



Environmental sustainability at Capsticks

July 2022

Becoming a carbon net zero business by May 2024 – our commitments



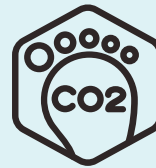
Move all of our office energy supply to 100% renewables



Offset the rest of our business energy use



Partner with suppliers who themselves are net zero or committed to net zero, by May 2024



Encourage everyone who works at Capsticks to reduce their individual carbon footprint both through our working practices and our benefits offering



Act for clients who work to make a difference and are themselves committed to environmental sustainability



Obtain accreditation under ISO 40001, the international standard for environmental management systems

Why we are aiming for environmental sustainability

Our vision is to be the firm of choice for those who work to make a difference. We also recognise that, as a firm, we have a responsibility to make a difference.

One of our foundational values is **doing the right thing**. A key part of this is having a Responsible Business strategy that includes environmental sustainability. Doing the right thing means ensuring we do everything possible to reduce our output of greenhouse gases through our infrastructure, processes and systems. We know that with some key changes, we can become a much greener, cleaner firm and play our part as a responsible business.

We've made good progress already, for example:

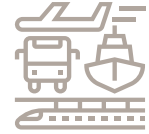
- In our Birmingham, Leeds and London offices we **recycle** almost all of our waste. Any waste that cannot be recycled is sent to generate green energy rather than sent to landfill.



- We've become a **paper-lite business**, with energy saving measures in place in all of our offices.



- We have a **lean infrastructure** – for example we don't have any company cars, and hybrid working is a good opportunity to reduce our office footprint and also reduce travel, while still staying connected.



- We're members of the [Legal Sustainability Alliance](#), the leading sustainability network for law firms and the UK legal sector.



But we recognise that there's more that we need to do and that it's an ongoing process.

How it will work in practice

In the office

100% renewable energy supply

The running of our offices accounts for our single biggest consumption of energy, so switching all of them to renewable energy (electricity – we are 100% electric in all offices) will make a significant difference. Our energy supply in our new **Birmingham** office, One Temple Row, is already A+ accredited as 100% renewable and we're in the process of moving our supply in **London** to [Good Energy](#), an energy supplier that guarantees a supply of 100% renewable electricity. In **Chorley, Colchester, Leeds and Winchester**, our energy supply is organised by our landlord and we are in multi-occupancy buildings. While it's going to take some time to put the necessary arrangements in place, we're confident that by April 2023, our energy supply to all our offices will be 100% renewable.

Recycling

As a firm, we already recycle a lot of our waste. Here are some recent examples:

- In 2021/22, in partnership with First Mile, the London office recycled 28,800 kilograms of material, saving 328 trees and 41 tonnes of carbon dioxide. Our general waste only makes up 25% of all our business waste and is sent to generate green energy, instead of going to landfill. This green energy has produced 5,372 kWh in the last twelve months, enough to power 531 laptops a month.
- Our provider of waste services in Birmingham and Leeds recycles and/or diverts all residual waste from landfill. For example, our Leeds office recycles 90% of the waste on average, with 10% being used for refused-derived fuel. In the last year, the volume of kWh created from that could power 35 office printers for a year.
- We have worked with Computer Aid recently to donate our used electronic equipment.

However, we will be going further and looking at every way that we maximise recycling of all the materials we use.

Energy offset

In the short and medium term, there are real challenges to achieving carbon neutrality solely through changes in how we operate as a business, which means we will continue to be responsible for some direct or indirect emissions. Travelling to see clients and working from home are examples of this. However, there are things we can do to mitigate this.

We will partner with [Ecosphere+](#), a market leader in energy offset schemes, to balance (or offset) our remaining emissions. In line with many other businesses, we don't think carbon offsetting is a long-term solution, but it's a necessary and important step to take now.

In 2022 – 2023, we will be supporting Ecosphere+ in their Guatemalan coast conservation project, aiming to protect over 54,000 hectares of threatened forest and coastline, with part of the project improving access to healthcare for under-served groups, in particular non-Spanish speaking indigenous women. More details [here](#).

This is a first step for us and is based on our latest statutory Streamlined Energy and Carbon Reporting (SECR) report. It will take us a little longer to calculate accurately our total net annual emissions, eg including home working. Once we

have this data, we will then partner with an appropriate provider to offset any further emissions. At that point, we will also ask the firm to help us to choose the provider or providers we will partner with for the longer term.

Our suppliers

We are auditing our suppliers to ensure that, wherever possible, we are partnering with only the most sustainable providers in all areas of our business, including transport (couriers), office supplies, cleaning services, food and drink providers; and also our external business development and events planning partners. We aim to have this mostly in place by the end of the 2022/23 financial year, with further work done with suppliers by May 2024. Going forward, environmental credentials will be a key consideration in our own procurement exercises.

How we will help you make individual contributions to carbon net zero

We want to support everyone who works at Capsticks to make more sustainable choices at home and at work with a range of incentives to encourage greener living.

1. **Our pension scheme:** Here's an interesting climate emergency fact: the pension plan you choose is one of the most significant responsible business steps you can take as an individual in the workplace – that's because the investment choices which pension providers make, are so significant. Our chosen pension provider, Aviva, is "A"-rated for its environmental, social and governance (ESG) credentials and has been independently described as the "standout performer" for ESG. However, it has to be a matter for you (with or without independent financial advice) where from [Aviva's range of schemes](#), you choose to invest your pension contributions.
2. **The Capsticks Cycle to Work Scheme:** we have had this in place for many years now, and in 2022 the allowance was increased from **£2,000 to £5,000**.
3. **The Capsticks Electric Car Scheme:** we're delighted to now offer a salary sacrifice [scheme to support you if you want to buy an electric car](#). Further details can be found on the [Capsticks Careers](#) page.
4. For the next twelve months, we're trialling a partnership with **Climate Perk** to offer you two paid "journey days" so you can use more sustainable travel options without losing annual leave days (i.e. train travel instead of flights). We'll look at extending the scheme if it's well received.

How our client base makes a difference

Another interesting climate emergency fact: one of the biggest indirect environmental impacts a professional services business can make, is in the clients it acts for. This is where Capsticks values serve us so well – in the sectors and clients we act for, which are organisations which work to make a difference. We know that many of our clients put their social value commitments front and centre of their organisation, and we do everything we can to support them with those commitments. Many of our clients are in the public sector, often leading the way in their own net zero plans. Take our NHS clients, for example: our Corporate and Commercial team are market leaders in advising on the NHS decarbonisation programme. That's an immense privilege and consistent with our value of doing the right thing.

Meeting the professional ISO 40001 standard

Holding ourselves accountable is really important. That's where ISO 40001 comes in – it's an independently audited process of certifying that our environmental management systems meet certain key requirements. Obtaining certification by December 2023 is a key step to getting Capsticks to carbon net zero by May 2024.

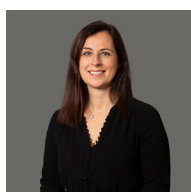
For more information about our plans and how you can get involved in delivering them, please contact our Responsible Business Committee:



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