

SM Cleaning & Support Services Ltd

Net Zero Report 2023

SM Cleaning
& support services ltd



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Foreword

In 2023 we partnered with **Positive Planet** to begin our journey to Net Zero. Over the year we worked to collect data so that we could measure our emissions, identify emissions hotspots and begin work to reduce our impact.

To quantify our baseline emissions, we measured the carbon impact of all scope 1, scope 2 and scope 3 business activities for the financial year ending 2023. We found that our procurement activities, company car mileage and employee commuting all contributed significantly to our footprint and used these results to create an action plan for the year ahead.

As well as measuring our impact, we have also committed to some Science Based Target Initiative (SBTi) aligned targets, including a commitment to reduce emissions by 42% from our baseline year by 2030 and to reach Net Zero by 2040.

In this document, you can find our measurement results, the methodology used, our near- and long-term reduction targets and our priorities for the year ahead.

SM Cleaning & Support Services Ltd is a London-based cleaning company that offers a complete range of cleaning and maintenance solutions throughout London and the home counties.

We have dedicated operational and cleaning teams and manage all contracts directly. We are a living wage employer accredited to ISO 9001 & 14001.

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Our why

Measured by Positive Planet

Why we're taking action

At SM Cleaning & Support Services Ltd, we understand that taking action to reduce carbon emissions and achieve Net Zero is not just a responsibility; it is imperative for our business. We understand that unchecked climate change poses significant risks to our planet, society, and economy.

By committing to reducing our carbon footprint, we aim to contribute positively to the fight against climate change while also future-proofing our operations. Embracing sustainability isn't just about mitigating risks; it's about embracing opportunities for innovation, efficiency, and long-term resilience.

Our dedication to this cause reflects our commitment to leaving a better world for future generations and ensuring the continued success and sustainability of our business.

In their most recent report, the Intergovernmental Panel on Climate Change (IPCC) concluded that human activities have increased global surface temperatures by 1.1°C above 1850-1990 levels (IPCC, 2023). This increase in temperature is already having adverse effects in regions across the globe, disproportionately affecting vulnerable communities that have historically contributed the least to global greenhouse gas emissions. These adverse effects are responsible for the displacement of communities, water and food scarcity, negative human health impacts and damage to ecosystems.

By committing to sustainability and reducing emissions SM Cleaning & Support Services

Risks and opportunities

Embracing sustainable practices isn't just a response to warnings of the worsening state of our climate. Many actions that are required to reduce emissions are expected to have a positive impact on other areas of our business. It is also important for the success of our business that we consider the challenges that we may face to sustain stakeholder confidence in our business.

Risks

- Supply chain disruptions (due to extreme weather)
- Human health risks (due to extreme weather and pollution)
- Rapidly changing regulations
- Changing customer demands
- Increased insurance costs
- Increased heating and cooling costs

Opportunities

- Attract and retain talent and customers
- Develop new offerings
- Attract investment
- Decrease insurance costs
- Optimise efficiencies, reduce costs
- Increased resilience to change
- Brand enhancement

Our carbon footprint

Measured by Positive Planet

How we measure our footprint

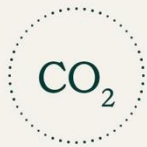
In devising a carbon reduction plan with the goal of achieving net zero, it is critical that we first understand where our emissions come from. To support this, we have partnered with Positive Planet to measure our emissions.

How our carbon footprint is calculated:

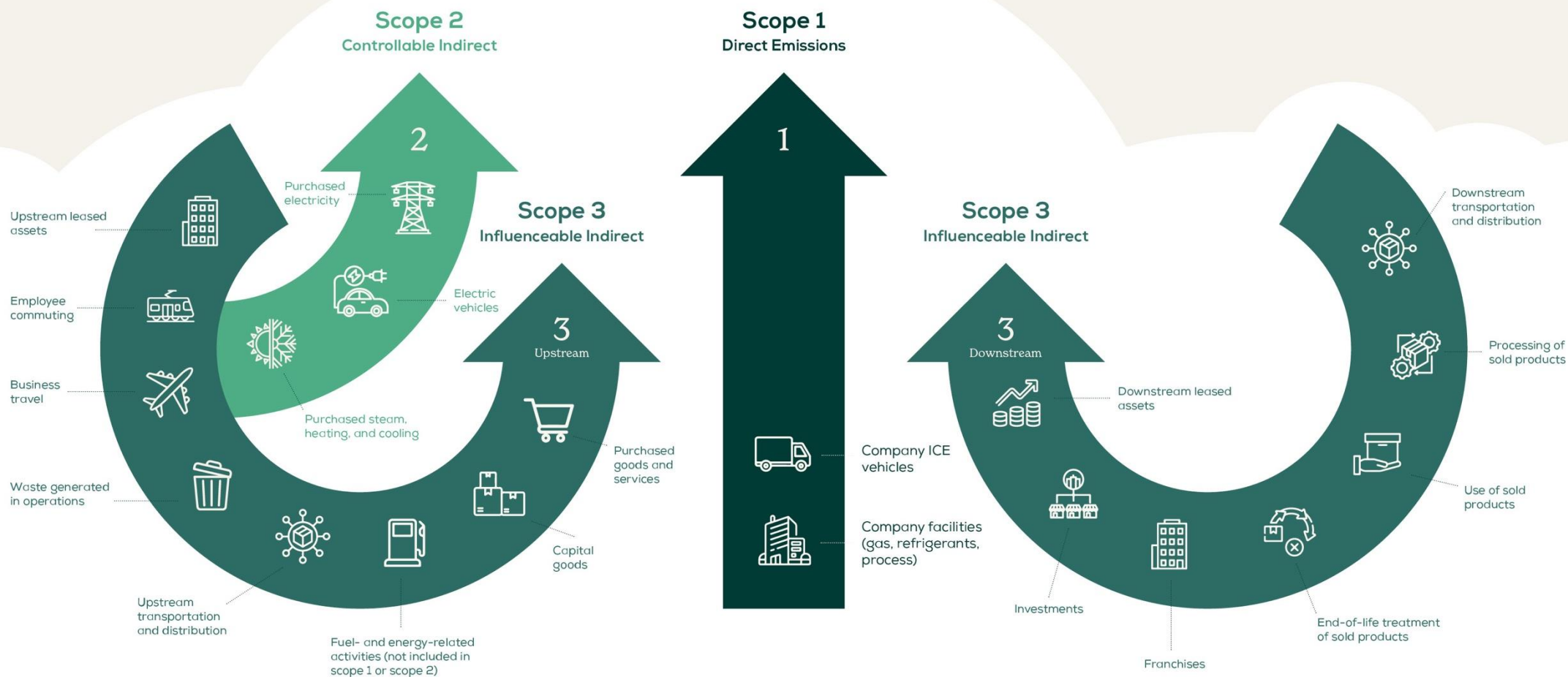
Our carbon footprint has been measured using principles from The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.

Six Greenhouse Gases are calculated as part of this emissions report, known as the six Kyoto Protocol GHGs. These gases occur the most often as a result of business activities, with the highest Global Warming Potential. For the purposes of emissions reporting, these gases are simplified and measured in the unit of tonnes of carbon dioxide equivalent (tCO_{2e}).

We sorted our business activities into the scopes and categories outlined by The GHG Protocol and reported all direct and upstream indirect emissions. There were no downstream impacts to report due to the nature of our business.



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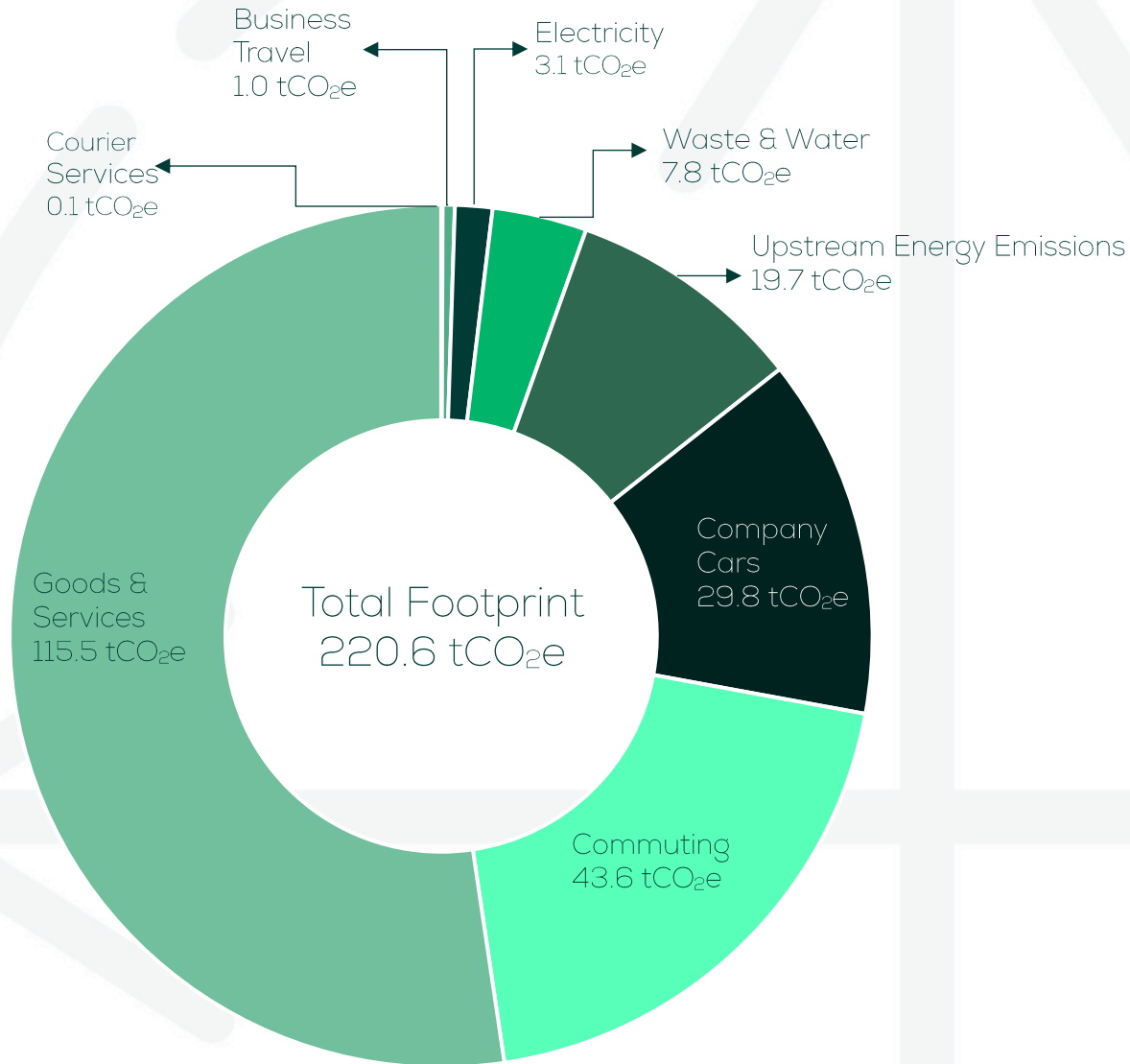


Upstream Activities

Reporting Company

Downstream Activities

Our carbon footprint



Reporting Period

1st April 2022 – 31st March 2023

Carbon Intensity Per Employee

2.63 tCO₂e / Employee

Carbon Intensity Per £1 of Revenue

0.08 kgCO₂e / £1

High Impact Activities

- Procurement of goods and services
- Employee commuting
- Company car travel

*Upstream energy emissions include the WTT and transmission and distribution emissions that occur in addition to the combustion and generation emissions that are measured in the other energy

Emissions breakdown

Utilities

Electricity Use (Scope 2)

High-quality kWh data and tariff information were submitted for electricity use.

kWh Usage	Location-based	Renewable Energy	Market-based
16,685	3.2 tCO ₂ e	61%	3.1 tCO ₂ e

Electricity emissions are measured in two ways, as outlined in The GHG Protocol:

- **Location-based:** Location-based emissions are calculated solely using the average emissions intensity of the local grid from which the electricity was purchased. It does not factor in any green measures adopted by the reporting organisation but instead considers the amount of low-emission electricity generated and used by the entire grid. Low-emission generation (nuclear or renewable) made up 59% of generation for this reporting period.
- **Market-based:** Market-based emissions calculations consider the decisions made by an organisation concerning tariffs and suppliers. 61% of electricity purchased through the current tariff is backed by Renewable Energy Guarantee of Origin (REGO) certificates.

Waste & Water

- **Waste:** Some waste emissions could be calculated using the weight-based method, under this method 197 tonnes of waste were reported, all diverted, resulting in the emission of 4.2 tCO₂e. The remaining waste disposal activity was measured using spend, this was estimated to have produced an additional 3.6 tCO₂e.
- **Water:** Water emissions were calculated using m3 data and were estimated to be 0.03 tCO₂e.

Emissions breakdown

Travel

Commuting:

Commuting emissions were estimated using the Department for Transport's National Travel Survey Results due to a lack of available data (low quality). Most commuters are expected to have travelled by car, with total commuting emissions estimated to be 39.7 tCO_{2e} and total WFH emissions estimated to be 3.9 tCO_{2e}.

Company Car Travel:

Our fleet includes combustion engine cars and vans, we have some petrol and some diesel vehicles and submitted data in miles

Mode	% of Miles	% of Emissions
Car	67%	90%
Taxi	7%	5%
Motorbike	9%	2%
Train / Tram	1%	1%
Bus	1%	1%
Walking / Cycling	16%	0%

Vehicle	Unit	Quantity	Emissions
Petrol Car	Miles	31,985	10.7 tCO _{2e}
Diesel Car	Miles	19,643	5.9 tCO _{2e}
Diesel Van	Miles	35,500	13.2 tCO _{2e}
Total			29.8 tCO _{2e}

Emissions breakdown

Travel

Business Travel:

Business travel emissions include those that occur as a result of travel paid for by the reporting organisation, it includes emissions from all forms of transportation, plus emissions associated with hotel stays. The data submitted was high quality; distances for transport and number of nights for hotels.

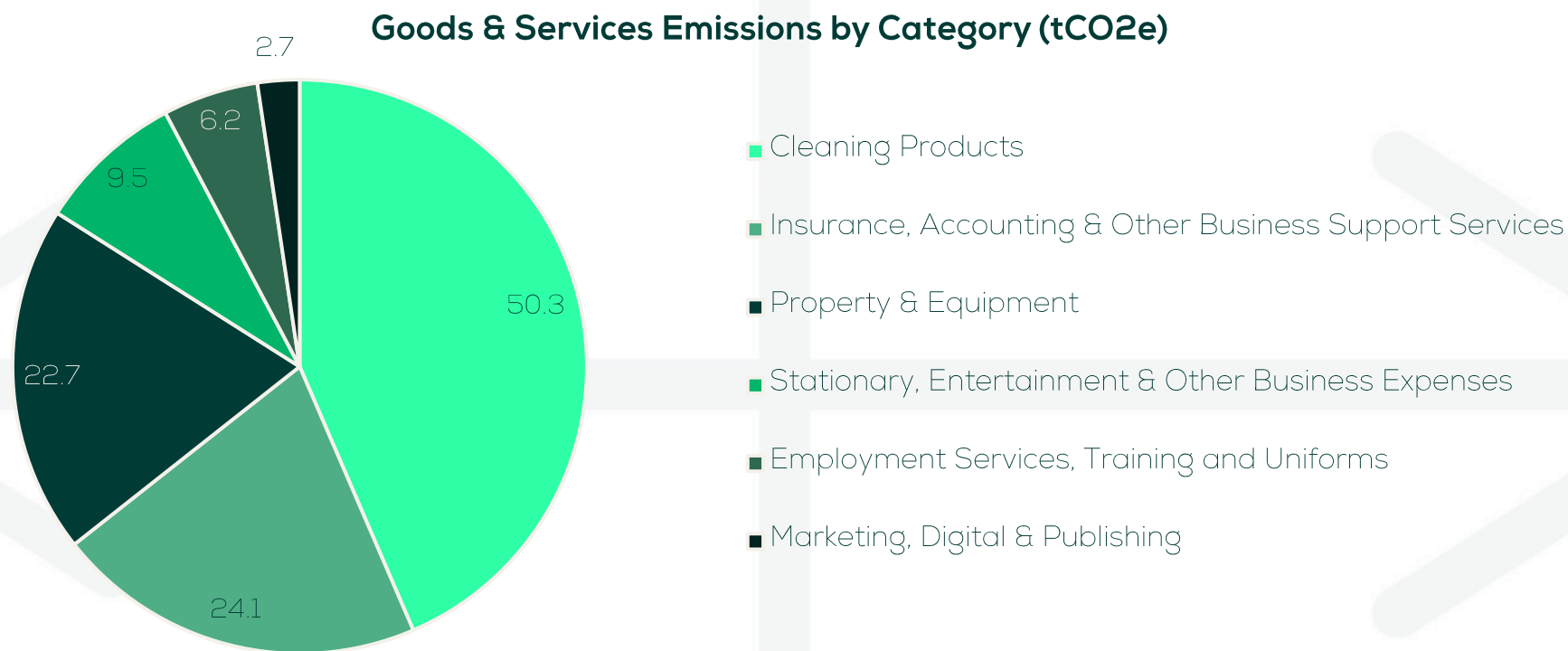
Travel Type	Unit	Quantity	Emissions
Employee Vehicle	Miles	3,675	0.867 tCO ₂ e
Hotel Stays	No. Nights	13	0.001 tCO ₂ e
Train	Miles	26	0.135 tCO ₂ e
Total			0.868 tCO ₂ e

Emissions breakdown

Procurement

Goods & Services

Goods and services emissions include all emissions that occur as a result of the production of physical goods and the delivery of the services that we purchase/use as a business. To estimate these emissions, we have used spend-based data and factors. The spend-based factors represent average emissions per £ spent in different categories rather than the emissions of the suppliers and vendors we use, but we intend to use this data as it becomes available.



Our net zero targets

Measured by Positive Planet

What does net zero

To achieve Net Zero, we will be aiming to reduce emissions in line with the latest science-based targets (SBTs).

SBTs are greenhouse gas reduction goals set by organisations. They are defined as “science-based” when they align with the scale of reductions required to keep global temperature increases well below 2°C, and ideally below the 1.5°C agreed in the Paris Agreement, compared to pre-industrial temperatures. SBTs provide organisations with pathways to sustainable transformational change to accelerate the transition to a low-carbon economy.

Current guidance from the Science Based Targets Initiative (SBTi) states that for most businesses, this means a total reduction in emissions across all scopes by 90% by 2050 at the latest. Carbon removals should then be used to neutralise the residual emissions.

We will review our targets with the release of any new guidance from the SBTi.

What's the difference?

Net zero

When a business has reduced its Scope 1, 2 and 3 emissions by as much as possible, leaving only ‘residual’ emissions, which cannot be removed. Current guidance from the SBTi states that for most businesses, this means a total reduction in emissions across all scopes by ~90%. Carbon removals should then be used to neutralise the residual emissions.

Carbon neutral

A carbon neutral business has committed to reducing emissions, and in the meantime balances its remaining emissions through carbon removal/offsetting schemes.

Zero emissions

When no carbon is produced directly from a particular activity, product, or service (such as the running of an electric van or an electric cooker on electricity produced through solar power).

Our targets

SM Cleaning & Support Services Ltd is committed to reaching Net Zero by 2040. We are aiming for a reduction of at least 90% and will neutralise any remaining residual emissions. We have also set the following near-term targets to 2030.

1

Reduce scope 1
emissions by 42%
by 2030

2

Reduce location-
based scope 2
emissions by
42% by 2030

3

Reduce market-
based scope 2
emissions by
100% by 2030

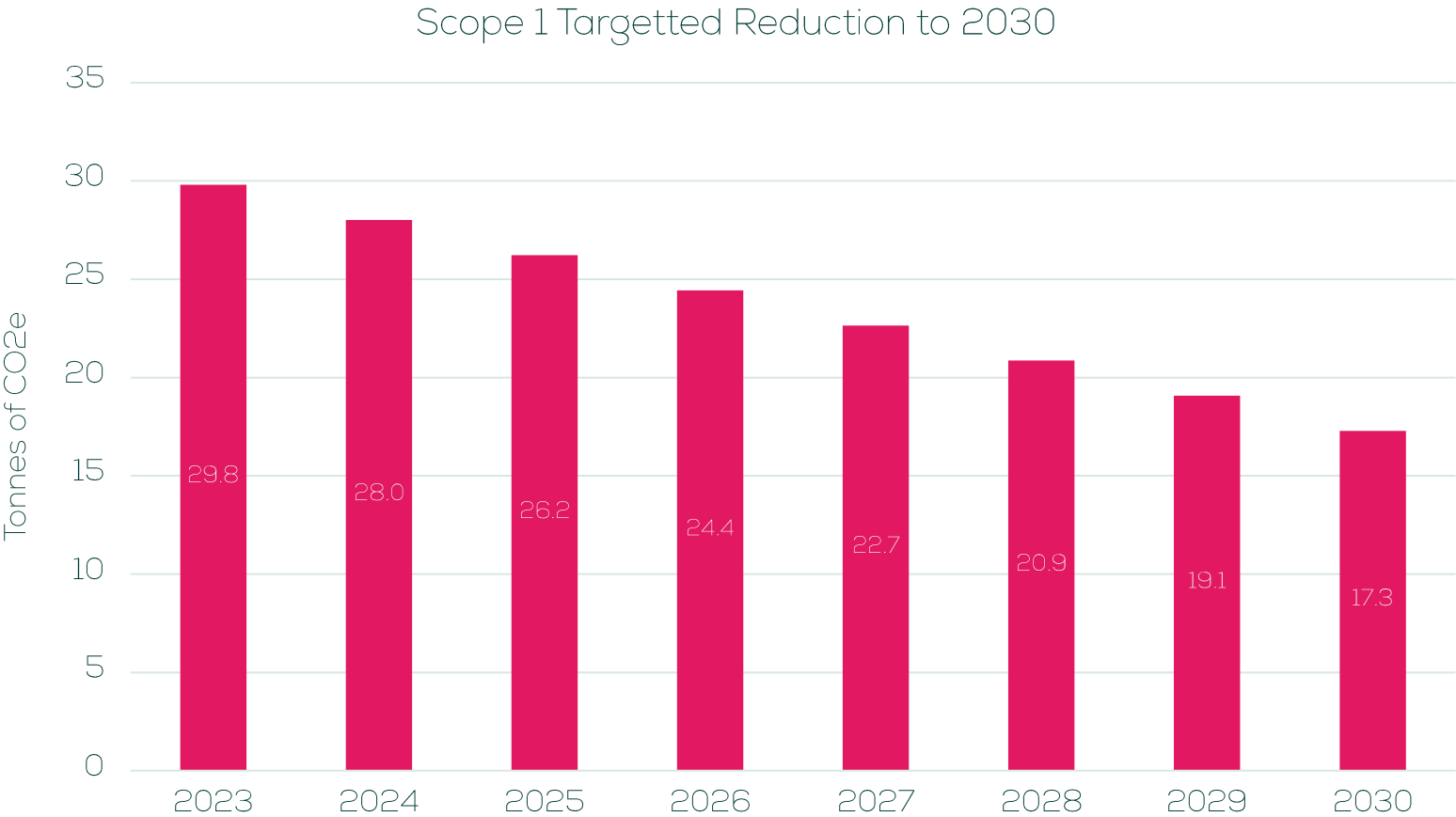
4

Reduce scope 3
emissions by
42% by 2030

Targetted annual reduction

Scope 1 target

Our near-term scope 1 target is to reduce our scope 1 emissions by 42% from our baseline year by 2030. To reach this target we will need to reduce emissions by 1.8 tCO₂e each year.

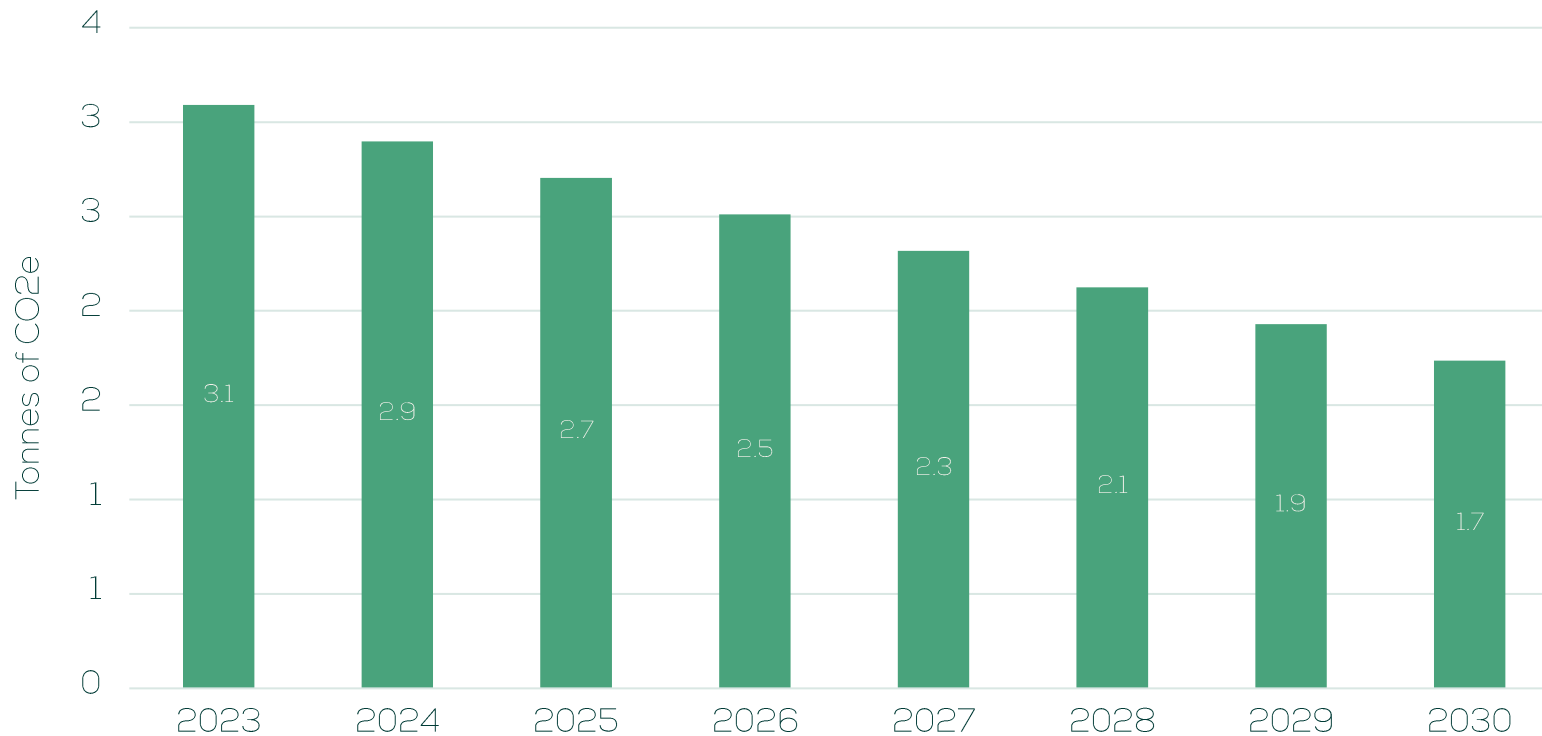


Targetted annual reduction

Scope 2 targets

We are aiming to reduce our location-based scope 2 emissions by 42% from our baseline year by 2030 and to reduce our market-based scope 2 emissions by 100% by 2030. To reach our location-based target, we will need to reduce emissions by 0.2 tCO₂e each year (see below) and to reach our market-based target, we will need to increase renewable energy consumption to 100% before 2030.

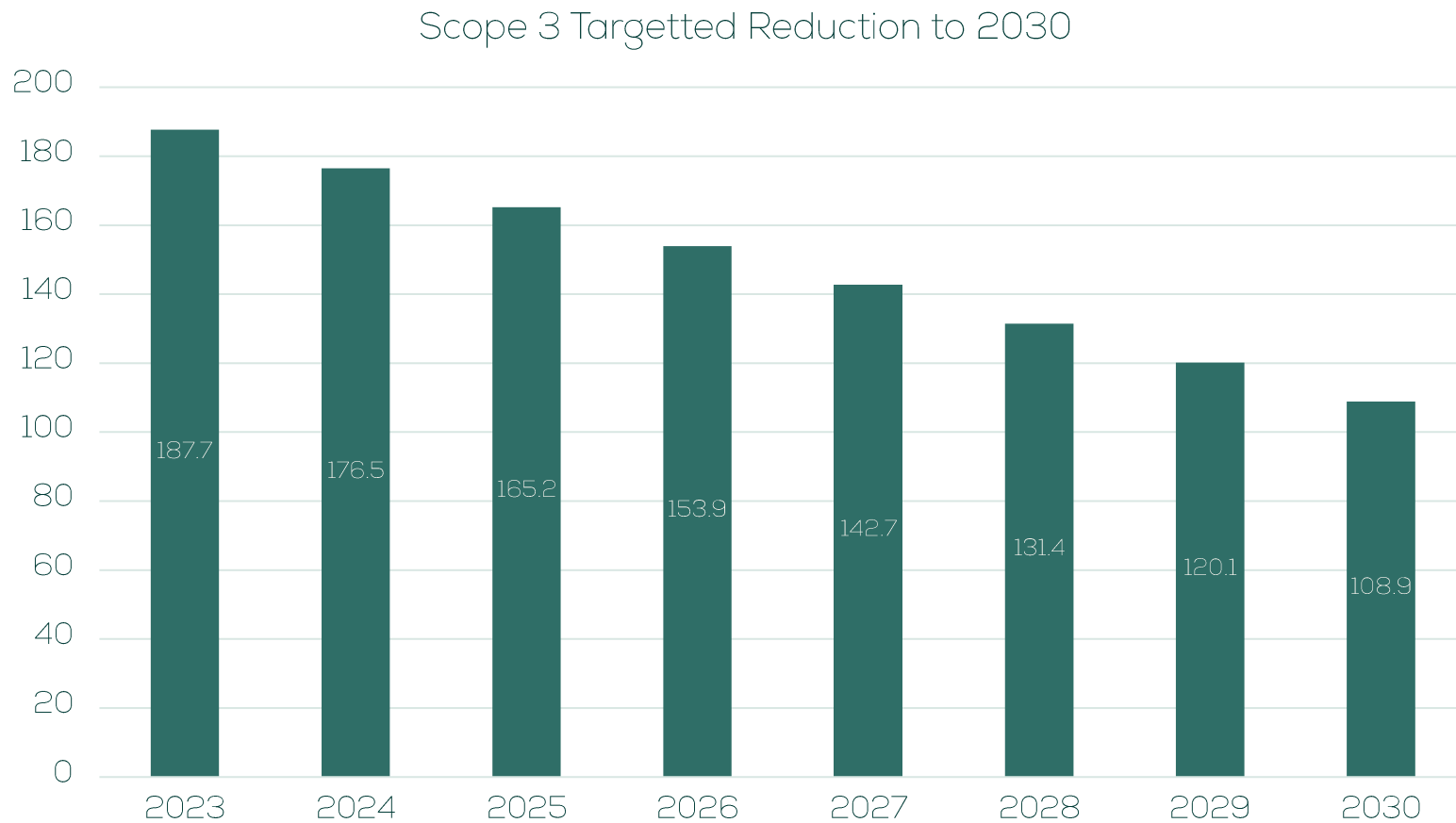
Location-based Scope 2 Targetted Reduction to 2030



Targetted annual reduction

Scope 3 target

We are aiming to reduce our scope 3 emissions by 42% from our baseline year by 2030. To reach this target we will need to reduce our scope 3 emissions by 11.3 tCO₂e each year.



Our priorities for the year ahead

Measured by Positive Planet

Our supply chain

Reducing emissions from the purchase of goods and services will involve a reduction in carbon emissions across our supply chain. Supply chain decarbonisation is not expected to be a fast process, but there are initial steps that we can take to make sure that it happens at a rate consistent with our carbon reduction targets.

If we are to reach our targets, we will need to work with businesses with similar targets and be able to track emissions and reductions. To get started on this action, we will do the following 3 activities:

1. Supplier Survey & Analysis

We will use a survey to do an initial screening of our supply chain and their current sustainability credentials. We will use any available emissions data in our footprint, targets in our reduction forecasting and both things in our decision-making.

2. Target Setting & Procurement Policy

We will set some targets for our suppliers surrounding commitment and progress. We will build these into our procurement policy and processes and consider opportunities to collaborate with and support our supply chain partners.

3. Approved Supplier Assessment

We will ask all new suppliers whether they have started to measure emissions, whether they have set any Net Zero targets and if they have a carbon reduction plan as part of the new supplier assessment process. We may not expect all suppliers to have all in place right away, but we want to be discussing these things from the start of each supplier relationship.





Travel and utilities

Fleet

We commit to switching to electric alternatives for our fleet vehicles at the earliest opportunity. As a first step, we will create a Fleet Decarbonisation plan that can be built into our policies and reduction forecasting. We will review our current fleet, identify any vehicles nearing end-of-life and consider potential barriers to switching.

Commuting

We will explore ways in which we can support staff to make more sustainable choices when it comes to commuting. We understand that low-carbon modes of transport are not always the most accessible and can often be less convenient, so we want to minimise this as far as possible for our staff members. We will engage our staff members in the process, find out what barriers are currently being faced and seek initiatives and incentives to overcome these.

Utilities

When choosing a new office space, we will consider the impact of the office on our carbon footprint. We will review the sustainability credentials of potential office sites, prioritising those that have an EPC rating of C or above, and either have renewable generation technologies installed or purchase electricity through a 100% renewable energy tariff.

Engagement and awareness

One of our priorities for the year is to make sure that sustainability becomes a part of our company culture and is a consideration in all areas of our business.

To raise awareness and increase engagement across our workforce, we will explore **training opportunities for staff**. This will ensure that the entire workforce is equipped with the knowledge and skills needed to contribute to our environmental goals and feel motivated to do so. We will be sure to give staff adequate opportunities to contribute ideas and to discuss potential barriers to taking action and therefore inform future actions. We will also discuss our progress towards targets and update the team on sustainability-related projects as part of major meetings.

We also commit to sharing our carbon footprint results and carbon reduction initiatives for the year ahead with our customers and wider networks via social media and our website to encourage similar action from others.



Getting to net zero

Measured by Positive Planet

Getting to net zero

Reaching Net Zero is expected to take many years, and each year we will focus on a different set of priorities. These priorities will all be small steps towards the final goals that we have set for each of our business activities.

Scope 1

Currently, our only scope 1 emissions come from our combustion engine fleet. To reach Net Zero scope 1 emissions, we will need to switch to an all-electric fleet powered by 100% renewable energy.

Scope 2

Scope 2 emissions are made up of emissions that occur due to the generation of electricity purchased for our office. To reduce our market-based emissions, we need to switch to a 100% renewable energy tariff and to reduce location-based emissions, we would need to invest in onsite renewable electricity generation.



Reaching Net Zero will require collaboration between business and government. Governments will need to introduce policies that support climate action, equally pressure from businesses can stimulate government action.

Current SBTi guidance allows for up to 10% of baseline emissions to remain under the Net Zero definition. It is important to remember that some residual emissions are expected, so a full 100% reduction is not expected in all areas, unless possible.

Getting to net zero

Scope 3

- Goods & Services: All goods and services will need to be purchased from organisations that have also reached Net Zero. For physical products, this would require the use of only low-carbon materials and for all purchases, suppliers would need to have reduced their operational emissions (e.g. their electricity use, their commuting emissions etc).
- Courier Services: Couriers used would need to be using low-emissions goods transportation (e.g. EV or HVO) and would need to reduce their other operational emissions (e.g. their electricity use, their commuting emissions etc).
- Business Travel: Reduction in high emitting travel modes (e.g. private vehicle travel and flying) until these modes can be considered low-carbon. Increase in use of modes that are already low emission such as rail and ferry. Use of Net Zero hotels.
- Commuting & Homeworking: Increase in staff travelling via low-carbon modes (e.g. electric vehicles, public transport or active transport). Reduction in the emissions intensity of the grid will decrease emissions associated with electricity-powered transport (e.g. EVs, some public transport) and also homeworking emissions. Employees are to be supported and encouraged to switch to renewable energy tariffs, and a ban on gas boiler installation in newly built homes from 2025 will decrease emissions associated with heating (some residual emissions are expected as a result of employee home heating).
- Waste & Water: Only small amounts of waste are produced; all waste is recycled using waste disposal partners who have reached Net Zero. Water purchased from suppliers who have reached Net Zero (2030 target across the industry*).

* <https://www.water.org.uk/protecting-environment/climate-change>

Summary

We are proud of our progress to date and our ambitious decarbonisation targets as we aim to become net zero by 2040.

Making a positive impact is part of our company culture and our roadmap provides feasible steps to help us protect our planet at pace. Engagement is an extremely vital piece of our climate puzzle, and we remain committed to engaging, educating, and inspiring change amongst our colleagues, suppliers, customers, and wider networks.

Whilst we reflect on our accomplishments to date, we look to the future and are excited by further opportunities to instigate change that will benefit our planet and people for generations to come.