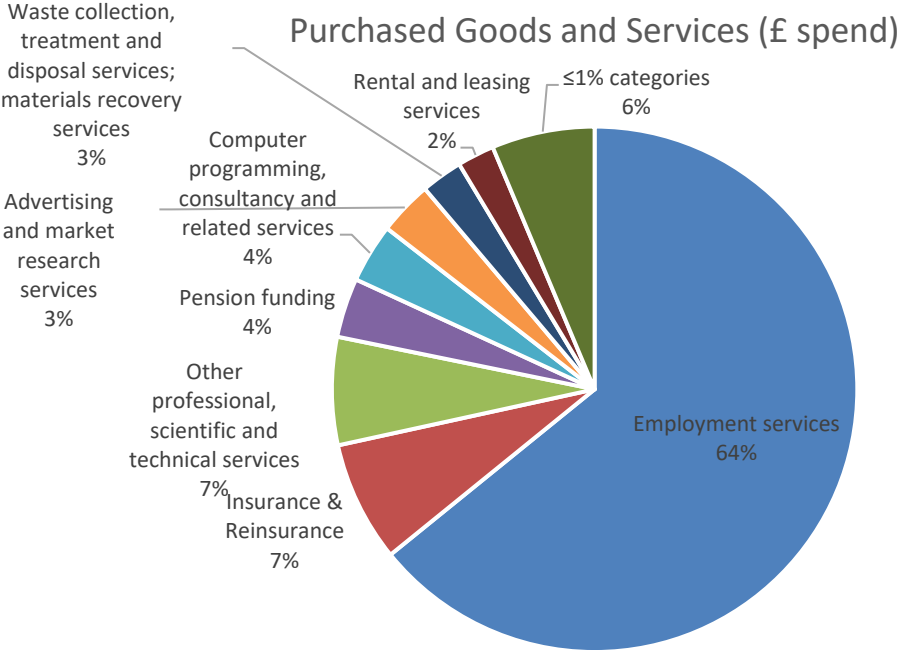
	2021	2022
Electricity (kWh)	14,401	14,921
Kerosene (litres)	5,406	3,286

Current Year Emissions Footprint – Scope 3



Category 1: Purchased Goods and Services

78% of emissions were from purchased goods and services. Despite the majority of spend being on employment services (64%), these only produced 7% of emissions. The emissions associated with the waste collection service we deliver produced the majority of emissions from this category at 88%. All other types of purchased goods and services produced either 1% or less of emissions from this category. Any very minimal categories have been grouped together for representation in the below pie charts.



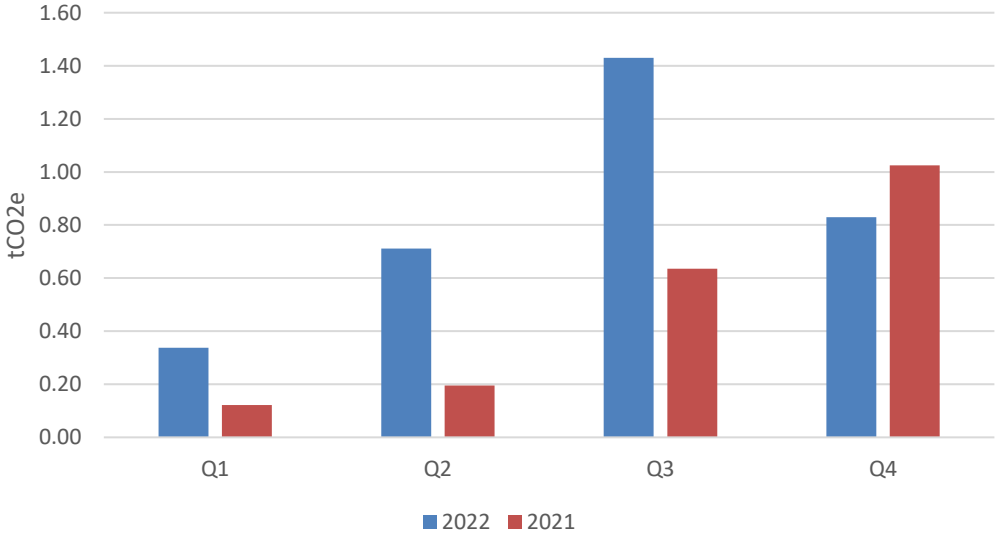
Current Year Emissions Footprint – Scope 3



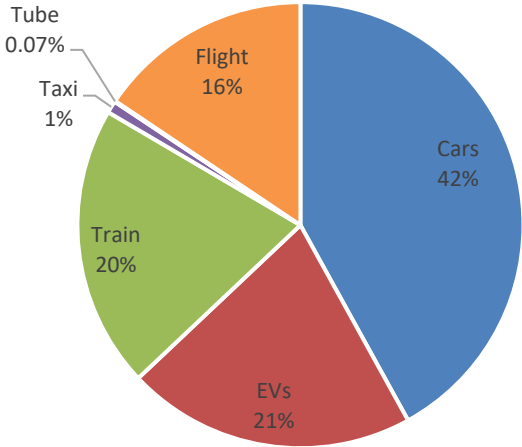
Category 6: Business Travel

Business travel accounts for 1% of our 2022 carbon footprint (3.3 tCO₂e). It has increased by 53% compared to 2021 as business travel activities have increased following a full year without Covid-19 restrictions. When compared to the last normal year of business activities (2019), business travel has reduced by 81%, demonstrating a shift to more virtual ways of working and the success of introducing a new company electric pool car.

Business Travel emissions



Business Travel emissions by transport mode



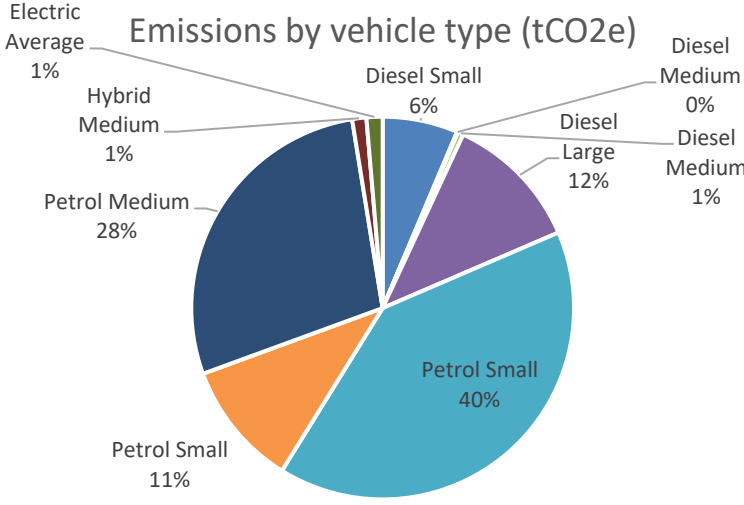
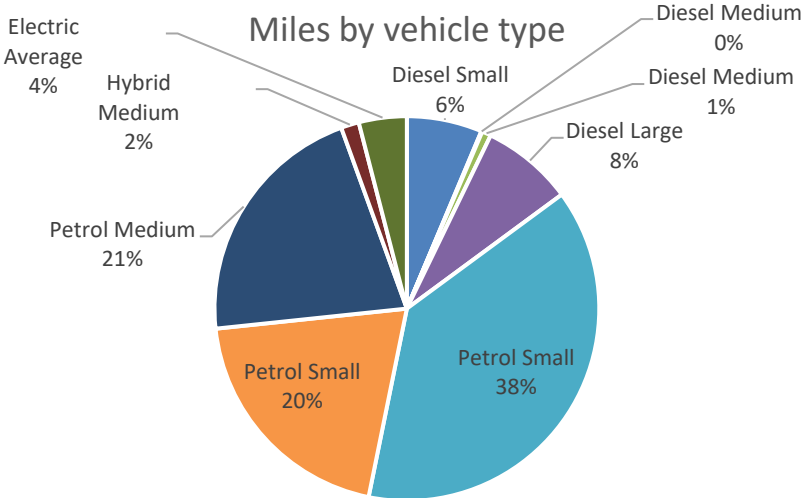
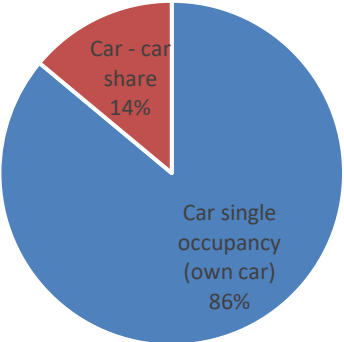
Current Year Emissions Footprint – Scope 3



Category 7: Employee commuting

Employee commuting is the second largest contributor to overall emissions, producing 33 tCO2e in 2022 (11%). In 2022 a car share scheme was introduced to incentivise car sharing, and this has seen success with 14% of employees travelling to work predominantly by car share. Employee commuting emissions have increased by 14% since 2021, likely due to the increase in employee numbers. However, they are at similar levels to what they were in 2019 (when employees were in the office 5 days a week), this represents the reduction of emissions that can be made via homeworking and car share schemes, despite the number of employees increasing.

Employee Commuting - Transport mode

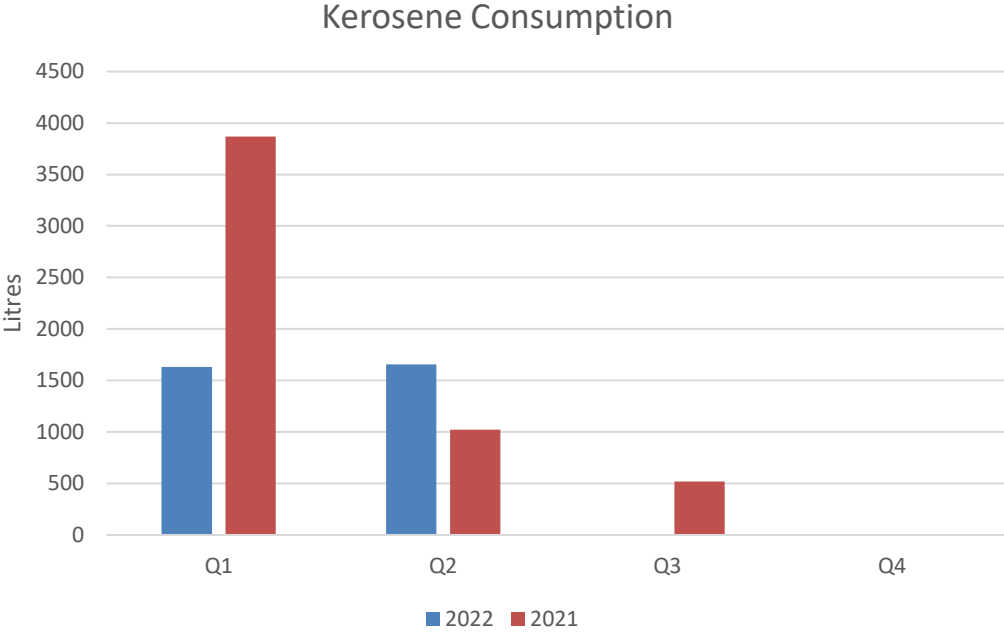


Current Year Emissions Footprint – Scope 3



Category 8: Upstream Leased Assets

For the majority of 2022 we were leasing an office where the heating was supplied by kerosene. In 2021, this was the second largest source of emissions, accounting for 28% (14 tCO₂e). In 2022, we moved to a new office with a ground-sourced heat pump, and as a result the emissions from this source dropped significantly to 8 tCO₂e, now accounting for only 3% of our 2022 carbon footprint, and will be eliminated completely going forwards.



Methodologies, data, and assumptions

Scope	Description of the types and sources of data used to calculate emissions	Description of the methodologies, allocation methods, and assumptions used to calculate emissions	Description of the data quality of reported emissions	Percentage of emissions calculated using data obtained from suppliers or other value chain partners
Scope 2	<p>Activity data (primary data): kWh consumption from monthly meter readings</p> <p>DEFRA 2022 published conversion factors for company reporting</p>	<p>DEFRA Conversion factors 2022</p> <p>A location-based method was used to calculate electricity emissions, a market-based method was also used to account for renewable energy purchased.</p>	Good	0%
Scope 3				
Category 1: Purchased Goods & Services	Spend data for all purchased goods and services in 2022 split by industry type. We exclude the emissions associated with PRNs, WEEE, and Batteries Recycling evidence we procure on behalf of our members but have begun monitoring this and are looking to work on supplier engagement.	DEFRA SIC Code emissions factors for different industries	Low	0%
Category 3: Fuel and Energy related activities	Kerosene and electricity consumption data as outlined in scope 2 and upstream leased asset sections	DEFRA Conversion factors 2022	Good	0%
Category 5: Waste generated in operations	<p>Activity data (primary data): Amount of general and recyclable waste produced during the period recorded by weighing office bins on a weekly basis</p> <p>Financial data (secondary data): Total cost of water bill for the reporting period</p> <p>Emissions factors (secondary data): Emissions factors were obtained from the DEFRA 2022 published conversion factors for company reporting</p>	<p>DEFRA Conversion factors 2022</p> <p>All general waste is assumed to go to incineration, all recyclable waste is assumed to be recycled.</p> <p>For any weeks where weights were missing averages were used.</p> <p>Water consumption cost is split 50/50 between water supply and water treatment</p>	Fair	0%

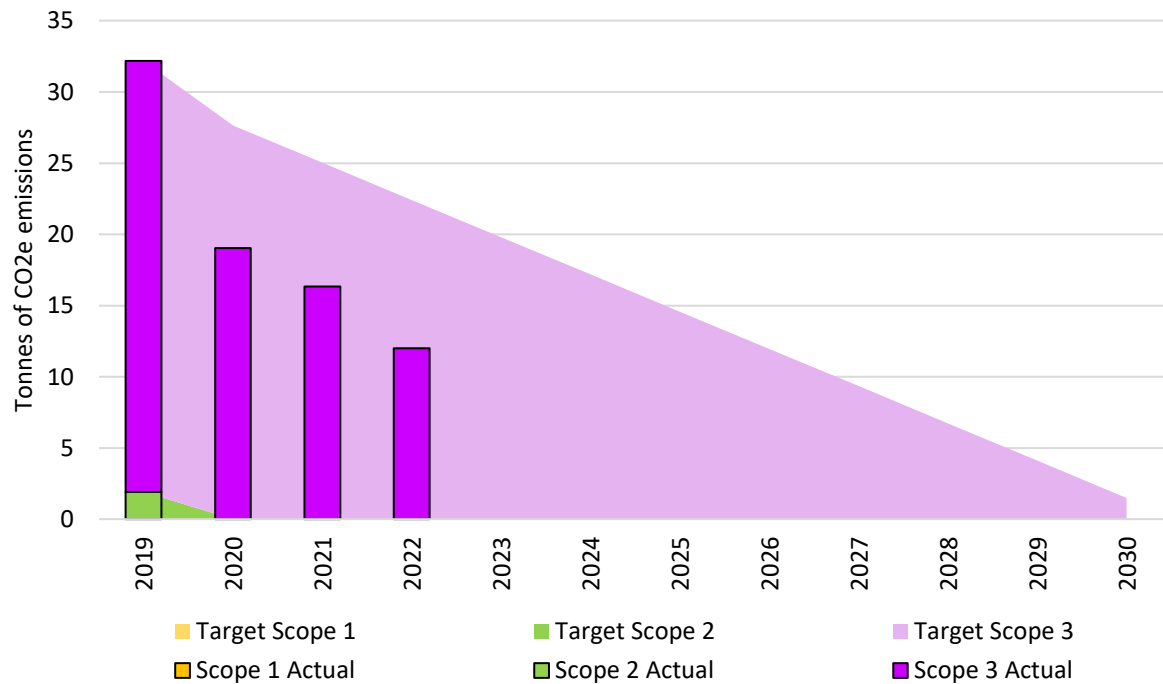
Methodologies, data, and assumptions

Scope	Description of the types and sources of data used to calculate emissions	Description of the methodologies, allocation methods, and assumptions used to calculate emissions	Description of the data quality of reported emissions	Percentage of emissions calculated using data obtained from suppliers or other value chain partners
Category 6: Business Travel	<p>Financial data (secondary data): Mileage travelled calculated from expense claims:</p> <ul style="list-style-type: none"> -By car calculated based on 45p or 30p per mile rate -By train based on average 55p per mile rate - By tube based on average £1.176 per mile rate - By taxi based on average £2.86 per mile rate -For those with recorded start and end destinations, distance travelled was used <p>Emissions factors (secondary data): Emissions factors were obtained from the DEFRA 2022 published conversion factors for company reporting</p>	<p>Assumed flight distances align with distances calculated on webflyer.com</p> <p>For any journeys which did not include start and end destination details, average cost per mile was used</p>	Fair	0%
Category 7: Employee commuting	<p>Activity data (primary data): Survey of employees to ascertain days in office, distance travelled, and transport modes. Accounts for annual leave.</p> <p>Emissions factors (secondary data): Emissions factors were obtained from the DEFRA 2022 published conversion factors for company reporting</p>	Excludes any employees who left in 2022 as they were unavailable to complete the survey	Good	0%
Category 8: Upstream leased assets	<p>Activity data (primary data): Litres of heating oil purchased for the leased office from invoices during the reporting period</p> <p>Emissions factors (secondary data): Emissions factors were obtained from the DEFRA 2022 published conversion factors for company reporting</p>	Assumed all heating oil purchased in the period was used in the reporting period	Good	0%
Outside of Scope: Homeworking	<p>Activity data (primary data): Survey of employees to ascertain hours worked from home</p> <p>Emissions factors (secondary data): Emissions factors were obtained from the DEFRA 2022 published conversion factors for company reporting</p>	Assumed all employees use both office equipment and heating at home	Fair	0%

Emissions Reduction Targets



We are committed to being Net Zero by 2030 with a 95% reduction in scope 1, 2, and selected scope 3 emissions against our 2019 baseline.



Target Date	2030
% Reduction	95%
Number years	11
Annual % Reduction	8.64%

Our Targets exceed those recommended by the Science Based Targets Initiative which equate to approximately a 4% reduction annually based on the 1.5 degree pathway.

Our Targets are absolute, meaning we will aim to meet them, even as the business grows.

NB: Scope 3 includes Waste, Business Travel, and Upstream Leased Assets. We will endeavour to increase our coverage of scope 3 categories over time and amend our scope 3 target accordingly.

Carbon Reduction Plan



We follow the IEMA Greenhouse Gas Management Hierarchy:

Eliminate > Reduce > Substitute > Compensate.

Our completed carbon reduction projects:

- **Eliminate:** Replacement of kerosene for heating through move to new office with ground sourced heat pump
- **Reduce:** Transition to low energy LED lighting and PIR sensors in new office
- **Reduce:** Car share policy introduced to reduce emissions from employee commuting
- **Substitute:** We purchase 100% renewable electricity
- **Substitute:** New company EV purchased with longer range
- **Substitute:** 2x EV charging points installed onsite

Our planned carbon reduction projects



We follow the IEMA Greenhouse Gas Management Hierarchy:

Eliminate > Reduce > Substitute > Compensate.

Our planned carbon reduction projects:

- We have begun to record our wider impact including homeworking emissions, and will be looking to report on this and seek ways to reduce this impact going forwards
- Review car share scheme and how we can support employees further to choose low carbon transport options

Our supply chain

- Collate information on suppliers' carbon measurement status and environmental agendas
- Work with our suppliers to measure and reduce the emissions of the products we purchase and the logistics to transport them.

Declaration and Sign Off

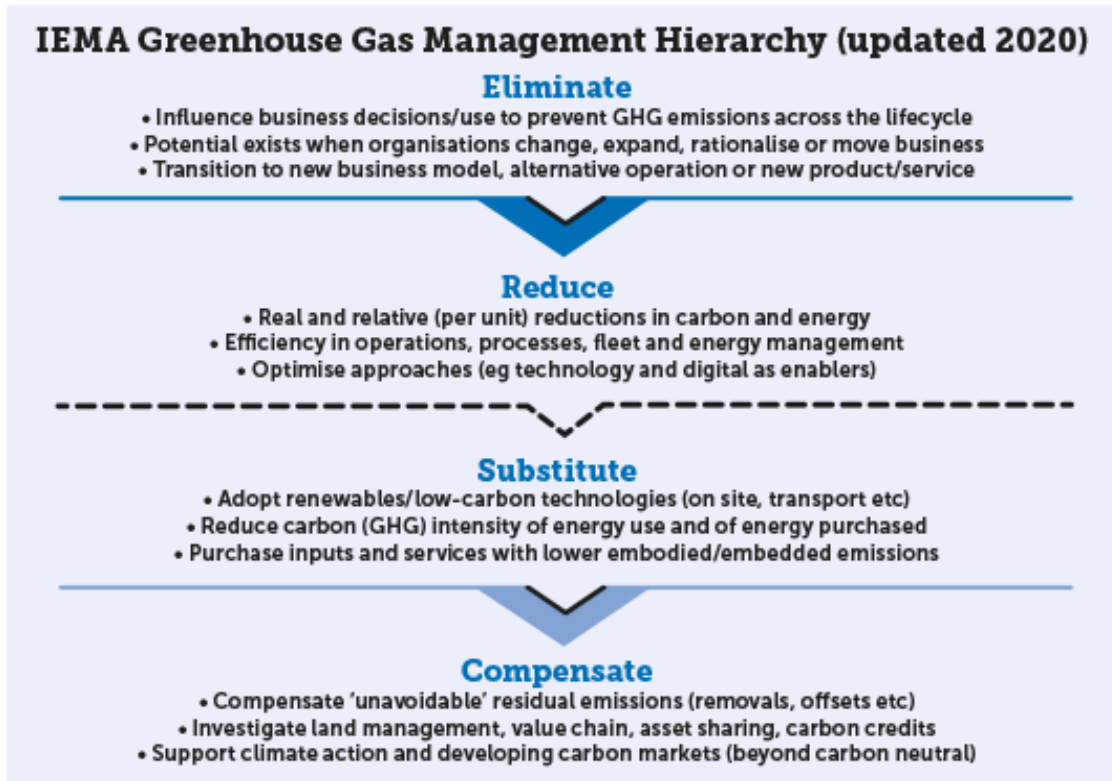


Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors.

Signature: 

IEMA Greenhouse Gas Management Hierarchy



Updated from original IEMA GHG Management Hierarchy, first published in 2009

Credit: IEMA, 2020: <https://www.iema.net/articles/ghg-management-hierarchy-updated-for-net-zero>