

2023

# IMPACT REPORT



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AMS INSTRUMENTATION & CONTROL LTD

# IMPACT REPORT 2023

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# Introduction

Welcome to the second edition of our Impact Report, a comprehensive overview of the strides we have made in our journey towards positive change and a sustainable future. In this report, we summarise the transformative actions we've taken, the challenges we've encountered, and the meaningful outcomes we've achieved since our last update.

In a world grappling with numerous challenges, from climate change to social inequality, the need for collective action has never been more urgent. As an organisation driven by a vision of a sustainable and equitable world, we understand the critical role we play in promoting transformative change.

Since the previous report was published, we have embarked upon the journey to become a certified B-Corporation. This offers us the opportunity to build upon the purpose-driven approach that we incorporate, integrating social and environmental impact into our core operations.

We are proud to share the progress we have made, but we also recognize that our work is far from complete. This report not only serves as a reflection of our achievements but also as a roadmap for the future. It outlines our strategic direction, laying out ambitious goals and targets that will guide our actions in the years to come.

We extend our gratitude to all our stakeholders, partners, and team members who have contributed their time, resources, and passion to make these accomplishments possible. Together, we have the power to create a world where sustainability, equity, and prosperity thrive hand in hand. Let us continue this transformative journey with renewed vigour, determination, and hope.

Thank you for being part of this impactful movement.

**Matt Harford, Director**

# Carbon Footprint

Carbon footprint reporting is a critical practice that enables us to quantify and track the greenhouse gas emissions, particularly carbon dioxide (CO<sub>2</sub>), released into the atmosphere as a result of our activities. By assessing and disclosing our carbon footprints, we gain valuable insights into the environmental impact of our operations and products. These reports serve as a transparent means of understanding our contribution to climate change and help identify areas for improvement and emissions reduction.



Our carbon footprint reporting involves collecting data on energy consumption, transportation, waste generation, home working and other relevant factors that contribute to emissions. These data points are then converted into CO<sub>2</sub> equivalents using the standard UK emissions factors that are published annually on the Government website.

The benefits of carbon footprint reporting extend beyond environmental stewardship. We aim to demonstrate our organisation's commitment to sustainability at the same time as aligning with global efforts to combat climate change and supporting the achievement of sustainability targets, such as those outlined in the Paris Agreement.

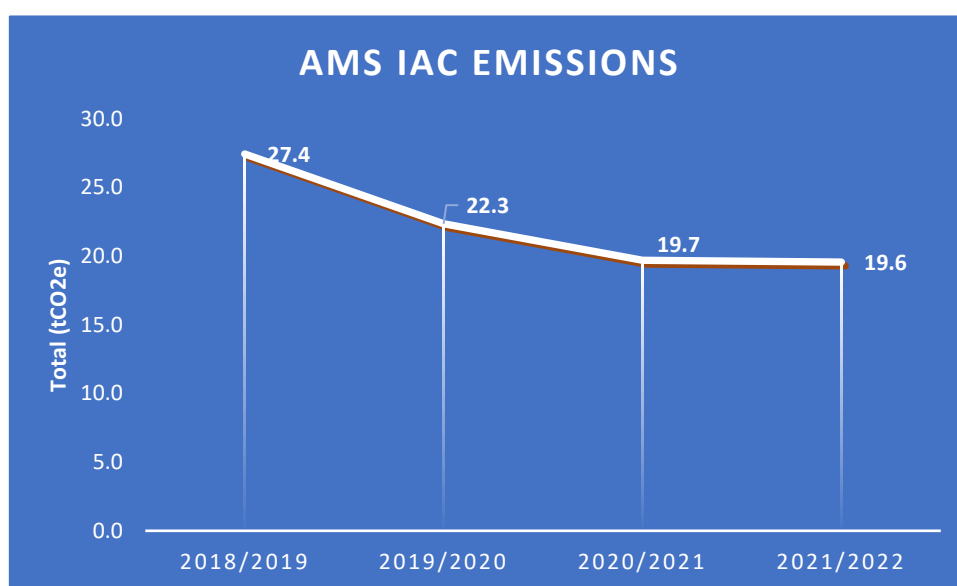
In our 2022 Impact Report, available to read [here](#), we measured the Carbon Footprint of our organisation from both direct and indirect sources. Setting a baseline year of 2018-19 we measured the greenhouse gas emissions released by our organisation from direct and indirect sources and set them out in terms of tonnes of CO<sub>2</sub> equivalent (tCO<sub>2</sub>e). The data collated during subsequent years showed a marked drop in emissions, however we recognised that some of this could be attributed to the lockdowns in 2020 and 2021 due to the Covid pandemic.

## Carbon Footprint Data

Below are our updated tables and graphs showing our emissions since 2018.

While our emissions continue to remain significantly below the baseline data, changes to our operational structure have resulted in a slight increase in some Scope 1 emissions, offset by a corresponding reduction in Scope 3 supplier emissions that we have not yet measured. We have expanded on this later on in this report.

Emissions Sector	2018/2019	2019/2020	2020/2021	2021/2022
Electricity	2.24	1.87	1.68	1.78
Company Owned Vehicles	7.43	4.67	3.08	4.22
Business Travel	1.83	0.32	0.17	0.32
Staff Commuting	4.03	3.60	2.23	2.45
Waste	11.87	11.75	11.90	10.27
Water	0.03	0.03	0.02	0.01
Home-Working	0.00	0.11	0.63	0.51
<b>Total (tCO<sub>2</sub>e)</b>	<b>27.4</b>	<b>22.3</b>	<b>19.7</b>	<b>19.6</b>



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## **Electricity**

- Methodology:** Data is based on half hourly meter readings, converted to tCO<sub>2</sub>e using the standard UK emissions factors.
- Current Practices:** Solar panels are in use, and we have a ground source heat pump for heating. Our lighting is automated, and we have HVAC system in the offices. Our workshop space is large and double height, so we installed containers converted to create a smaller enclosed workshop space that can be easily heated in the winter months.
- Reduction Strategy:** From 30/09/23 our energy is supplied by [Positive Energy](#). Although this will not result in a reduction in electricity usage, Positive Energy provide energy from 100% renewable sources only.
- Other Notes:** In 2021 we purchased two CNC machines, a mill and a lathe, to enable us to machine some of the bespoke components in-house. This has generated many benefits, including a reduction in inbound deliveries from external suppliers and the ability to manage machining waste. Our Scope 1 electricity usage has necessarily increased, but this is offset by a reduction in Scope 3 emissions created by our suppliers', which we do not currently measure.

## **Company Owned Vehicles**

- Methodology:** Company cars make use of a fuel card scheme that provides accurate data on the volume of fuel used. This is converted to mileage at the average rate for the company vehicle and converted to tCO<sub>2</sub>e using the standard UK emissions factors.
- Current Practices:** As a business we now only run one company vehicle, down from 5 since the baseline year 2018/19.
- Reduction Strategy:** Any new or replacement fleet vehicles will be electric or hybrid making use of the on-site electric charging point.

## **Business Travel**

- Methodology:** Business travel is mostly carried out by car. Mileage has been recorded and converted to tCO<sub>2</sub>e using the standard emissions factors.
- Current Practices:** Emissions caused by business travel have actually increased in 2021-22 with the end of Covid-19 lockdowns, however it is still significantly lower than during the baseline year 2018-19.

**Reduction Strategy:** Our sales methods are now marketing focussed rather than face-to-face meetings, reducing the need for the majority of our business travel. We have put into place a Corporate Travel Policy that emphasises the use of web conferencing and video meetings over physical meetings.

## **Staff Commuting**

**Methodology:** 3 vehicles were used for commuting during the 2021/22 reporting period, with some commutes taking place 4 days a week and some only 1 day a week due to hybrid working. The total mileage was converted to tCO<sub>2</sub>e using the standard emissions factors for each type of car used.

**Current Practices:** Commuting is only by car; no public transport is used.

**Reduction Strategy:** Commuting emissions can be reduced by incentivising staff to use other forms of transport however it is recognised that public transport in Cornwall is sparse and time-consuming.

## **Waste**

**Methodology:** Towards the end of the 2021/22 reporting period, we changed our waste and recycling provider to one that provides data on the weight of material collected. This means that our reporting will be more accurate going forwards.

The UK Government conversion factors take into account the carbon emissions of material production as well as waste disposal, which makes waste a very significant proportion of our carbon emissions.

**Current Practices:** Up until this point the weight of the waste and the recycling has been estimated based on the bin size.

**Other Notes:** Our new waste and recycling provider is Devon Contract Waste ([DCW](#)). Based just across the border in Devon, they have regular collections that go directly past our premises. They are a Zero-to-Landfill operator, and they process waste for recycling, rather than sending it all to Energy-from-Waste plants for incineration.

**Reduction Strategy:** Now that we are machining many of our components in-house, we have reduced deliveries and the associated emissions and packaging. We will also be able to monitor and reduce our machining waste. All our purchased cardboard is recycled and recyclable. We have issued a Supplier Code of Conduct that requests suppliers to use recycled materials where possible.

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## **Water**

- Methodology:** Water usage and emissions have been calculated using water meter readings on-site and converted to tCO<sub>2</sub>e using the standard emissions factors.
- Current Practices:** Until May 2022 the water meter was read annually. It is now read on a monthly basis which will enable us to identify patterns in usage and measure improvement in reduction.
- Other Notes:** A water tank is used to test the equipment, which uses a lot of water, although this is recycled during the testing process. It is estimated that the tank holds around 76 litres and that the water is changed monthly. Improvements regarding this are under consideration.

It is worth noting that the emissions factors changed significantly from 2020 to 2021, reducing by more than half. This means that the tCO<sub>2</sub>e numbers are not like-for-like, however our water usage in 2022 has decreased by 12% from the previous year.

## **Home Working**

- Methodology:** In 2022 the UK Government added homeworking emissions factors to their data, with individual factors for Office Equipment and Heating. For continuity we applied these factors to the previous years' data as well as the data for 2022.
- Current Practices:** One employee works from home full time and one employee is hybrid working. Both purchase renewable energy from Bulb/Octopus. All other employees work at the company premises in Indian Queens.
- Other Notes:** There is very little that can be done to reduce homeworking emissions other than removing the option of homeworking. However, this would be negated by an increase in commuting and office-based emissions as well as eradicating the numerous benefits that remote working offers to both employees and employers. Homeworking provides greater flexibility, allowing employees to achieve a better work-life balance. It reduces commuting time and costs and enhances overall well-being.

## **Summary**

Despite facing numerous challenges, our business remains committed to reducing its carbon footprint and contributing to a greener future. We understand the significance of sustainable practices and have implemented various initiatives to limit our environmental impact. For example, we actively source local and eco-friendly materials to support regional communities and reduce transportation emissions, but do not yet measure these. We also encourage our employees to adopt eco-conscious behaviours and engage with our customers to raise awareness about our collective responsibility towards the planet. Together, we believe that we can make a significant positive impact on the environment and inspire others to join us in this vital journey.

# Carbon offsetting and Net Zero

Carbon offsetting and achieving a "net zero" carbon footprint are related but distinct concepts in the context of addressing climate change.

## Carbon Offsetting:

Carbon offsetting involves compensating for one's greenhouse gas emissions by investing in projects or activities that reduce or remove an equivalent amount of carbon dioxide or other greenhouse gases from the atmosphere. These offset projects can take various forms, such as reforestation and afforestation initiatives, renewable energy projects, methane capture from landfills or agriculture, carbon capture and storage (CCS), and energy efficiency improvements.

When an individual or organization purchases carbon offsets, they are essentially paying for emissions reduction efforts elsewhere to offset their own emissions. The goal is to achieve a balance between emissions produced and emissions removed, effectively reducing the net carbon footprint to zero or even negative (when more emissions are offset than produced).

## Net Zero:

Net zero, on the other hand, is a broader and more ambitious goal. It refers to the state in which an entity's greenhouse gas emissions are balanced by an equivalent number of emissions removed from the atmosphere, resulting in no net contribution to atmospheric greenhouse gas concentrations.

Achieving net zero means that the total emissions produced are fully offset or compensated for by emissions removal efforts.

To reach a net zero state, organizations and individuals must implement a combination of measures, including emissions reduction strategies, efficiency improvements, and the use of renewable energy sources. The focus is on minimizing emissions within their own operations and supply chains while offsetting the remaining unavoidable emissions through carbon offset projects.



## Key Differences:

The main differences between carbon offsetting and net zero are:

*Scope of Action:* Carbon offsetting addresses emissions reduction by compensating for emissions externally through offset projects. Net zero, on the other hand, emphasizes internal emissions reduction efforts as the primary strategy, with offsetting used to address residual emissions.

*Level of Ambition:* Achieving net zero is a more ambitious goal than carbon offsetting. Net zero requires comprehensive emission reduction measures within an entity's control, while carbon offsetting can sometimes be seen as a partial solution if not accompanied by significant emissions reductions.

*Long-Term Perspective:* Carbon offsetting may offer immediate carbon neutrality by balancing out current emissions, but it does not necessarily drive long-term emission reduction efforts within an organization. Net zero implies a sustained commitment to minimize carbon emissions over time.

## Conclusion:

While both carbon offsetting and achieving net zero are valuable strategies in the fight against climate change, the focus and ambition differ. Carbon offsetting can be an essential step towards reducing overall emissions, but it should be complemented by comprehensive emission reduction measures to achieve the more ambitious goal of net zero emissions. Ultimately, the most effective approach involves combining internal efforts to reduce emissions with thoughtful and credible carbon offsetting projects to create a meaningful and sustainable impact on the global climate.

This is why, in our 2022 Impact Report, we declared our aim to be net zero rather than carbon neutral, by reducing our emissions to 10% of those of our baseline year, and then offsetting.

## Partnership with Plant One Cornwall:

On our journey towards becoming net zero we want to offset our carbon emissions, and we want to be sure that it is done in a responsible and resilient manner. To that end we have entered into partnership with [Plant One Cornwall](#), committing to planting 144 trees each year.



Plant One Cornwall are a not-for-profit woodland creation company dedicated to restoring native woodlands across Cornwall. Although some tree planting schemes can be detrimental to the environment these woodlands are created with biodiversity and habitat creation at the forefront of planning with the sequestration of carbon being an indirect effect. Working with landowners, in-depth land surveys of each site are created to ensure that no planting is carried out on rare habitats such as upland moor and peatlands, and the trees planted are native species selected according to each individual site. The planting includes a maintenance package to ensure that the saplings survive into mature, beautiful trees that can be enjoyed by future generations.

We look forward to joining Plant One Cornwall on a woodland creation day early in 2024.

# UN Sustainable Development Goals



The United Nations Sustainable Development Goals (SDGs) are a set of 17 global objectives designed to tackle various challenges by 2030. These goals address issues like poverty, education, gender equality, climate action, and responsible consumption. The SDGs emphasize collaboration, inclusivity, and protecting the environment. Achieving them requires commitment, innovation, and cooperation from all sectors to create a better and more sustainable world for everyone.

In our previous Impact Report, we identified 5 goals in which we could make a difference. Within these Goals we outlined short-term and long-term targets.

Our application for B Corp certification via the B Corp Business Impact Assessment is closely aligned with the UN Global Goals, and as such we have completed most of the set tasks within the time frames specified.

We have summarised our progress below.

## Baseline Score

Our initial baseline score as reported on the 2022 Impact Assessment was 56.9%, which was a direct result of the positive sustainability culture already evident within the organisation. This score was already almost double the UK average.

Our baseline score following 12 months of active improvements is now **75.4%**, which exceeds the targets set on the previous Impact Assessment.

The current benchmarks are as below, so we are justifiably proud of our score:

<b>UK Average:</b>	30.2%
<b>Sector Average:</b>	30.0%
<b>Size Average:</b>	23.9%

## Goal 7: Affordable & Clean Energy

### 7 AFFORDABLE AND CLEAN ENERGY



Our initial score for Goal 7, based on our business model of preventing loss of energy for our clients, as well as the renewable energy sources available at our premises, was 16.9%.

This score has increased to **19.2%** and is still ahead of the benchmarks, however we recognise that there is more work to be done in this sector.

<b>UK Average:</b>	11.4%
<b>Sector Average:</b>	12.2%
<b>Size Average:</b>	8.9%

## Goal 8: Decent Work & Economic Growth

### 8 DECENT WORK AND ECONOMIC GROWTH



On the 2022 Impact Assessment we reported an initial score of 21.2% and we aimed to increase this score to 34.5%.

We have achieved this with a current score of **34.9%**. While our organisation has not grown in the last year we have identified and documented policies and practices that outline the incentives and support provided to our workforce and ensured that this information is circulated and available to all.

<b>UK Average:</b>	18.2%
<b>Sector Average:</b>	18.9%
<b>Size Average:</b>	20.2%

## Goal 9: Industry, Innovation & Infrastructure

### 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



We recognise that small businesses are the ones doing the best work on this goal with their increased responsiveness. However, over the last 12 months we have not improved our initial 2022 score of **19.7%**.

There is more work to do on this goal, some of which is already in process.

<b>UK Average:</b>	16.6%
<b>Sector Average:</b>	19.3%
<b>Size Average:</b>	20.8%

## Goal 12: Responsible Production & Consumption



We started off in 2022 with a very strong 45.9%, which has been increased to **58.4%**.

<b>UK Average:</b>	22.4%
<b>Sector Average:</b>	22.0%
<b>Size Average:</b>	24.6%

## Goal 13: Climate Action



This goal is very closely aligned with our Carbon Footprint reporting and reduction. We started off with an initial score of 6.7%, a very low score much of which was recognised as being due to a lack of measurement.

Our score in 2023 is **34.7%**, so we have exceeded our target score of 25.3% significantly.

<b>UK Average:</b>	18.9%
<b>Sector Average:</b>	13.1%
<b>Size Average:</b>	16.9%

## Summary

We have in most cases exceeded our targets towards the UN Sustainable Development Goals, however we recognise that there is much more work to do especially within the below Goals:

- Goal 7: Affordable & Clean Energy
- Goal 9: Industry, Innovation & Infrastructure

We also need to delve deeper into the other goals to see where else we can improve our operations.

Much of our improvement has been propelled by the exacting standards required for B Corporation Certification.

# B Corporation

In a world facing pressing social, environmental, and economic challenges, the traditional approach to business has been questioned, and a new paradigm has emerged. At the forefront of this transformative movement stands the B Corporation, a revolutionary model that redefines success in the business world by emphasizing purpose, people, and the planet alongside profits.

## What is a B Corporation?

A B Corporation, or B Corp for short, is a type of business entity that goes beyond the conventional focus on shareholder value and profitability. It is a certification awarded to companies that meet rigorous standards of social and environmental performance, accountability, and transparency. B Corps are dedicated to creating a positive impact on society, actively striving to address global challenges such as climate change, income inequality, and social injustice.

## Triple Bottom Line: People, Planet, and Profit

One of the core principles that sets B Corporations apart is the commitment to the triple bottom line: people, planet, and profit. This means that B Corps consider the impact of their actions on all stakeholders, including employees, customers, suppliers, communities, and the environment. They aim to achieve a balance between financial success and the well-being of society and the planet.

## B Corp Certification Process

To become a certified B Corporation, companies must undergo a rigorous assessment by B Lab, a nonprofit organisation that evaluates their overall social and environmental performance. The assessment measures a wide range of criteria, including governance, workers' rights, community engagement, environmental practices, and business ethics. Only businesses that score high enough on the assessment are granted B Corp certification.



## **Benefits of B Corporation Membership**

Becoming a B Corporation offers numerous benefits to businesses and their stakeholders. For starters, it provides a competitive advantage, as consumers increasingly seek out products and services from companies that align with their values and support sustainable practices. B Corp status enhances brand reputation and fosters customer loyalty among socially conscious consumers.

Moreover, B Corp certification attracts top talent, as employees, especially the younger generation, seek purpose-driven workplaces that prioritize social responsibility. Being a B Corp can help companies attract and retain employees who are passionate about making a positive impact through their work.

B Corporation membership also fosters a sense of community. Certified B Corps become part of a global network of like-minded businesses that share best practices, collaborate on sustainability initiatives, and support each other in their journey to drive positive change.

## **Driving Systemic Change**

Perhaps the most significant impact of B Corporations lies in their ability to drive systemic change within the business world. By showcasing that responsible business practices are not only possible but also profitable, B Corps inspire other companies to reevaluate their approach and embrace sustainable strategies. As more businesses become B Corps, the movement toward a more responsible and sustainable economy gains momentum, creating a ripple effect of positive change.

## **Conclusion**

The rise of B Corporations marks a pivotal moment in the evolution of the business landscape. They are challenging the traditional notion of profit at any cost and proving that businesses can be a powerful force for good. By elevating the interests of all stakeholders and actively pursuing positive social and environmental impacts, B Corporations are paving the way for a future where businesses thrive while also contributing to a more just, equitable, and sustainable world. As this transformative movement continues to grow, B Corporations are at the forefront, leading the charge towards a new era of responsible business.

## **Our B Corp Journey**

Earlier this year we were chosen to be part of an innovative process to help 23 businesses from Cornwall to achieve B Corp certification in 2023. Sponsored by [Wildanet](#), who were also embarking on their own B Corp journey, and facilitated by [Leap](#), the 23 businesses were brought together over 5 sessions to help navigate the B Corp Business Impact Assessment, with the support of dedicated B Guides, a network of peers and a variety of inspiring guest speakers.

The sessions are now completed, and our application submission is imminent. Watch this space!

# Conclusion

In conclusion, our second impact report reveals a journey of progress and positive change. Over the past reporting period, our organisation has continued to strive towards achieving our sustainability and social responsibility goals.

Throughout this report, we have highlighted the achievements made in implementing sustainable practices across our operations. From energy-efficient measures to responsible sourcing and waste reduction, our commitment to sustainability remains unwavering, and our aspirations towards B Corp membership reflect our dedication to using our business as a force for good.

While celebrating these achievements, we also acknowledge that the journey towards a more sustainable and equitable world is ongoing. Challenges persist, and we must stay vigilant in identifying innovative solutions and adapting to the changing landscape.

Looking ahead, we reaffirm our commitment to transparency, accountability, and continuous improvement. As we move into the next reporting period, we are excited to build upon our successes and address new opportunities for making a meaningful difference.

**Matt Harford, Director**