WALKER MORRIS | WM

# NET ZERO STRATEGY

## 2025

In last year's Positive Impact Report, we committed to publishing our full Net Zero strategy.

We're now excited to share this document, which outlines our commitment to achieving Net Zero status by 2040, and the steps we're taking to get there.

We've been working for the last year with SLR, a specialist Net Zero consultancy. They've helped us form our plan and establish our approach.

We hope this strategy provides a clear understanding of our commitment to achieving Net Zero status. We look forward to working together to make Walker Morris a more sustainable place to work.

This strategy has been validated and approved by the Science Based Target Initiative (SBTi).

# Glossary

There are terms used in this document that might be unfamiliar. Here's what they mean:

## GHG emissions

Heat-trapping pollution released into the atmosphere by activities such as burning fossil fuels. These Greenhouse Gases warm the planet and destabilise the climate.

## Scope 1 emissions

These are the emissions from sources that we own or control directly, for example using fuel in vehicles we own.

## Scope 2 emissions

These are the emissions we cause indirectly and come from where the energy we purchase and use is produced. Emissions caused when generating electricity we use would fall into this category.

## Scope 3 emissions

These emissions aren't produced by us, and they're not the result of activities from assets owned or controlled by us — it's those emissions that we're indirectly responsible for. This might include emissions produced by suppliers.

## Residual emissions

There's an acceptance that we can't eliminate all emissions. These are the emissions that remain even after all reduction efforts have been implemented.

## Science Based Targets Initiative (SBTi)

The SBTi is a collaboration between the CDP, the UN Global Compact World Resources Institute and the World Wide Fund for Nature. They develop standards, tools and guidance to help companies set GHG emissions reduction targets. They're also the main body for target and strategy validation.

## We've set a target to achieve Net Zero (GHG) emissions from all our Scope 1, 2, and 3 emissions by 2040, starting from a baseline of 2022

We're also aiming to reduce our emissions by 42% by 2030, a short-term goal that aligns with our long-term Net Zero target.

Both of these targets have been approved by the Science Based Targets Initiative (SBTi).

We'll meet these targets through a combination of carbon reduction measures, procuring renewable energy, carbon reduction in our supply chain, and offsetting residual emissions through purchasing certified carbon credits.

## Senior management will be responsible for achieving our target

Our Managing Partner will oversee the monitoring, tracking, reporting, and achievement of our target.

The Head of Facilities, supported by the Finance team, will manage data collection and the ongoing management of the carbon reduction plan.

## We'll track our progress annually

We'll collate data annually and calculate the relevant GHG emissions for that period.

We'll input data relating to emissions and mitigation activities into our 'Carbon Reporting Tracking Tool' and use that to monitor progress of our carbon reduction plan.

We'll review our performance against the target annually, assessing the impact of any measures and the potential impact of future measures. We'll publish our performance against the target annually.

# Our Net Zero target encompasses 100% of our operational Scope 1 and 2 and relevant Scope 3 emissions

What does that mean in practice? Scopes 1 and 2 are mainly electricity for the office and a small amount of energy for a company car.

We've reviewed our Scope 3 emissions under all 15 categories defined under the GHG Protocol and categorised them as material, immaterial, or not relevant. We'll be reporting on emissions from material sources.

These are:

### Purchased goods and services
Anything we buy from suppliers e.g. building services, catering, insurance, accountancy, financial services, advertising, employment services.

### Capital goods
This includes IT hardware, AV equipment, furniture.

### Fuels and energy related activities
Emissions associated with office electricity consumption e.g. fuel extraction and generation, transmission losses from the grid in getting power to our office.

### Waste generated in operations
All our waste materials e.g. general waste, food, packaging, old IT equipment.

### Business travel
Any business-related travel, by any means, excluding commuting.

### Upstream transport and distribution
This covers couriers, DX, Royal Mail.

### Employee commuting
Any employee transport between home and place of work.

### Downstream leased assets
Electricity use in the space we sublet to Progeny.

Our 2022 baseline emissions are 1,844 tCO2e consisting of:

- Scope 1 — 0.1 tCO2e
- Scope 2 (location-based) — 183 tCO2e
- Scope 2 (market-based) — 0 tCO2e
- Scope 3 — 2,114 tCO2e
- Total (location-based) — 2,297 tCO2e
- Total (market-based) — 2,114 tCO2e

Our baseline figures were recalculated in 2023 to incorporate data accuracy improvements identified during the 2023 emissions inventory calculation process.

**Emissions by Scope (tCO2e)**

Scope 1 — 0.1

Scope 2 (location based) — 183

Scope 3 — 2,114
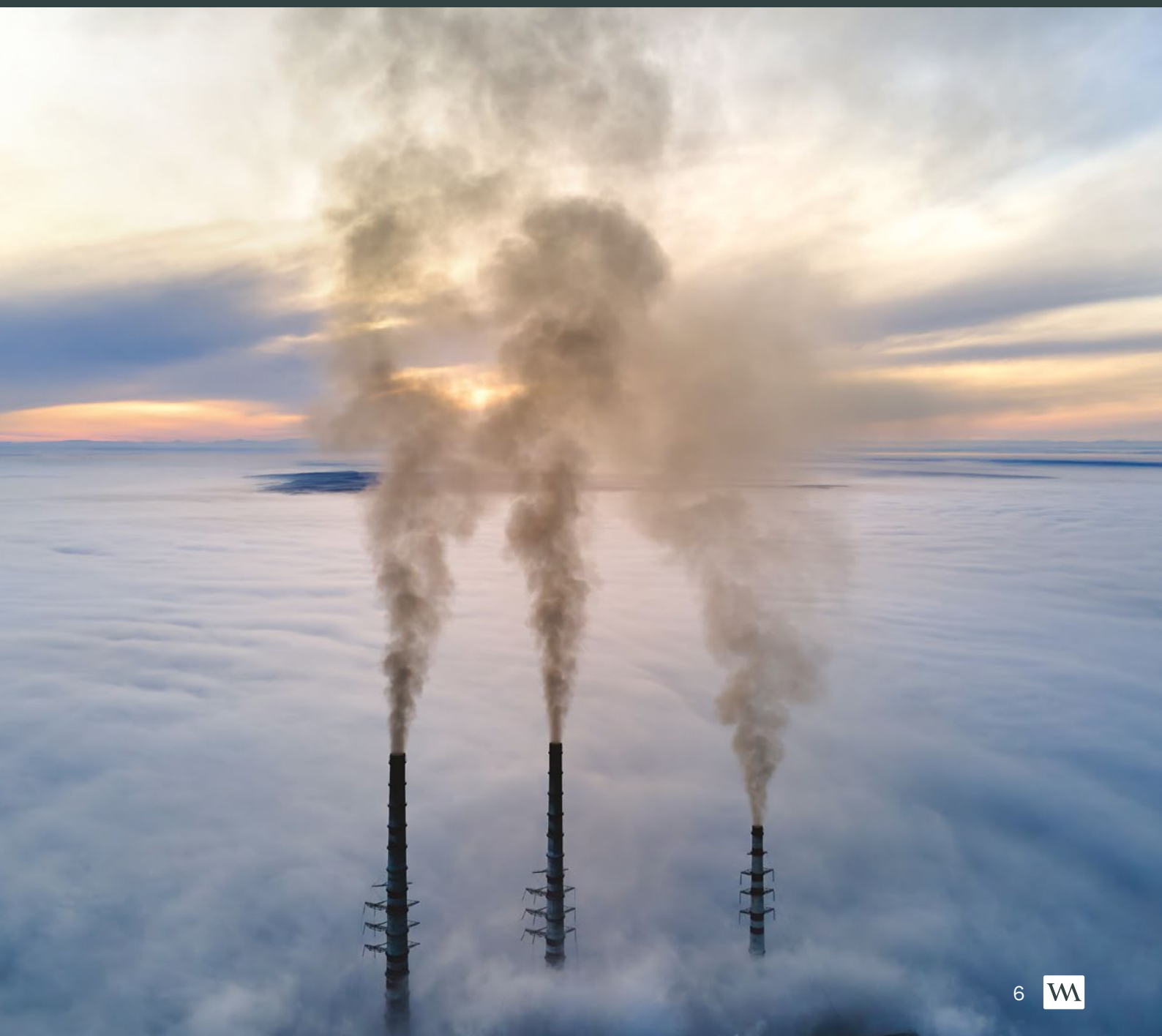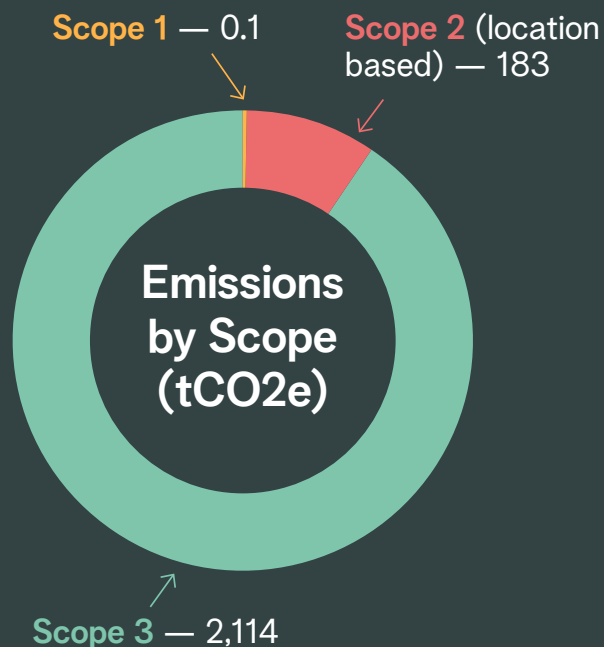
# We aim to achieve Net Zero emissions from 100% Scope 1, Scope 2, and Scope 3 sources by 2040

↓**42%**
reduction **by 2030**
across combined
Scope 1, 2, & 3 emissions

at least
↓**90%**
reduction **by 2040**
(with 10% allowable through offsets)
across combined
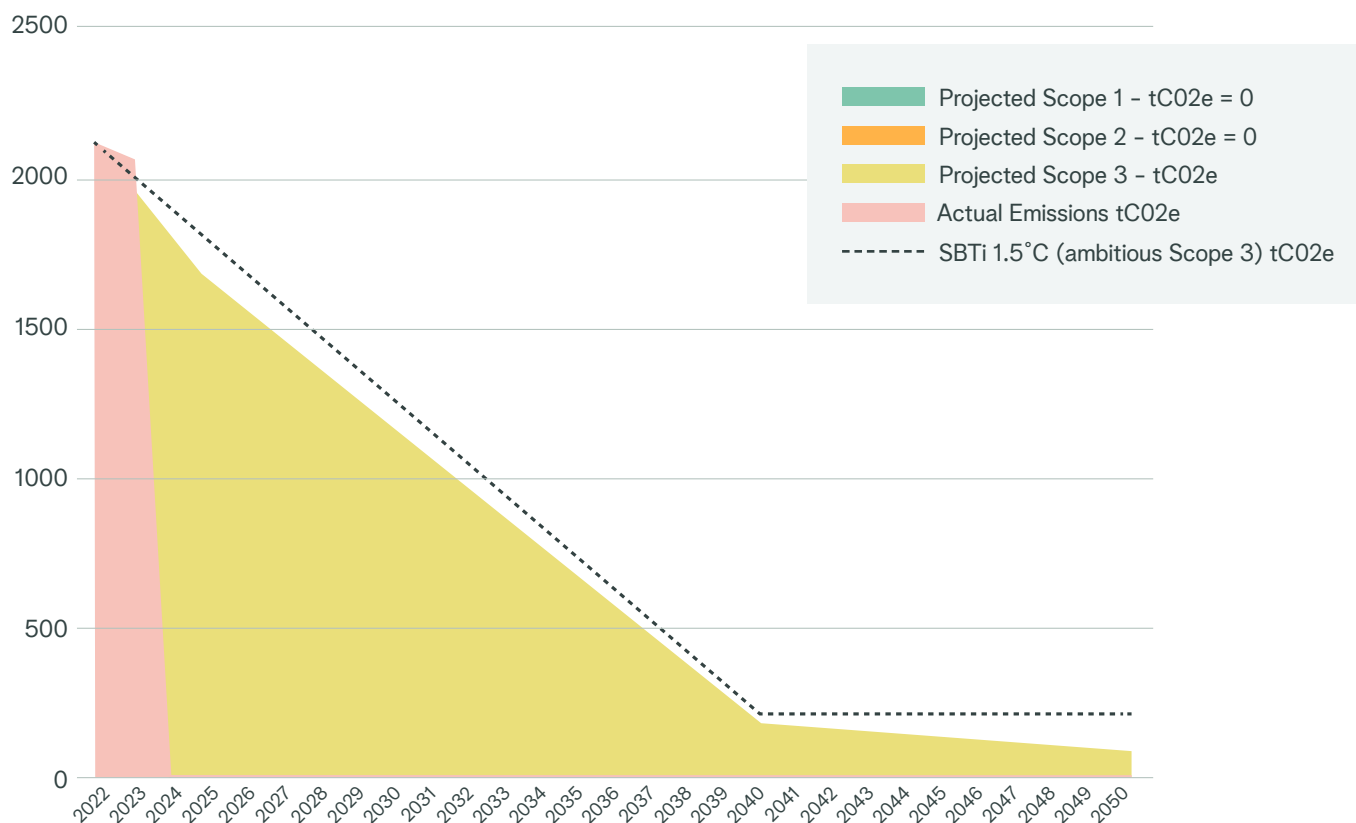Scope 1, 2, & 3 emissions

## We've introduced a Carbon Reporting Tracking Tool to collate and quantify our activities

These include engaging with Net Zero committed suppliers, homeworking, reduction of emissions associated with business travel, and encouraging low–carbon modes of transport for commuting.

We'll track all projects that have been implemented and add any new projects as we identify them. We'll calculate the impact of these projects to keep us on track. Currently, our planned carbon reduction activities will lead to a 90% reduction in operational emissions by 2040.

**S1, S2, & S3 - Market Based Emissions**



Legend:
- Projected Scope 1 – tCO2e = 0
- Projected Scope 2 – tCO2e = 0
- Projected Scope 3 – tCO2e
- Actual Emissions tCO2e
- SBTi 1.5˚C (ambitious Scope 3) tCO2e

## We'll also adopt an offsetting strategy

To achieve Net Zero status in 2040, we'll offset any residual emissions relating to our baseline and continue this process to maintain our Net Zero status post-2040.

Any offsets we purchase will meet the criteria laid out in PAS 2060 for credible offsets.

We'll prioritise credits relating to directly capturing and storing emissions (like planting trees or using carbon capture technology), rather than compensating for emissions by avoiding them.

We'll then document:
- Which GHG emissions we've offset and how many credits we've bought.
- The type of offsets involved, the time period over which they're generated, and the retirement date.

## We'll disclose our annual emissions via our annual sustainability report

The report will include annual energy consumption, our global GHG emissions across Scopes 1, 2, and 3, and performance against our target.

We'll publish the report on our website and circulate to all our people.

## We'll review our target and the relevance of the original baseline annually

If there have been any significant changes to the firm's structure, or improvements in data collection and accuracy that result in a change of more than 5% in relation to the original data, we'll undertake a re-baselining exercise as described in the GHG Protocol Corporate Accounting and Reporting Standard, and as required under the SBTi target methodology.

# Our methodology

We're using the 'Greenhouse Gas Protocol Corporate Accounting and Reporting Standard' to report our GHG emissions.

We've taken an 'operational control' approach in relation to the reporting boundary. We've included all Scope 1 and 2 emission sources within the reporting boundary, plus all relevant and material Scope 3 emission sources.

We've reported Scope 2 emissions as both location and market-based. Our targets incorporate our market-based Scope 2 emissions.

For Scope 3 emissions, we're using the methodology outlined in 'The GHG Protocol — Corporate Value Chain (Scope 3) Accounting and Reporting Standard'.

We've taken conversion factors from the 'UK Government conversion factors for company reporting of greenhouse gas emissions' and other internationally recognised data bases where applicable, as appropriate for the relevant year.

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