

CARBON REDUCTION PLAN



Cleanwise Ltd is a prominent commercial cleaning and professional services provider in the United Kingdom. With more than 50 years of experience, we have established ourselves as leaders in the industry. We offer a diverse range of high-quality, sustainable, and accredited services, including cleaning, waste management, and infection control, among others. Our services cater to various sectors, including offices, call centres, estates, and buildings, and we operate at over 400 sites across the entire UK.

Our dedication to environmental responsibility is evident through our ISO 14001 certification. We take pride in being a company that not only excels in cleaning services but also extends our expertise to various facility support services. We work closely with our clients and suppliers to continually innovate and deliver the very best services. For more insights and information about Cleanwise, we invite you to explore our presence in the media, where you can find valuable resources and updates on our industry contributions.

The company's fleet is responsible for consuming an average of 90% of the total annual energy. This substantial energy consumption highlights our company's awareness of its environmental impact. Senior management is deeply committed to reducing carbon emissions resulting from our operations. As part of this commitment, the company has set ambitious goals to achieve Net Zero Carbon emissions by 2030 for Scope 1 and 2 emissions and by 2035 for Scope 3 emissions.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2022/23

Additional Details relating to the Baseline Emissions calculations. FY2022 is the baseline year for Cleanwise Ltd future carbon reporting.

The Carbon Emissions detailed within this Carbon Reduction Plan are calculated in accordance with the GHG Corporate Accounting & Reporting Standard and the GHG Protocol Scope 3 Technical Guidance.

The operational boundary has been set using the Business Assurance and Management Approach. This is restricted to the UK as we only operate within the country with full financial control over our operations. All greenhouse gas emissions are reported in tonnes of carbon dioxide equivalent (TCO2e) to account for all seven of the Kyoto Protocol GHG's. Additional Scope 3 reporting of carbon emissions has been undertaken in the current reporting year compared to the baseline year.

Carbon Reduction Plan Template

Supplier name: Cleanwise Ltd

Publication date: 22/09/2023

Commitment to achieving Net Zero

Cleanwise Ltd is committed to achieving Net Zero emissions by 2035.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

| Baseline Year: 2022 | | | |
|---------------------|---|-----------------------|--|
| EMISSIONS | TOTAL (tCO₂e) | | |
| Scope 1 | Stationary Combustion (Boilers) | 0.00 | |
| | Mobile Combustion (Fleet) | 67.255 | |
| | Process Emissions (On-Site Manufacturing) | 0.00 | |
| | Fugitive Emissions (F-Gasses) | 0.00 | |
| | Total | 67.255 | |
| Scope 2 | Electricity & Heating combined | 3.118 | |
| | Total | 3.118 | |
| | Our electricity bill includes the cost of heating s heating for our property. | since we use electric | |
| Scope 3 | | | |
| (Included Sources) | Waste Generated in Operations | 0.0426 | |
| | Upstream transportation & distribution | 0.00 | |
| | Downstream transportation & distribution | 0.00 | |
| | Business Travel | 00.00 | |
| | Commuting | 2.692 | |
| | Work From Home | 2.086 | |
| | Total | 4.8206 | |

| | We do not have any upstream & downstream emissions as we do not provide these services to our clients. |
|-----------------|--|
| Total Emissions | 75.1936 tCO2e |

Current Emissions Reporting

| Reporting Year: 2022 | | | |
|----------------------|--|--------|--|
| EMISSIONS | TOTAL (tCO ₂ e) | | |
| Scope 1 | Stationary Combustion (Boilers) | 0.00 | |
| | Mobile Combustion (Fleet) | 67.255 | |
| | Process Emissions (On-Site Manufacturing) | 0.00 | |
| | Fugitive Emissions (F-Gasses) | 0.00 | |
| | Total | 67.255 | |
| Scope 2 | Electricity & Heating combined | 3.118 | |
| | Total | 3.118 | |
| Scope 3 | heating for our property. | | |
| (Included Sources) | Waste Generated in Operations | 0.0426 | |
| (| Upstream transportation & distribution | 0.00 | |
| | Downstream transportation & distribution | 0.00 | |
| | Business Travel | 00.00 | |
| | Commuting | 2.692 | |
| | Work From Home | 2.086 | |
| | Total | 4.8206 | |
| | We do not have any upstream & downstream emissions as we do not provide these services to our clients. | | |
| Total Emissions | 75.1936 tCO2e | | |

Scope 1 emissions

To control Scope 1 emissions, particularly in the context of Cleanwise Ltd.'s company fleet, we have developed various strategies and measures. Given that the company's fleet is a significant contributor to Scope 1 emissions, focusing on it is crucial for achieving emission reduction goals. Our sustainability experts have recommended the following pending Board of Directors approval:

Alternative Fuels:

Consider using alternative fuels such as compressed natural gas (CNG) or hydrogen, which have lower carbon footprints compared to conventional fossil fuels. Evaluate the feasibility of alternative fuelling infrastructure and vehicle availability.

Fuel Efficiency Measures:

Implement fuel-efficient driving practices and technologies, such as telematics systems, to monitor and improve driver behaviour. This can include reducing idling, maintaining proper tire pressure, and optimizing routes to minimize fuel consumption.

Vehicle Maintenance:

Ensure regular vehicle maintenance to keep engines and emissions control systems in optimal condition. Well-maintained vehicles tend to operate more efficiently and produce fewer emissions.

Green Procurement:

When replacing or expanding the fleet, prioritize the purchase of vehicles with higher fuel efficiency ratings or those that run on alternative fuels. Selecting vehicles with lower emissions can make a substantial difference over time.

Route Optimization:

Use route optimization software to plan more efficient routes for your fleet. This can reduce both mileage and emissions by ensuring vehicles take the most direct routes.

Driver Training:

Provide training to drivers on eco-friendly driving practices, emphasizing the importance of reducing emissions through responsible driving behaviours.

Maintenance Scheduling:

Develop a regular maintenance schedule to ensure vehicles are serviced on time, including oil changes, air filter replacements, and emission control system checks.

Monitoring and Reporting:

Install vehicle tracking and emissions monitoring systems to keep real-time tabs on fuel consumption and emissions. Regularly analyse this data to identify areas for improvement.

Scope 2 emissions

To control Scope 2 emissions for Cleanwise Ltd, which result from the consumption of purchased electricity, heat, or steam, our sustainability team has recommended various

strategies to reduce our environmental impact and achieve emission reduction goals. Here we have listed them for controlling Scope 2 emissions:

Transition to Renewable Energy:

Procure electricity from renewable energy sources, such as solar, wind, or hydroelectric power. This can significantly reduce Scope 2 emissions associated with energy consumption.

On-Site Solar Panels:

Install on-site solar panels or other renewable energy systems at company facilities to generate clean energy and offset electricity consumption.

Energy Efficiency Measures:

Implement energy efficiency measures to reduce overall energy consumption. This can include upgrading lighting to LED, improving insulation, and optimizing heating, ventilation, and air conditioning (HVAC) systems.

Power Purchase Agreements (PPAs):

Consider entering into long-term power purchase agreements with renewable energy providers to secure a stable and clean energy supply.

Energy Management Systems (EMS):

Install EMS to monitor and control energy usage in real-time, allowing for better management and optimization of energy consumption.

Employee Awareness and Engagement:

Educate employees about the importance of energy conservation and encourage them to take actions like turning off lights and equipment when not in use.

HVAC and Lighting Automation:

Install automation systems that adjust HVAC and lighting based on occupancy and natural light levels, reducing energy waste.

Energy Audits:

Conduct regular energy audits to identify areas where energy consumption can be reduced further. Use the findings to prioritize energy-saving projects.

Energy-Efficient Equipment:

Replace outdated and energy-inefficient equipment with more energy-efficient models, such as ENERGY STAR-rated appliances and office equipment.

Monitor Energy Contracts:

Continuously assess energy supply contracts to ensure they align with sustainability goals and secure favourable terms for renewable energy procurement.

Sustainability Reporting:

Report on Scope 2 emissions and energy reduction efforts in sustainability reports to demonstrate commitment and transparency to stakeholders.

Scope 3 emissions

Controlling Scope 3 emissions can be more complex as they encompass indirect emissions throughout the company's value chain. To address Scope 3 emissions effectively, Cleanwise Ltd can consider the following recommendations:

Supply Chain Engagement:

Collaborate with suppliers to identify and reduce emissions associated with the production and transportation of materials and products used in the company's services. Encourage suppliers to adopt more sustainable practices.

Supplier Selection:

When choosing suppliers, prioritize those with strong environmental and sustainability commitments. This can help reduce emissions related to the procurement of goods and services.

Green Procurement Policies:

Implement green procurement policies that prioritize environmentally friendly products and materials. This can include specifying eco-certified cleaning products and equipment.

Logistics Optimization:

Optimize logistics and transportation routes to reduce emissions associated with the delivery of cleaning supplies, equipment, and services. Consider consolidating shipments and using more fuel-efficient transportation options.

Employee Commuting:

Encourage employees to use eco-friendly commuting options such as carpooling, public transportation, cycling, or telecommuting to reduce emissions from daily commutes.

Business Travel Policies:

Develop and implement business travel policies that prioritize video conferencing and virtual meetings to minimize the need for air travel and long-distance commuting.

Carbon Footprint Calculators:

Provide customers with access to carbon footprint calculators or tools to help them understand the emissions savings from using Cleanwise Ltd.'s services compared to conventional alternatives.

Lifecycle Assessments:

Conduct lifecycle assessments of the company's products and services to identify areas for emissions reduction throughout their entire lifecycle.

Customer Education:

Educate customers about the environmental benefits of using Cleanwise Ltd.'s services and provide guidance on how they can further reduce their own environmental impact.

Sustainable Packaging:

Evaluate and minimize the environmental impact of packaging materials used for cleaning products and equipment. Consider using recyclable or biodegradable options.

Waste Reduction and Recycling:

Implement waste reduction and recycling programs not only within the company but also in collaboration with clients to reduce waste-related emissions.

Employee Training:

Train employees to be aware of the environmental impact of their actions and to identify opportunities for emissions reduction in client interactions.

Carbon Offsetting Programs:

Offer customers the option to participate in carbon offset programs that balance out emissions associated with the services provided.

Sustainability Reporting:

Include Scope 3 emissions and reduction efforts in the company's sustainability reports to demonstrate commitment to addressing indirect emissions.

Continuous Improvement:

Continuously monitor and assess the company's value chain for emissions reduction opportunities and regularly update sustainability goals and initiatives.

Emissions reduction targets

Achieving ambitious emission reduction targets, especially for a company with a fleet responsible for a significant portion of its energy consumption, requires a comprehensive and strategic approach. Here are several steps and strategies that our company is considering to reach its emission reduction goals:

Fleet Electrification: Transitioning the company's fleet to electric / hydrogen based or hybrid vehicles can significantly reduce Scope 1 emissions. Electric vehicles (EVs) produce zero tailpipe emissions and can be charged with renewable energy sources, further reducing their carbon footprint.

Efficient Vehicle Management: Implementing fuel-efficient driving practices and regular vehicle maintenance can optimize fuel consumption and reduce emissions from the existing fleet.

Alternative Fuels: Exploring alternative fuels like compressed natural gas (CNG) or hydrogen can be a viable option for reducing emissions, especially for specific types of vehicles.

Renewable Energy: Switching to renewable energy sources, such as solar or wind power, for company facilities can help reduce Scope 2 emissions associated with electricity consumption.

Energy Efficiency Measures: Investing in energy-efficient technologies and practices for company operations, including lighting, HVAC systems, and equipment, can further lower energy consumption and emissions.

Carbon Offsetting: If achieving complete carbon neutrality is challenging, the company can invest in carbon offset projects that balance out its emissions, such as reforestation or renewable energy projects.

Supply Chain Management: Collaborating with suppliers to reduce emissions along the supply chain can contribute to Scope 3 emission reduction. This may involve selecting eco-friendly suppliers and optimizing logistics.

Remote Work and Travel Policies: Encouraging remote work and implementing travel policies that favour video conferencing over physical travel can reduce emissions associated with employee commuting and business travel.

Employee Engagement: Engaging employees in sustainability initiatives can foster a culture of environmental responsibility and innovation within the organization.

Measurement and Reporting: Implementing robust measurement and reporting systems to track emissions regularly is essential. This allows the company to assess progress toward its goals and make necessary adjustments.

Investment in Research and Development: Investing in research and development to identify and adopt emerging technologies and practices that further reduce emissions can be crucial for long-term sustainability.

Partnerships and Collaboration: Collaborating with industry peers, environmental organizations, and government agencies can provide access to resources, expertise, and incentives for emission reduction efforts.

Stakeholder Engagement: Keeping stakeholders, including customers, shareholders, and the public, informed and engaged in the company's sustainability efforts can build support and goodwill.

By combining these strategies and continuously monitoring progress, the company can work toward achieving its ambitious emission reduction targets, ultimately moving closer to its goal of Net Zero Carbon emissions by 2035 and 2035 for Scope 1, 2, and 3 emissions, respectively.

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

Building on its ISO 14001 certification and commitment to environmental responsibility, Cleanwise Ltd company will undertake various carbon initiatives to further reduce its carbon footprint and promote sustainability. Here are some carbon initiatives that our management is considering to undertake:

Energy Efficiency Audits: Conduct energy efficiency audits of company facilities to identify areas where energy consumption can be reduced. Implement energy-efficient technologies and practices to lower energy consumption and emissions.

Renewable Energy Procurement: Invest in renewable energy sources such as solar panels or wind turbines to power company facilities. Purchasing renewable energy from green energy providers is another option.

Carbon Accounting: Implement a robust carbon accounting system to track and report emissions accurately. This can help the company identify emission hotspots and areas for improvement.

Carbon Neutrality Pledge: Commit to achieving carbon neutrality by a specific date and develop a plan to offset or reduce emissions to achieve this goal.

Green Procurement: Source eco-friendly and sustainable products and materials for cleaning and facility support services. This includes using environmentally friendly cleaning products and equipment.

Waste Reduction and Recycling: Implement waste reduction and recycling programs in company operations to minimize the environmental impact of waste disposal.

Employee Training: Train employees on sustainable practices, including energy conservation, waste reduction, and environmentally responsible behaviour both at work and at home.

Green Transportation: Encourage employees to use public transportation, carpooling, or cycling for commuting to work, reducing emissions associated with employee travel.

Eco-Friendly Fleet: Continue the transition to an eco-friendly vehicle fleet by replacing older vehicles with electric or hybrid options.

Carbon Offsetting: Invest in carbon offset projects that align with the company's operations and values. These projects can include reforestation, renewable energy projects, or methane capture.

Environmental Education: Educate clients and suppliers about the company's sustainability initiatives and encourage them to adopt similar practices.

Sustainability Reporting: Publish an annual sustainability report to transparently communicate the company's environmental efforts, achievements, and progress toward carbon reduction goals.

Community Engagement: Engage with local communities in sustainability initiatives, such as organizing clean-up events or supporting environmental education programs.

Regulatory Compliance: Stay informed about environmental regulations and ensure compliance with local, regional, and national carbon reduction mandates.

Innovation and Research: Invest in research and development to explore new, more sustainable technologies and practices in the cleaning and facility support services industry.

By proactively pursuing these carbon initiatives, the company can not only reduce its carbon footprint but also demonstrate its commitment to environmental responsibility to clients, suppliers, and stakeholders, fostering a positive reputation as a sustainable and socially responsible organization.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier:

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Lippi A. G

Company Director

Date: 18/09/2023

¹<u>https://ghgprotocol.org/corporate-standard</u>

²https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting ³https://ghgprotocol.org/standards/scope-3-standard