



# Cabinet Office

## CARBON REDUCTION PLAN GUIDANCE

### Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier<sup>1</sup> and must meet the reporting requirements set out in supporting guidance, and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The CRP should be specific to the bidding entity, or, provided certain criteria are met, may cover the bidding entity and its parent organisation. In order to ensure the CRP remains relevant, a Carbon Reduction Plan covering the bidding entity and its parent organisation is only permissible where the detailed requirements of the CRP are met in full, as set out in the Technical Standard<sup>2</sup> and Guidance<sup>3</sup>, and all of the following criteria are met:

- The bidding entity is wholly owned by the parent;
- The commitment to achieving net zero by 2050 for UK operations is set out in the CRP for the parent and is supported and adopted by the bidding entity, demonstrated by the inclusion in the CRP of a statement that this will apply to the bidding entity;
- The environmental measures set out are stated to be able to be applied by the bidding entity when performing the relevant contract; and
- The CRP is published on the bidding entity's website.

Bidding entities must take steps to ensure they have their own CRP as soon as reasonably practicable and should note that the ability to rely on a parent organisation's Carbon Reduction Plan may only be a temporary measure under this selection criterion.

The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

A template for the Carbon Reduction Plan is set out below. Please complete and publish your Carbon Reduction Plan in accordance with the reporting standard published alongside this PPN.

---

<sup>1</sup>Bidding supplier or 'bidding entity' means the organisation with whom the contracting authority will enter into a contract if it is successful.

<sup>2</sup>Technical Standard can be found at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/991625/PPN\\_0621\\_Technical\\_standard\\_for\\_the\\_Completion\\_of\\_Carbon\\_Reduction\\_Plans\\_\\_2\\_.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991625/PPN_0621_Technical_standard_for_the_Completion_of_Carbon_Reduction_Plans__2_.pdf)

<sup>3</sup>Guidance can be found at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/991623/Guidance\\_on\\_adopting\\_and\\_applying\\_PPN\\_06\\_21\\_\\_Selection\\_Criteria\\_\\_3\\_.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991623/Guidance_on_adopting_and_applying_PPN_06_21__Selection_Criteria__3_.pdf)

# Carbon Reduction Plan

Supplier name: ELIS UK

Publication date: MAY 2024

## Commitment to achieving Net Zero

Elis UK is committed to achieving Net Zero carbon emissions by 2045 on all scopes of 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.

<b>Baseline Year: 2019</b>	
<b>Additional Details relating to the Baseline Emissions calculations.</b>	
Scope 3 emissions were estimated based on the Group Scope 3 emissions and adjusted on turnover for the UK. Scope 2 is market based. Emissions are reported according to GHG protocol standard	
<b>Baseline year emissions:</b>	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b>	<b>78 860</b>
<b>Scope 2 (market based)</b>	<b>16 624</b>
<b>Scope 3 (Included Sources)</b>	<b>134 966</b>
<b>Total Emissions</b>	<b>230 449</b>

## Current Emissions Reporting

Reporting Year: 2023	
EMISSIONS	TOTAL (tCO <sub>2</sub> e)
Scope 1	69 605
Scope 2 (market based)	14 912
Scope 3 (Included Sources)	141 235
<b>Total Emissions</b>	<b>225 753</b>

## Emissions reduction targets

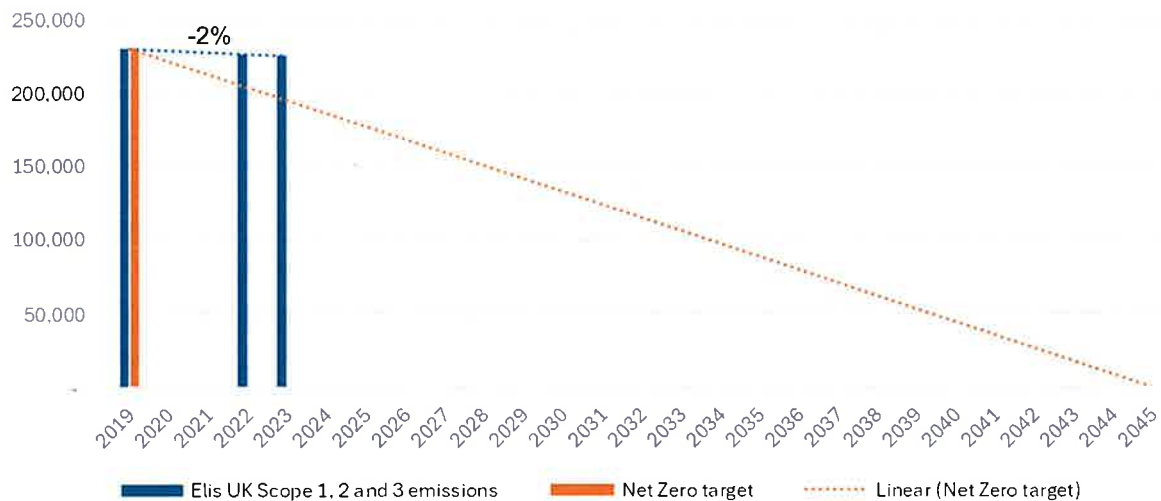
The Elis Group ambition is to achieve the following targets by 2030 from a 2019 baseline:

- Reduce absolute scope 1 and 2 GHG emissions by 47.5% by 2030.
- Reduce absolute scope 3 GHG emissions<sup>1</sup> by 28%.

<sup>1</sup>From purchased goods and services, fuel and energy related activities, upstream transportation and distribution, employee commuting, and end-of-life treatment of sold products

These targets have been approved by the Science Based Targets initiative (SBTi). They are fully in line with the objectives of the 2015 Paris Climate Agreements to contribute to restrict global warming to less than 1.5°C compared to pre-industrial levels on Scope 1 and 2, and well below 2°C on Scope 3. Elis UK will contribute to these targets as detailed in this plan.

Progress against these targets by Elis UK can be seen in the graph below:



## Carbon Reduction Projects

### Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2019 baseline.

The carbon emission reduction achieved by these schemes equate to **4,696 tCO<sub>2</sub>e**, a **2% reduction against the 2019 baseline** and the measures will be in effect when performing the contract.

Since the last reporting period Elis has had renewed climate targets approved by the Science Based Targets initiative as disclosed above. In 2023, the Elis Group was awarded CDP Climate A- score, maintaining the achievement from 2022.

### Our Climate Strategy

To achieve its targets, Elis has developed a clear roadmap and action plan tackling direct and indirect emissions from our primary emissions sources in facilities, transportation and purchased goods and services.

To address Scopes 1 and 2, which represent 31% of the Group's CO<sub>2</sub>e emissions Elis will:

- Further optimise its energy use in its industrial laundries.
- Decarbonise its energy.
- Reduce the impact of its logistics fleet.

To reduce the impact of Scope 3, representing 69% of the Group's CO<sub>2</sub>e emissions Elis will:

- Improve and optimise operational practices, especially on linen management.
- Reduce the environmental impact of Elis' products by working on design, material selection or modes of production.
- Reduce the impact of freight and support employees in their transition towards more responsible commuting practices.

### Reducing Scope 1 & 2 Emissions

In 2023 Elis UK reduced absolute Scope 1 & 2 emissions by 11.5% from the 2019 base line through the following actions:

#### Optimising Energy Use

In 2023, the Elis Group significantly improved its performance in terms of thermal energy consumption per kg of linen delivered, reaching -28% compared to 2010. This substantial improvement was due in particular to the existing energy efficiency programs:

- Optimising energy use in industrial laundries thanks to the implementation of established energy-efficient solutions, investing in known technologies to maximise efficiency and reduce consumption. Making significant annual investments in energy and water saving initiatives; replacing energy intensive equipment, switching heating sources in laundry equipment and applying of variety of other equipment upgrades.
- Applying rigorous focus on operational efficiency with a dedicated WECO (Water, Energy, Chemical and Oil) function monitoring improvements in energy performance

through appropriate indicators and communicating them to all relevant levels of the organisation. Directing proactive and corrective action to minimise consumption through sharing best practices, optimisation of wash processes, energy and water management and machine maintenance.

When defining its Climate strategy, the Group conducted an in-depth analysis of energy efficiency opportunities, taking into account existing technologies and best practices as well as new technologies and innovations to be tested. In addition to the above initiatives, in 2023 the Group undertook several specific actions to help reduce its energy consumption, in particular, it:

- Updated the Energy essentials, which outline key energy monitoring and optimisation actions.
- Standardised washing temperatures for all sites based on the bleaching agents used.
- Evaluated new low-temperature washing processes that can reduce energy consumption by up to 9%.
- Carried out internal energy audits to identify energy action plans.
- Subjected its heat exchangers to external audits, which helped improve the energy ratio at certain sites by up to 10%.

#### Reducing the impact of logistics

Elis UK reduced transportation absolute CO<sub>2</sub>e emissions by 16% since the last reporting period. Reducing the environmental impact of the logistics fleet has been primarily achieved through significant investment in the latest fuel-efficient logistics vehicles, compliant with regional low emissions zones in the cities in which Elis operate. Elis UK has also invested in 2 electric delivery vehicles due for delivery in 2024.

Further reduction improvements in fuel efficiency and reduction of emissions has been achieved through the following actions:

- Proximity and consolidation: Elis sites provide national coverage to harmonise and consolidate its routes and loads to customer locations. Deployment of Elis proprietary GLAD software solution to optimise delivery routes to reduce distance covered and emissions released accordingly.
- Optimising the use and fill rates of delivery vehicles, adapting routes against customer journeys. Logistics vehicles are always carrying payload in delivery or collection of product.
- The use of telematics tools to optimise fuel efficiency through; reduced idle times, smoother acceleration and braking, and deploying gamification of driving standards through driver scoring.

#### **Reducing Scope 3 Emissions**

The Group's Scope 3 emissions are driven mainly by purchases of goods and services (71%) and, in particular, purchases of products (51% of total emissions), upstream fuel and energy (excluding Scopes 1 and 2) (9%) and transport (employee commuting, transport of goods and logistics, business travel) (9%). In 2023 Elis UK absolute Scope 3 emissions increased by 5% from the 2019 base line, largely driven by increases in purchases of goods

and services and upstream fuel and energy in support of a significant increase in turnover in the same period (23%).

To reduce the impact of Scope 3 emissions Elis UK will continue to:

#### Improve operational practices and linen management

Because it operates on a circular economy-based business model, the Elis offers alternatives to purchase/acquisition solutions and single-use products. By optimizing resource consumption from upstream to downstream (design, manufacture, maintenance, delivery, use, etc.) and pursuing the best end of life for its products, Elis can offer its customers solutions that have a lower impact and generate fewer emissions.

As a significant share of the Group's emissions come from its linen, extending the lifespan of the products and keeping them in use are key levers for reducing resource consumption and CO<sub>2</sub>eq emissions. For every item lost or damaged, a replacement item must be purchased resulting in additional emissions. Maximising product life and reducing linen loss, equalling thousands of tonnes each year in the UK, is therefore a priority through the following actions:

- Continue to drive innovation through our collaborative partnership with the NHS on the Healthcare Textile Improvement Project (HTIP) to address continued linen loss. Gaining traction together as we continue to work to achieve our combined goals in reducing Scope 3 emissions.
- Continue to promote pooling solutions between sites, optimising existing stock nationally to minimise new product purchases.
- Extending product reuse through onsite textile repair.
- Identifying and implementing textile management procedures and sharing success across sites.

Beyond its action plan, and given its circular business model and its operations, the Group believes it can make a significant contribution to UN Sustainable Development Goal (SDG) 12, "Ensure sustainable consumption and production patterns". Accordingly, 84% of its revenue generated, from the product-as-a-service model contributes to SDG 12.

#### Reduce the environmental impact of its products

By working on design, material selection or production methods Elis will prioritise working with its suppliers to improve manufacturing practices within the value chain, especially through energy efficiency and decarbonisation. The Group will also continue to eco-design its products and transition its ranges to alternative materials. In 2023, the Group thus expanded its range of washroom products made from recycled materials, launched an apron product made from recycled Elis textiles, and transitioned the composition of one of its major workwear ranges to recycled materials.

#### Reduce the impact of freight and employee commuting

In particular, Elis will carry out actions to engage its employees, help them understand mobility-related concerns and encourage behaviour changes. Elis promoted car sharing in support of the Group's annual Sustainability Week in 2023 to reduce the number of vehicles commuting to sites and encourage employee engagement.

**In the future we hope to implement further measures such as:**

Elis Group is following a business wide strategy to achieve the following targets for 2025, in which Elis UK are fully embedded:

- Reduce CO2 intensity in operations (kg of CO2 per ton of linen delivered) by 20% by 2025 from 2010
- Improve thermal efficiency in European laundries (kWh per kg of linen delivered) by 35%
- Reduce water consumption per kg of linen delivered between 2010 and 2025 in European laundries
- Accelerate logistics fleet transition towards alternative fuelled vehicles
- Reuse or recycle 80% of our end-of-life textiles

**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 standard<sup>4</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>5</sup>.

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) Standard<sup>6</sup>.

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:**



.....

Date: ..... 11.06.24 .....

---

<sup>4</sup><https://ghgprotocol.org/corporate-standard>

<sup>5</sup><https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

<sup>6</sup><https://ghgprotocol.org/standards/scope-3-standard>

