



A J WELLS & SONS

CSR REPORT

2022-2023



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NET ZERO - OUR COMMITMENT & STRATEGY

A British based company that is passionate about the environment and sustainability.

A.J Wells & Sons Ltd is a privately-owned, family-run engineering business on the Isle of Wight. Founded in 1972, by Alfred J Wells and his two sons, sustainability and environmental considerations were at the forefront of their principles from the start. Amid an oil crisis and with Dutch Elm Disease prevalent, the 3 founders saw an opportunity to produce a small wood burning stove as an alternative way to help people heat their homes and directly reduce reliance on fossil fuels.

We pledged our commitment to Net Zero 2050 in 2021 and many of the projects we are involved in, especially for Transport for London require us to commit to reducing our environmental impact. In recognition of this and other achievements, we were awarded the Green Business of the Year Award by our local chamber of commerce.

We believe Net Zero 2050 is an inevitable step for all companies and we are committed to leading the way in a domain that we are passionate about. We will continue to analyse our approach and actively seek ways to improve the business's environmental credentials. Factoring in our interventions to date with our plans for the future, we are well placed to reach 'carbon-neutral' status before 2050.

CO₂ EMISSIONS 2022-2023

CLIMATE FOOTPRINT

1,595.88

Tonnes of CO₂e

Total of all three scopes

1,353.97

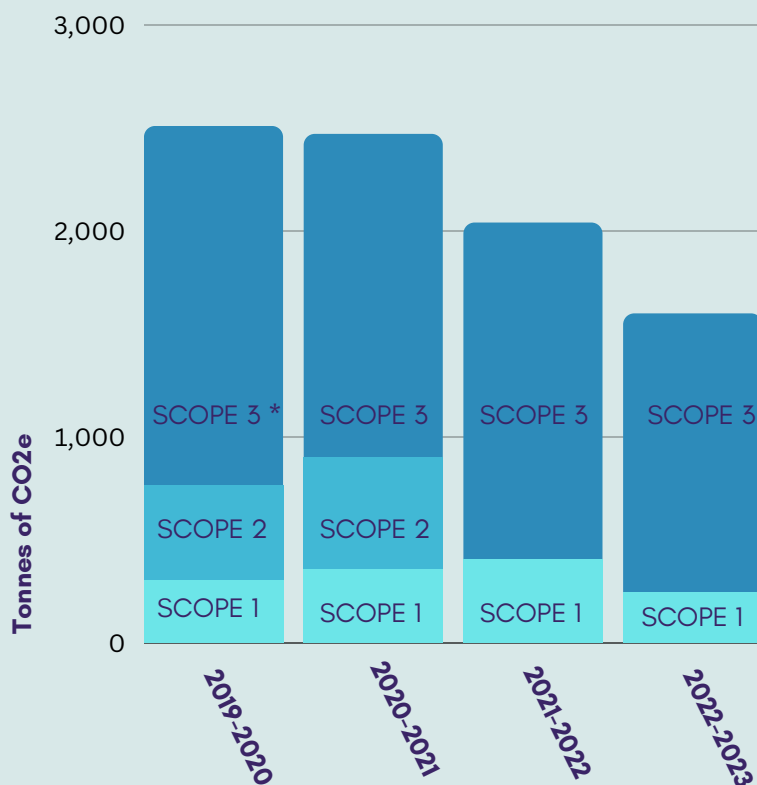
Tonnes of CO₂e

Product production
emissions, from factory to
shelf (Scope3)

241.909

Tonnes of CO₂e

Offices and travel emissions
(Scopes 1 & 2)



*SCOPE 3 reporting currently covers: employee commuting, business travel, transportation and distribution, metal waste and general waste

IMPACT TIMELINE & ROADMAP

Always moving forward

Our sustainable journey

Oct 2021 Green energy

New 100% green energy contract signed with E-on

Oct 2021 First CO2 footprint report

2,505.85tCO2 for Baseline 2019-2020. And 2,467.43tCO2 for 2020-2021

2022 Innovative changes

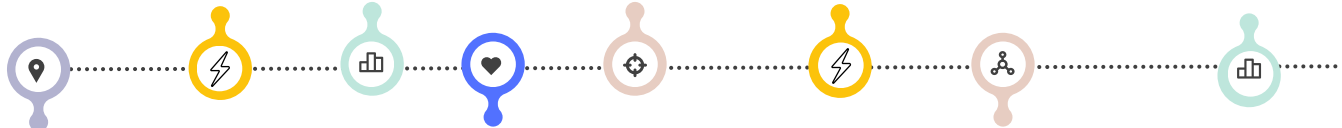
Eco packaging trials, ebay shop
1st repurposed steel TFL sign

May 2022 Solar panels

New panels installed increasing production to 235kW

Oct 2022 Second CO2 footprint report

2,000.32tCO2 for 2021-2022



Sep 2021 Signed Net Zero Pledge
with SEM Climate Hub

Jan 2022 Launch of AJ Way
Sustainability and Great Place to Work set as two of the three focus areas. The programme is rolled out across the company. Transforming Lives is cemented as part of our company values and goal.

Sept 2022 Screens installed, informing and promoting change/values/goals
New communication tool raising sustainability awareness throughout the company and promoting wellbeing.
• Communicating a 'people first' ethos across the company
• Walk/cycle to work/ print less incentives

Feb 2023 Charity donation

Turing trust donation of 21 computers for repurposing

May 2023 Media campaign

Addressing misinformation on PM2 emissions

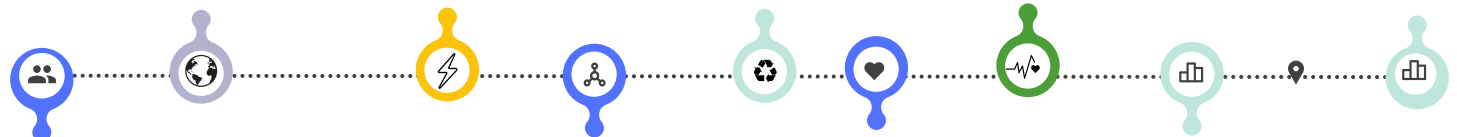
June 2023 Carbon life cycle figures produced

For our enamel products

HR focus on mental wellbeing at work

Collaboration with MH foundation Isorropia throughout the year

Carbon offset



Jan 2023 First AJ Way co-worker seminar reveals substantial progress

45 sustainable initiative goals achieved (going above and beyond our 25 target)

2023 Partnerships & charities

June 2023 Second Co-worker seminar

Sharing of GPTW and Sustainability initiatives such as Pro'Core software and rigid-sided pallets

Oct 2023 Third Carbon footprint report

1,596.17 tCO2 for 2022-2023



OUR PRODUCT'S ENVIRONMENTAL CREDENTIALS

Charnwood Stoves



Our stoves are among the most environmentally friendly appliances available on the market, using the very latest combustion technology. The majority of our range now meets and exceeds the new EcoDesign regulations.

Eco benefits:

- 90% more efficient than open fires
- They can produce heat 24/7 allowing them to work in conjunction with wind and solar energy.
- Carbon neutral fuel
- Ability to source fuel locally and without fracking and deep-sea oil drilling
- A good quality stove can last many decades and comes with the right to repair
- The materials used to fabricate a Charnwood stove and its packaging are fully recyclable

OUR PRODUCT'S ENVIRONMENTAL CREDENTIALS

Vitreous Enamel Signage & Cladding



Our 50,000 sq. ft site facility includes the UK's largest vitreous enameling plant which produces much of the signage and cladding for the London Underground and Paris Metro. This is a traditional process that offers exceptional longevity and resists ageing. Vitreous enamel is non-toxic and fully recyclable at the end of its extensive life cycle. The energy invested in its production yields enduring value.

Eco benefits:

- Exceptional longevity (lasting up to 4x longer than powder coated paneling)
- Minimal maintenance requirements (reducing energy expenditure)
- Non toxic material
- Fully recyclable

OUR PRODUCT'S ENVIRONMENTAL CREDENTIALS

A company-wide approach

The idea of being 'green' extends beyond the products and to every aspect of the company; from choosing raw materials, recycling packaging and even how we transport our materials and products. It is our view that it is environmentally unsustainable to transport heavy materials around the world, on the grounds of small savings, when the world's finest materials are available here in the UK. With this in mind, A.J Wells strives to buy British whenever possible. We are ISO 14001 accredited, Fors Bronze (A fleet Operator recognition Scheme), and working towards ISO 45001.



GREEN INVESTMENTS

Green investments

A.J Wells have invested in our plant and equipment over many years to reduce our carbon footprint and be more sustainable. Across our site, there is currently 235kW of solar PV systems that have generated nearly 1000MWh to date. The vast majority of this energy is used on-site which equates to a reduction in CO2 of 368 tonnes. The rest of our electricity is sourced from a supplier providing renewable energy.



By monitoring our half-hour data, we identified usage outside of working hours. By ensuring machines and compressors are turned off during these times we have achieved many thousands of annual savings.

When investing in machinery we always consider energy consumption. As a result of this objective, we have invested in 4 variable speed drive compressors, each reducing energy consumption by up to 50% when compared to fixed drive compressors.

Our investment in the latest fibre laser technology has resulted in a reduction in energy consumption of our metal cutting facility of over 500kWh per day due to advancements in technology.

OUR SUSTAINABLE NETWORK

Our suppliers

Our supply chains get evaluated on their environmental credentials. A recent example is our steel supply. We have placed a large forward order for 750 tonnes of hot rolled steel with our supplier who produce the material in South Wales. We have chosen to buy our steel with them here in the UK, as we feel they play a big part in making the steel industry more sustainable. We have agreed to pay a £10 per tonne carbon surcharge, which will be used to reduce their carbon emissions by 40 per cent by 2030 and help them be carbon-neutral by 2050.

Our customers

At the customer level we are taking our commitment to greener packaging to a higher level by sourcing innovative, alternative solutions to pallet wrapping and reviewing every aspect of the packaging, right down to the tape, labels and documents enclosed. We have used recycled stationery throughout our offices since 2012 we are now looking to swap to even more eco-friendly, more visibly recycled versions so that our efforts do not go unnoticed by our customers.



OUR SUSTAINABLE NETWORK

Packaging

We see the packaging we ship our products in as part of our product offering. A high-quality material that with a little effort and imagination can be repurposed and benefit the end user and environment.

We continually look for ways to reduce excess packaging, while aiming to use environmentally friendly materials and encouraging reusing where possible.



Corn Starch Pellets (PLA)

We use corn-starch PLA pellets inside boxes to provide added protection to our products during transportation. Whilst they do look and function much like polystyrene pellets, they are actually made of a plastic substitute (PLA) and are fully biodegradable and compostable.

Shredded Paper & Cardboard

We use corrugated cardboard instead of foam wrap for our enamel dispatch as well as shredded paper and cardboard from our offices to pack some items. Because we use vegetable-based inks they are suitable to be used as fire lighters in your wood-burning stoves.

Wood Pallets

Our wood pallets are made in-house from virgin, kiln-dried, untreated, soft wood which makes them ideal kindling for your woodstove. Just dismantle the pallet and carefully remove any nails before breaking down into kindling.

OUR SUSTAINABLE NETWORK

Our employees

Since 2008 we have run a scheme, marketed internally as the “Green dog”, encouraging our employees to be environmentally friendly. This ranges from reducing energy consumption by switching off lights and keeping air-con between certain temperatures, to using the compost bin and offering them locally sourced fruit and milk.

We are part of the cycle-to-work scheme which has proven popular and provide showers to facilitate this. Our cycle club meet regularly for social ride-outs and this year we built a new bike shed with repair station and green roof to encourage biodiversity.

We avidly discourage printing in the office and have invested in a digital solution that delivers order information to the factory floor, thus cutting out the paper trail. We are looking to extend that solution throughout the company.

We also have a policy of investing in electric company vehicles and have multiple charging points at the factory available to all staff and visitors.



Company directors have beehives and their honey is available in local farm shops, enabling locals to support our sustainable agricultural practices and benefit from the goodness of honey.

THE AJ WAY

Our company values guide our decision making every single day and we encourage our employees to feel empowered to make a difference.

At the start of 2022 we decided to concretise this with the launch of a company-wide programme, the AJ Way. We reaffirmed our values and encouraged employees to engage their hearts and minds. Bi-weekly meetings for all teams were set up as a space to share knowledge and ideas.



audacity
unity
generosity
humility
tenacity

OUR VALUES

THE AJ WAY

The AJ Way also includes co-worker seminars – moments of company-wide teambuilding and sharing.

This year's seminars showcased **45 employee-led sustainability initiatives.**

Going above and beyond our target, teams sourced and implemented changes within their departments ranging from digital housekeeping, changing lighting, reducing the working week hours, packaging return schemes to donating and selling unneeded offcuts or items.



TARGET: 25



humility
unity
audacity
generosity

OUR VALUES

EMPLOYEE-LED SUSTAINABILITY INITIATIVES



Replacement of our laser profiling machines with the latest technology fibre lasers has equated to a **40% saving on electricity usage** over the previous machines.



Our software for nesting metal parts on the laser has reduced **material wastage by 50%**



"This year I've **saved 65kg of Co2** by opting for the bus or my bike to get to work. Now I'm challenging myself to drive slower on the motorway"



"Our team chose to **upcycle a storage unit** that needed replacing in the factory, sandblasting it, respraying and looking better than new. Now we've had requests from others departments!"



"We focused on reducing paint. A thinner first coat meant 66ml less paint per small stove, resulting in at least **60 less paint drums** used in a year!"



"Our team has focused on **repurposing packaging and return schemes**. A local gardener has also been making planters from our pallet collars and raised £270 for a local food bank charity."



"We have reused waste overspray from our coating process to **reduce material usage by 25%.**"



"Our local milk delivery in the office is now in **glass bottles**"



"The **Ditching Plastic competition** motivated me to review my habits. I've worked around problems on the road and never leave without my reusable water bottle and coffee mug now."



"We purchased an **EV** to replace the diesel van

TRANSFORMING LIVES

CHARITABLE PROJECT HIGHLIGHTS FROM 2022



Cook stove designed for Kenya in our RnD lab.

We welcomed Joshua from rural Kenya to spend 5 months designing a cook stove that he could make out of mouldable materials available at home. The stove developed safely exhausts the fumes outside, alleviating one of the primary causes of respiratory problems in Kenya. It also burns maize husks, which are a prevalent waste product from the staple crop found everywhere in Kenya. Returning home with the steel moulds made onsite, Joshua has set up a micro business thus offering employment and community support locally.



Drawing Ahead - Art therapy

AJ Wells financially supports a weekly local art therapy group designed to assist students with mental health challenges in rebuilding their confidence through the power of art. The sessions include painting, printing, basketry, and we have even hosted enamelling sessions here in our own studio. The service is available to individuals who have been referred by the NHS.



Turing Trust

21 computers were donated for repurposing enabling 500 students in Malawi to learn vital IT skills. The environmental impact of the donation offset 7 tonnes of CO2 emissions, which is the equivalent of planting 20 trees.



East Cowes Pavillion Pantry - Food for the less fortunate.

A small group of employees have been collecting wooden pallets from the factory and organising for them to be repurposed as plant pots, later sold to raise funds for the Pantry. Several hundreds of pounds has been raised so far.

WHAT OUR EMPLOYEES THINK ABOUT WORKING AT AJ WELLS

It's good to work in a kind and respectful environment

I love working here. The atmosphere is completely different to other companies I have worked in.

The flexibility the company has shown me has been very good and is much appreciated.

My manager is the funniest, kindest person I have ever met and is so very humble :)

HOW A J WELLS COMPENSATES FOR ITS CARBON FOOTPRINT



For us, being a sustainable business means two things: cutting emissions from every possible part in the production of our products, and then compensating for the remainder through carbon offsets.

EMBODIED CARBON

A FOCUSED STUDY ON ONE OF OUR PRODUCTS

A J Wells & Sons manufacture vitreous enamel products which are fully fabricated, enamelled and assembled on site. These can include wall signage, cladding, post-mounted and suspended signage.

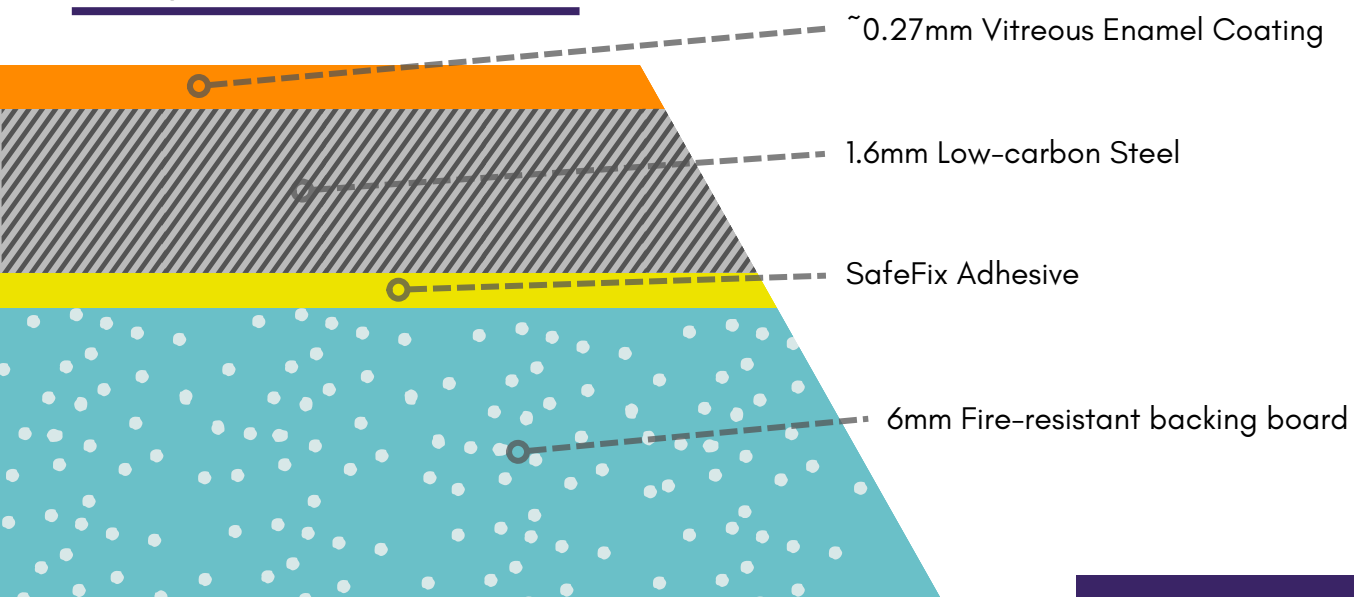


The Process



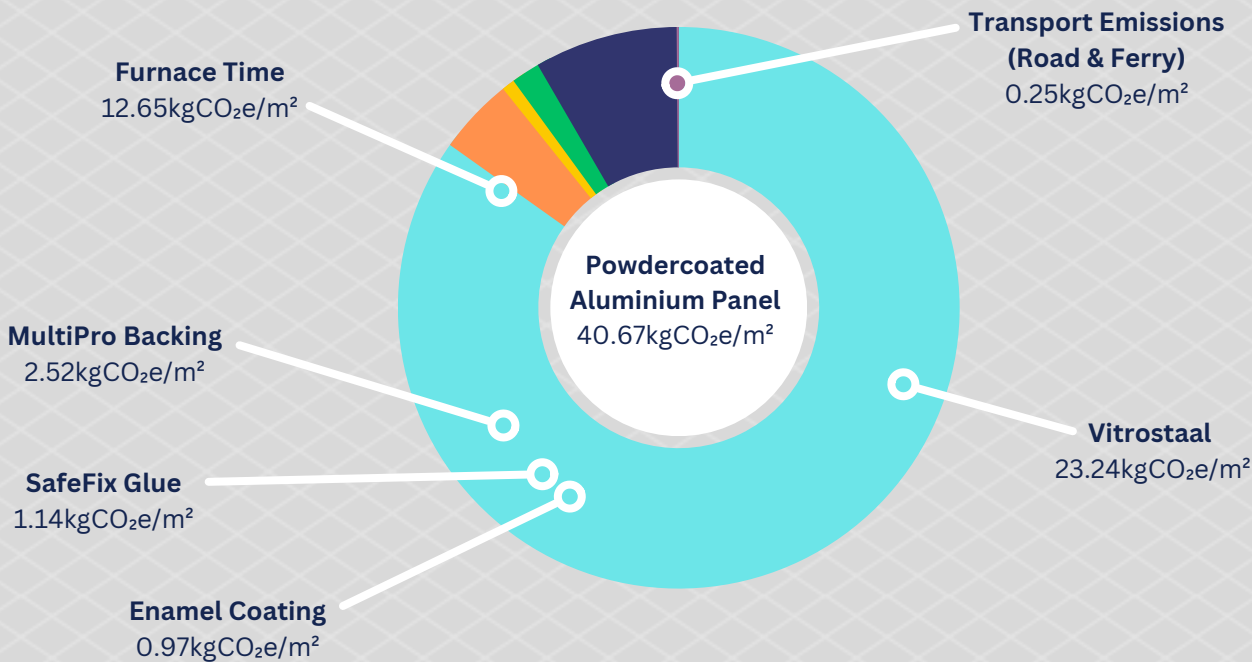
Enamel panels are cut out of low-carbon steel using our fibre lasers; they're then formed into the panels before being degreased. The milled enamel coating is then sprayed on and fused to the steel before prints are added.

Composition

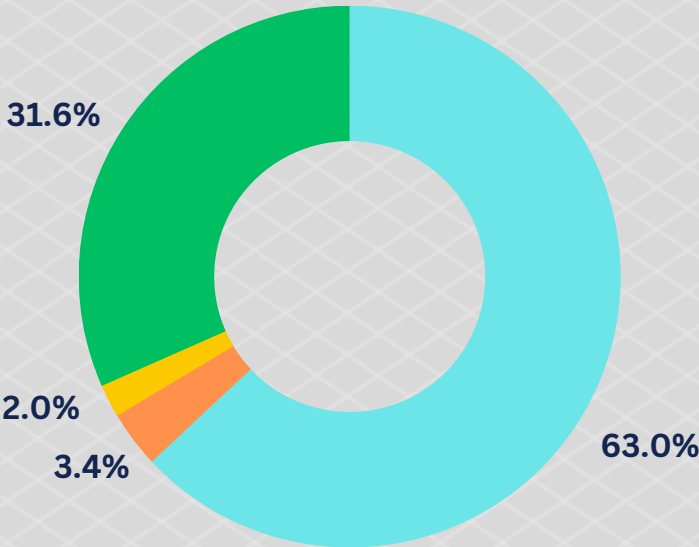


EMBODIED CARBON

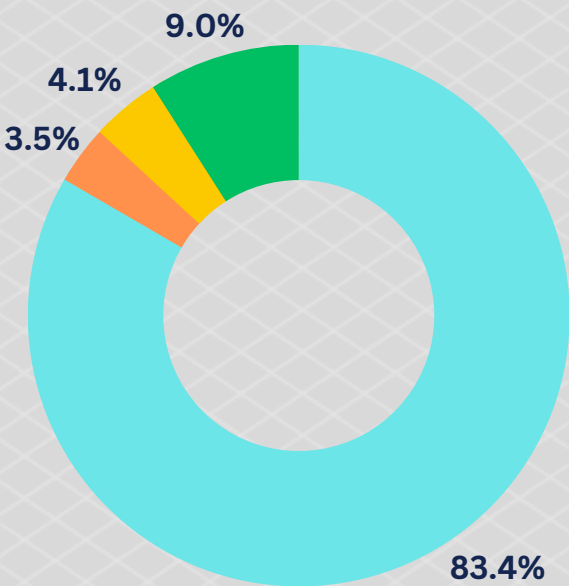
Powdercoated Aluminium Embodied Carbon Content $\text{kgCO}_2\text{e/m}^2$ (A1-A5)



Vitreous Enamel Composition by Mass



Vitreous Enamel Composition by $\text{kgCO}_2\text{e/m}^2$



From the very start, being sustainable has been in our DNA.

Our employees have shown overwhelming support for paving our way to Net Zero and are a significant source of our progress. We thank them all for the part they have played in this report.

With their contributions we are even more confident about the road ahead and all the improvements that we will be able to implement in the coming years.

