

Certified



®

Corporation

verco

Impact Report

2022

Together let's achieve zero

Working towards a low carbon society has been our mission since we were founded over 30 years ago. However, the pace at which the market is changing is like nothing we have seen before; an exciting, opportunity rich environment within which we can make an impact as we strive towards achieving our vision of delivering solutions for a zero carbon world.

We first certified as a B Corp in 2018 and since then Verco has gone from strength to strength. We're a business focused on delivering environmental expertise, and have always emphasised wellbeing and career development whilst working on complex sustainability challenges with our clients. Therefore, becoming a B Corp felt like a natural step in our development. It wasn't easy, and we had to make changes, but it's been worthwhile and we were thrilled to increase our score when we re-certified in 2021. Being acknowledged as Best for the World for Workers and Governance last year was the icing on the cake!

Verco wouldn't be the company it is without such a committed, passionate and talented team. Over the last couple of years, there have been challenges, but developing

a collaborative and supportive culture has helped us overcome any issues and grow. We actively seek for our team to always question our thinking, our direction and keep us on our toes. We work hard to retain high employee satisfaction levels, and 2022 saw us improve levels further.

Looking back on 2022, there has been a lot to celebrate. We won an Energy Institute Award for Energy Management with our client CCL Secure; won major global net zero strategy projects in the real estate and brewery sectors; developed net zero pathways and targets for companies from a wide range of sectors covering over 16 mtCO₂, and have seen significant growth in profit and team size whilst maintaining our goals, values and purpose.

Looking ahead, we'll be continuing to grow, whilst working with our clients to provide market leading strategy, delivery and reporting solutions which help our clients progress towards net zero carbon, whilst also expanding our software and data solutions.

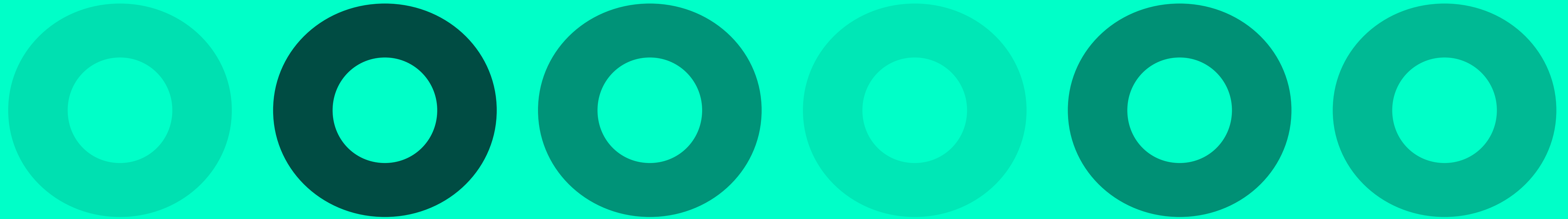
In this report we will be sharing what we've achieved to date, what challenges we've experienced and what's next.

Dave Worthington, Managing Director.



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Our story



We have a long history of working on innovative projects within the environmental sector. We use our many years of expertise and sound industry knowledge to advise on policy and drive the industry agenda.

2022

Verco awarded Best for the World B Corp in two categories
Verco wins the Energy Institute Energy Management Award with client CCL Secure

2020

Verco achieves carbon neutrality
Verco wins Business Green Consultancy of the year for the 3rd time

2019

Verco declares climate emergency and commits to achieving net zero carbon
Verco completes re-brand adding new services to help clients achieve zero
\$1 bn annual energy spend managed by Verco

2018

Verco becomes certified B Corp
Verco wins edie Consultancy of the Year Award

2017

Global energy management services expanded to 30th country
Published 3 year research on energy efficiency in industrial processes

2015/
16

Verco wins Consultancy of the Year at the Business Green Leaders' Awards for the 2nd year
BEIS publish Verco-led Building Energy Efficiency Survey
Verco's work on water efficiency with SABMiller wins Mackay award

2014

Verco wins Consultancy of the Year at the Business Green Leaders' Awards
Verco wins Sustainable Housing Consultancy of the Year award for the 4th year running

1989

ESD Ltd founded

1999

ESD is one of 12 founding members of the UK's Emission Trading Zone

2001

ESD designs first Clean Development Mechanism (CDM) project in Africa with the World Bank's Prototype Carbon Fund

2006

ESD named one of the 50 best places to work in the UK by the Financial Times

2007

ESD becomes Camco Advisory Services

2009

Camco manages pay-as-you-save taskgroup for UK Green Building Council

2012

Camco renamed Verco
Verco wins Sustainable Social Housing Consultancy of the Year for the 2nd time.
Verco develops Landlord's Energy Rating for multi-let office buildings

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We come from a range of disciplines and backgrounds but there is something that we all have in common, our vision:

**To provide the
solutions for a zero
carbon world**

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Verco helps companies reduce their environmental impact and save money through data driven analysis, grounded advice and real-world solutions.

Our mission

01 Make a material difference to global carbon targets, enabling governments and corporate leaders to make the right decisions for sustainable growth.

02 Develop a community of passionate and diverse professionals, committed to solving the complex challenges associated with climate change and resource efficiency.

03 Grow financial, environmental and social value through delivery of best in market services.

Our products and services deliver our mission



Aim for zero focusses on setting targets and developing net zero pathways so that businesses have a clear, ambitious, but achievable strategy for their zero carbon journey.

With Deliver for zero, the aspirations and targets set out in Aim for zero are broken down into action plans and projects. We then work with businesses to turn their aims into a reality.

Report for zero uses cutting edge technology to track, verify and report on net zero progress and ensures our clients comply with legislation and meet their reporting requirements.

...and are very proud of the recognition we have been given



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We lead the way in sustainability

- Technical lead for the Better Buildings Partnership to develop the Design for Performance scheme and NABERS UK rating for commercial offices.
- European technical lead and UK advocate for the H2020 funded Investor Confidence Project.
- UK partner for the H2020 funded ALDREN project to establish the business case for deep renovation.
- Active members or contributors to: BBP, Green Construction Board, GRESB, UKGBC, Bath University, Manchester University.

Journey to certification



Journey to certification

Why we became a B Corp

For Verco, applying to become a B Corp wasn't something we needed to think long and hard about; it just fit. We knew qualifying wouldn't be easy, but what B Corp stands for matched our longstanding business mission and strategy.

From incorporation, our business has always been about making an impact on the environment and working towards a low carbon society.

For over 30 years, we've been working on innovative, industry-leading environmental initiatives as we have long understood the impact of climate change on our planet and people. A community that is working towards a better future, through business improvements was something we wanted to be part of.

How being a B Corp aligns with our strategy and culture

We first became a B Corp in 2018 with a score of 87.9; an achievement we were very proud of, but we felt we could do better.

We updated our Articles of Association to ensure legally we will always consider the impact we have on all our stakeholders, we revisited our operations and practices, introduced further roles such as an independent Non-Executive Director, a Wellbeing Director, as well as a CSR Committee; ensuring the B Corp agenda was represented and discussed through all areas of the business.

We re-certified in 2021 and were thrilled to increase our score to 100.4, receiving the Best for the World awards for both Governance and Workers! But we're still asking "what next"?!

Improving the breadth of our current employee shareholders, enhancing our employee benefits and a focus on EDI were all targets for 2022. For us, it's not just about the big step changes, but also incremental improvements we can make, as we continue on the B Corp journey.

How being a B Corp has impacted our business

Being a B Corp has challenged us to think further than the environmental impact we are making; to think about the wider social impact on our team, communities, and clients.

Since becoming a B Corp our team has nearly doubled in size. However, ensuring that the ethos and culture remain and flourish has continued to be a priority and with it a strength. Through recruitment, our B Corp status often comes up- "I see you're a B Corp". The improvements we're making, whilst continuing to maintain an employee focussed culture, has, we believe, significantly helped with our employee retention.

B Corp has given us a foundation on which we can continue to grow. A supportive open community, where we can better understand best practice, and new initiatives. A benchmark where we can strive to improve, making changes which have a lasting effect.



2018 score
87.5

2021 score
100.4

2023
Target score
105

score
20.9

Governance

score
40.5

Workers

score
12.6

Community

score
23.7

Environment

score
2.5

Customers



Governance



Watch our video to see what this award meant to us



Workers

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Governance

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Governance

Governance

We aim for everyone in our team to feel like they have a voice; that their ideas and feedback are listened to. To do this we believe in transparency; for the team to have the information they need to truly understand and to challenge, through financial reporting, performance dashboard, fortnightly company updates, weekly team meetings, etc. To hold the management team and Board to account in achieving our mission.

Mission and engagement

We strive to align our operations, services, and clients to our mission, so it's very important to us that our team buy in to what we do.

Our annual employee satisfaction survey in 2022 pleasingly showed a fantastic satisfaction level of 85%. This is an anonymous survey we use to determine overall improvements or areas of concern, and where we seek feedback and suggestions for improvement.

Our highest scoring question is consistently, "I am proud to say I work for Verco" and 2022 was no exception, scoring an average of 9.38 (out of 10).

"I feel as though I am engaged with Verco's vision and business mission" also scored an impressive 8.8.



Governance

What we said we'd do

In 2022 we set out to take our company's environmental objectives and entrench them further in our day-to-day activities, from ensuring environmental performance becomes a part of job descriptions, a standing Board item, CSR team KPIs, and improve our training around our mission and overall business strategy.



- Improved our induction training around social and environmental issues and ran fortnightly knowledge share sessions on a range of subjects from unconscious bias, mental health, SBTis, GHG Protocols, to climate disclosure and many more.
- Introduced an Employee Assistance Programme which provides financial and legal advice to our team.
- Implemented ethical check procedures for our suppliers.
- Included Environmental performance in our job descriptions.
- Made sure social and environmental performance became a routine Board agenda item.
- Re-certified with ISO 14001, 9001 and 270001.



- Introduce a Sharia compliant pension scheme.
- Endeavour to move our bank to a more ethical provider.
- Review and strengthen our code of ethics to ensure it continues to be the standard we require.
- Improve our anti-corruption training, to ensure it's done annually and the content is reviewed and monitored.
- Formerly conduct an annual conflict of interest questionnaire for Board members.
- Prioritise social impact. We spend so much time ensuring the environmental impact of our work, we don't always focus enough on the social impact.

Workers



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Workers

What we said we'd do

In 2022 we committed to broadening our share ownership, and introduced an EMI share scheme in December, giving those with employment of more than 2 years, share options (this was an increase in shareholders of 24%). The management team continue to be committed to broadening the share holding of Verco.

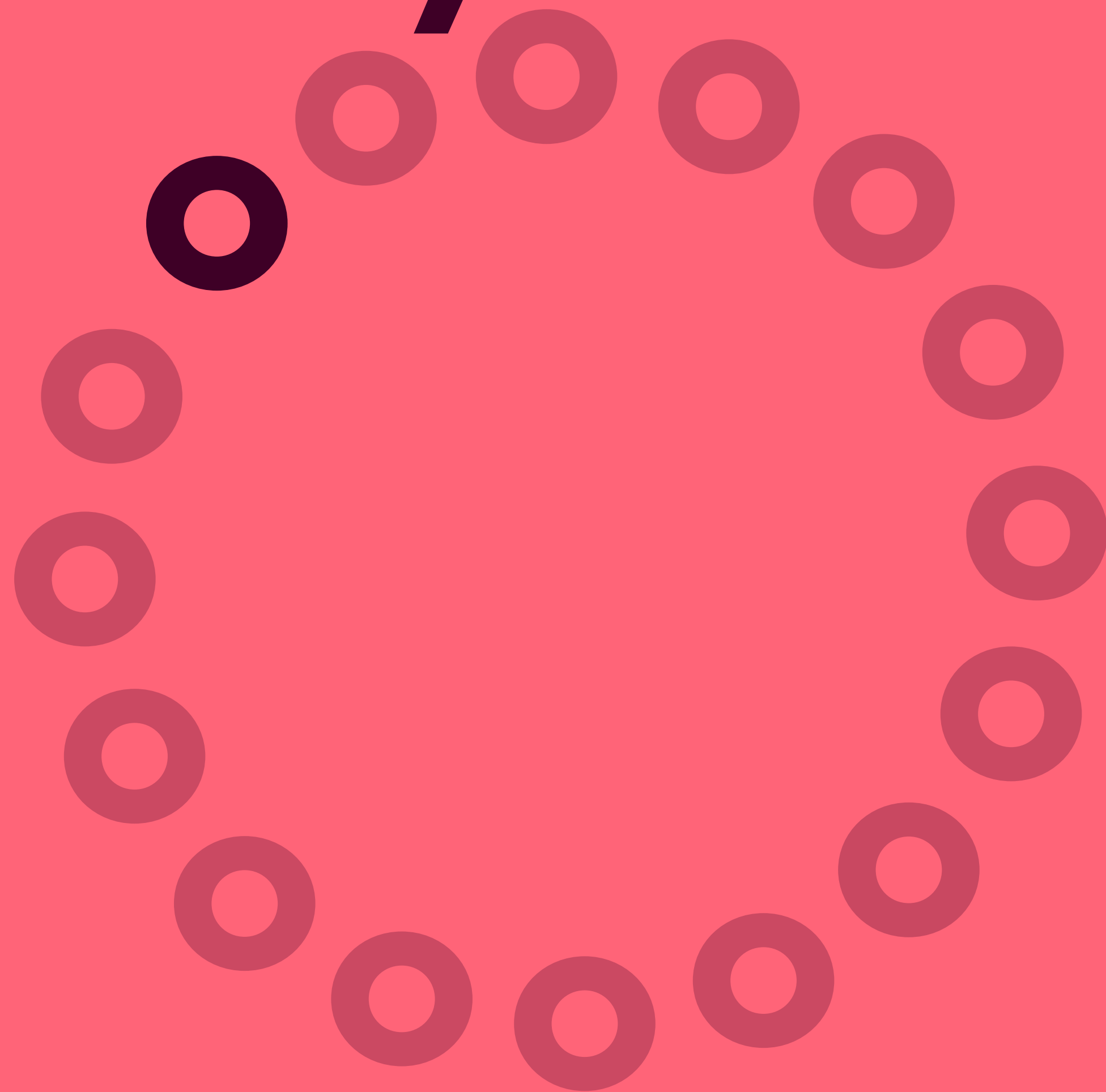


- Introduced a new Employee Assistance Programme.
- Introduced the option for our team to buy up to 5 days annual leave.
- Broadened our share ownership through an EMI.
- Started a trial for employees to work from locations other than home/office.
- Enabled our staff to have access to a virtual GP through our BUPA health care provision.
- Continued to make sure mental health is openly discussed; Completed annual Wellness Action Plans, ran topic-led knowledge share sessions and held activities for mental health awareness month.
- Maintained all salaries significantly above the Living Wage. We brought forward our annual pay rise to December in reaction to the cost of living crisis (10% increase to all employees).
- Promoted 19% of our employees through a clear career development structure, and more clearly defined our salary bandings.
- Launched the next round of our Leadership Development Training Programme.



- Develop a more structured programme to support our team with Charterships.
- Strengthening our Consultant and Senior Management training.

Community



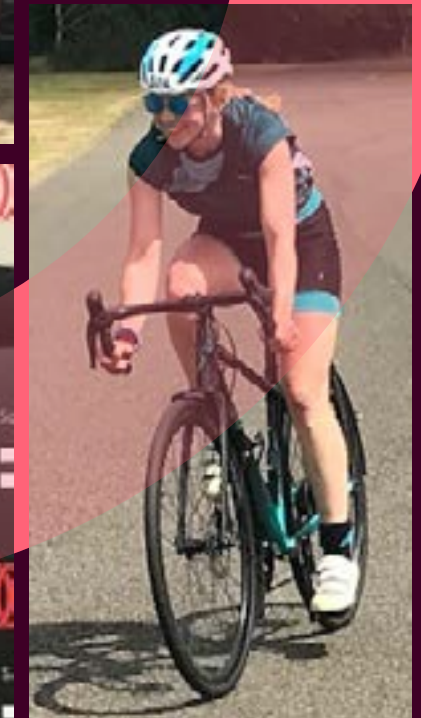
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Community

We make an impact together

Verco is a community of people who want to make an impact, to push boundaries in the field of sustainability, and who celebrate uniqueness. We actively encourage this within our own business, but also in the wider society. We do this through diversity, equity and inclusion initiatives, our volunteering events, involvement with educational institutions and more.

Whilst we've traditionally broached these areas through an environmental sustainability lens, going into 2023 we want to look further at our social impacts and commitments.



Community

What we said we'd do

A challenge we have faced, including our recent team growth is around diversity, equity and inclusion. This is an area we decided to focus on in 2022, in particular around recruitment and training.

Further knowledge of our supply chain, in terms of understanding our partners better, would also be a priority to support future improvements to our Scope 3 emissions.



- Ran unconscious bias and equality, diversity and inclusion training for all line managers, with company wide knowledge sharing sessions.
- Redeveloped our career webpage and material to make us more attractive to recruits from all backgrounds.
- Reviewed all our job descriptions to avoid any unintentional bias or exclusionary language; questioned if the minimum requirements were required; considering apprenticeships.
- Recruited an additional 19 team members into new roles created as a result of growth.
- Celebrated diversity awareness month, and Black History month with team articles and knowledge share sessions, and committed to continuing these all year round.
- Delivered sessions and had discussions relating to mental health.
- Participated in Earth Day activities with a litter picking day and wildflower seeds for staff to take home.
- Joined in Walking Week with prizes to be won for speed and endurance!
- Ran a group volunteering activity with the Wildlife Trust at Holiday Moss, Rainford.
- Took part in B Corp month, and were a panellist for a B Corp panel on Best for the World Worker category.



- Review our supplier impact.
- Run more activities related to Pride Week and Diversity Awareness Month.
- Run a group on menopause awareness and support.
- Join a panel at the Bath Uni Engineering department on EDI.
- Develop our STEM participation in local secondary schools.
- Look for opportunities in the local communities with whom we can share our knowledge and skills.
- Re-establish our volunteering days for our London and Overmoor offices as well as Chorley.

Environment

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Environment

Net Zero by 2030

Verco signed up to be Net Zero by 2030 in line with the B Corp Climate Commitment. We re-based lined our carbon footprint to improve resolution so we are in a better position to develop our transition plan. For an organisation of our size not all emissions are within our control, and therefore we will need to work closely with our supply chain to achieve our goals.

Verco continued to maintain carbon-neutral status by purchasing removal carbon offsets. We recognise that carbon offsets are not the solution to Net Zero.



Environment

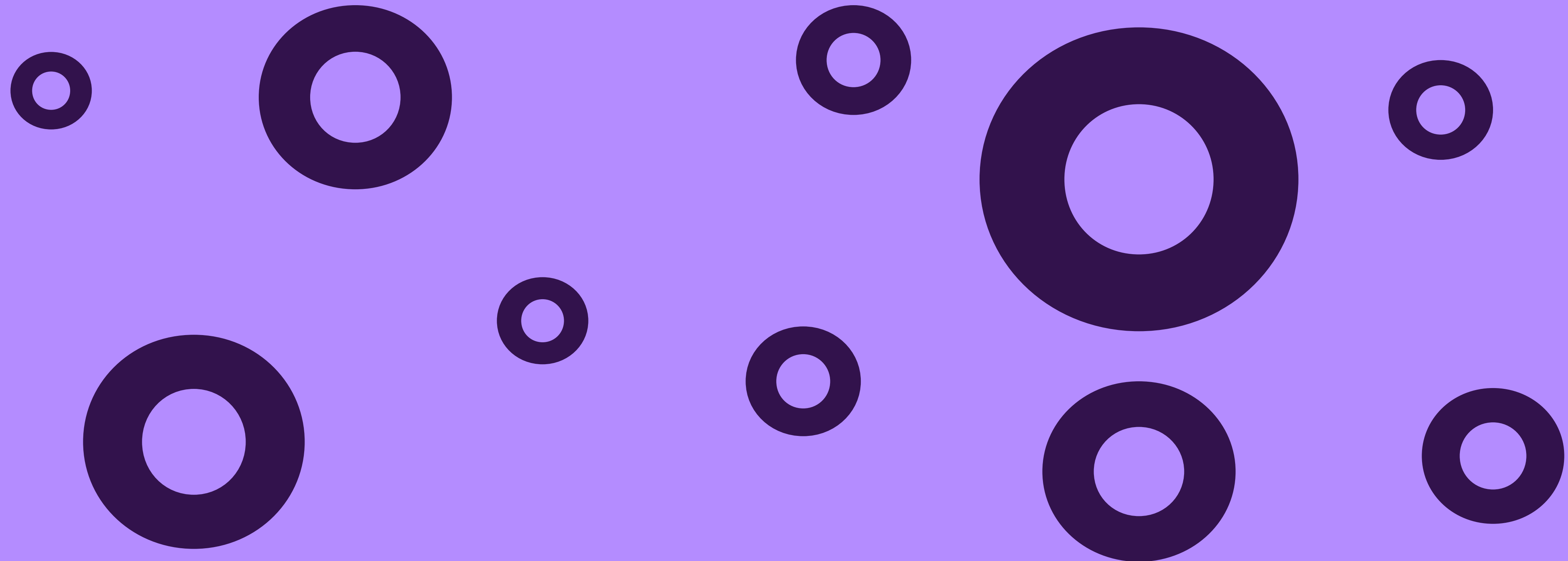


- Re-baselined our Carbon Footprint following Covid and our significant growth.
- Removed our Scope 1 emissions and reduced Scope 2 emissions by 8% year on year, with an increased headcount.
- Removed all the servers in our premises.
- Introduced auto-power off sockets to our London and Overmoor offices.
- Celebrated plastic free week with further improvements – now sourcing plastic free coffee as well as switching to toilet roll from NakedSprout.uk.
- Completed a staff commuting survey to better understand our travel habits.
- Ran free-to-access seminars on Net Zero topics to help inform and educate.



- Continue to reach out to our suppliers to support our reduction of scope 3 emissions.
- Introduce auto-power off sockets to our Chorley office.
- Look into relocating one of our offices with an aim to reduce employee travel.
- Become a Corsham Plastics Leaders Ally.

Customers



Customers

Innovative solutions for impact

Verco has always been an innovative, leading consultancy focussed on providing environmental solutions, through software and bespoke advice.

In 2022 we continued to monitor client feedback and recertified as ISO 9001, 14001 and 27001.

We were very pleased to win the Energy Institute Award for Energy Management with our client CCL Secure.



Customers

How we've helped our clients achieve zero in 2022



Carbon baselines

Baselined over 7.3 million tCO₂e for Real Estate clients.

Net zero pathways and target setting

- For 12 corporates companies from a wide range sectors which cover emissions of >9 MtCO₂e.
- Baselines and transition pathways for >750 buildings for Real Estate clients with 13 million m² floor area; valued at £25bn. Reduction targets represent annual savings of 102,000 tCO₂e by 2030[^] (up to 87% of baseline emissions).

Tracking and reporting

- Specified, supplied, commissioned >500 automatic meters for corporates clients and provide regular monitoring and tracking to >£65million utility spend.

Audits

- Identification of energy and carbon reductions worth more than £35million through 27 deep dive audits for corporate clients (covering brewing, aerospace, utilities, meat processing, dairy and construction in 5 continents).
- Audited 71 buildings (873,000 m²) for Real Estate clients and identified annual savings of 10,160 tCO₂e (45% of the total baseline emissions).

Disclosure

- Value chain reporting for corporates clients for >12.5 MtCO₂e.
- CDP disclosure for 7 companies.
- Submitted GRESB reports for 36 funds which achieved a combined total of 96 stars with 25 funds being awarded green star status.
- Reporting for ~ 3,000 buildings; 48 million m² of floor area; valued at £78bn. This is 2.5 million tCO₂e of which 99% is covered by a net zero target.
- Independent Design Reviews for 9 buildings in 2022 (186,000 m² NLA). Overall savings* could total 16 million kWh.

Thank you

Thank you to our fantastic team that keeps driving us forward, to our fascinating clients who are so committed to the Net Zero challenge, our suppliers who are working with us to keep improving, and to the innovators, forward thinkers, optimists in our sector and the world over who continue to inspire us. This is very much a team effort.

If you'd like to hear more about our services, our activities, or talk to us about what it's like to be a B Corp, we'd love to hear from you.

Helen Reed, Wellbeing Director



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