

Willmott Dixon and Carbon Emissions

Car Fleet

Our sustainable development review 2010 details the overall scale of our carbon footprint. The following breaks down our footprint from our company and private car fleet into more of its constituent components and indicates where we are continuing to make progress with some of our ongoing carbon management work.

Emissions associated with our car fleet.

In 2009 and 2010 a number of initiatives were introduced to reduce carbon emissions and costs associated with business travel specifically focussed on cars. The following is a summary of the benefits that have been achieved to date.

Measures

The following measures were introduced in 2009:

- Reduction of the maximum permissible emissions on the company car list
- Introduction of the green bonus scheme for car allowance recipients and revision of the thresholds
- Encouragement to employees to use bicycles (Bicycle purchase and mileage reimbursement)
- Introduction of driven business mileage limits with fines proposed for exceeding
- Introduction of a web-based mileage capture resulting in better transport and emissions data, including the split between business/commute/private mileage. This seen as industry leading best practice.

Further measures introduced:

- Differences in fuel reimbursement rates have been adjusted to reflect company car CO₂ emissions.
- Tax band implications for the full number of years of a company car lease are now included on the CLM data so that individuals have full information on the impact of the changing rates.

Benefits

Fuel consumption/Costs

- Consumption of fuel was 9% lower in 2010 than in 2009 (using comparable employee numbers and fuel prices).
- Actual cost savings on fuel, in 2010, attributable to the changes was £284.9
- Further savings from corporation tax amounting to £40.0.

Carbon emissions

- Average emissions are reducing and are now 129g/CO₂/km for all company cars against an average in April 2008 of 154 g/CO₂/km (decrease of 15.6%). This compares to an average figure for UK fleet¹ of 136 (see Fig 1 below)
- The average emissions of new company cars is 122 g/CO₂/km against an average of 135 g/CO₂/km in the first quarter 2009. It is running in line with the target set (see Figure 2 below).

¹ UK Fleet includes all fleet and business registrations. Business registration is any fleet of less than 25 cars.

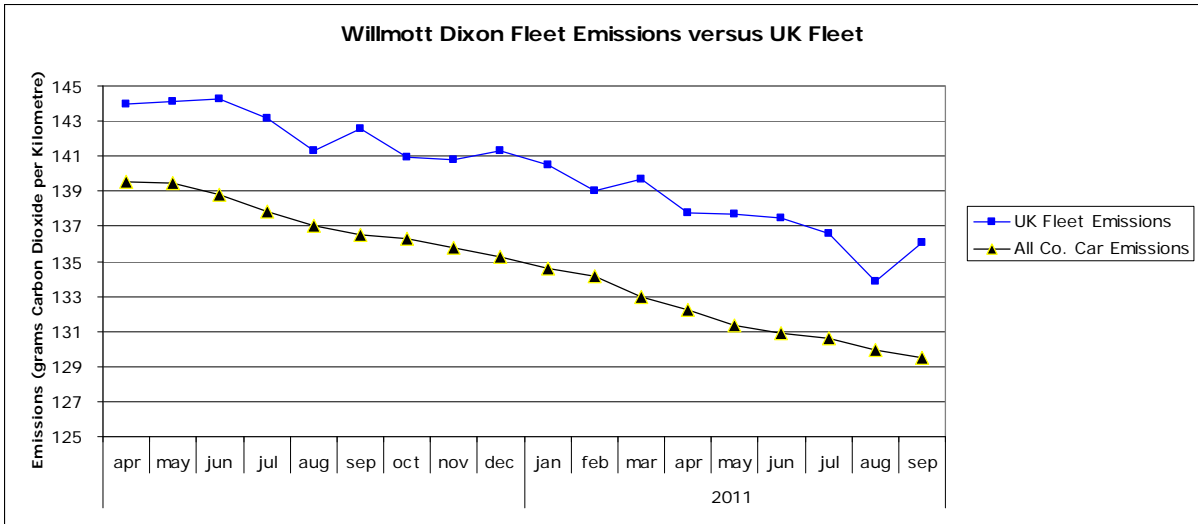


Figure 1

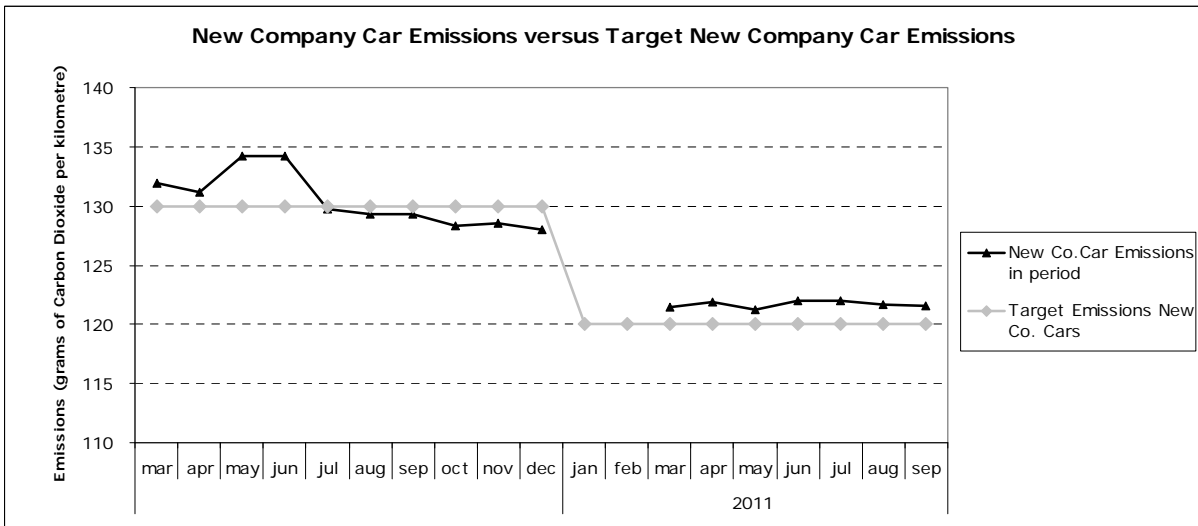


Figure 2

Green Bonus

The payout of the Green bonus to encourage drivers to choose both company and private cars with lower emissions in 2010 was £37,500 and, in 2011, has been £59,500 to the end of October.

Bicycles

- o Over 150 employees have purchased bicycles using the Bike4Work scheme
- o 20,000 miles have been cycled (rather than driven) and £4,000 paid in cycle mileage reimbursement.