# Oxwash

## Annual B Corp Statement 2023

Certified
B Corporation

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# A message from our founder



2023 was a pivotal year for Oxwash, filled with both triumphs and challenges. We navigated a complex economic landscape, tackled setbacks inherent in pioneering new technologies, and continued to push the boundaries of what is possible with disruptive solutions. Despite these hurdles, our conviction to transform the laundry industry into a force for good remained steadfast, as we worked towards our vision of permanently eliminating the environmental impact of washing.

We maintained our continued commitment to B Corp, a distinction that remains central to who we are as a company. Being a certified B Corp is more than just a label for Oxwash—it's a reflection of our promise to meet the highest standards of social and environmental performance, transparency, and legal accountability. This year, we worked diligently to uphold these values and began preparations for our B Corp reassessment, ensuring that we remain at the forefront of positive change in the laundry industry.

In this report, we dive deeper into the highs and lows of 2023. While it hasn't always been smooth sailing, each setback has come with valuable lessons, and our commitment to transparency and integrity has never wavered. We invite you to join us on this ongoing journey as we strive to create a cleaner, more sustainable future for laundry and textile care.

In the spirit of transparency and integrity, we invite you to join us on this transformative journey towards a cleaner, more sustainable future for the laundry industry.

Kyle

# The journey so far

## 2017

Oxwash's founder, Dr Kyle Grant started the business with an old bicycle, Google Forms and a spray-painted Deliveroo backpack, initially washing fellow Oxford students' laundry at home.

## 2018

Upgraded to a shipping container and an E-cargo bike. Started serving businesses and Oxford colleges.

## 2019

Opening of the Oxford lagoon

## 2021

Opening of the London and Cambridge lagoons

## 2022
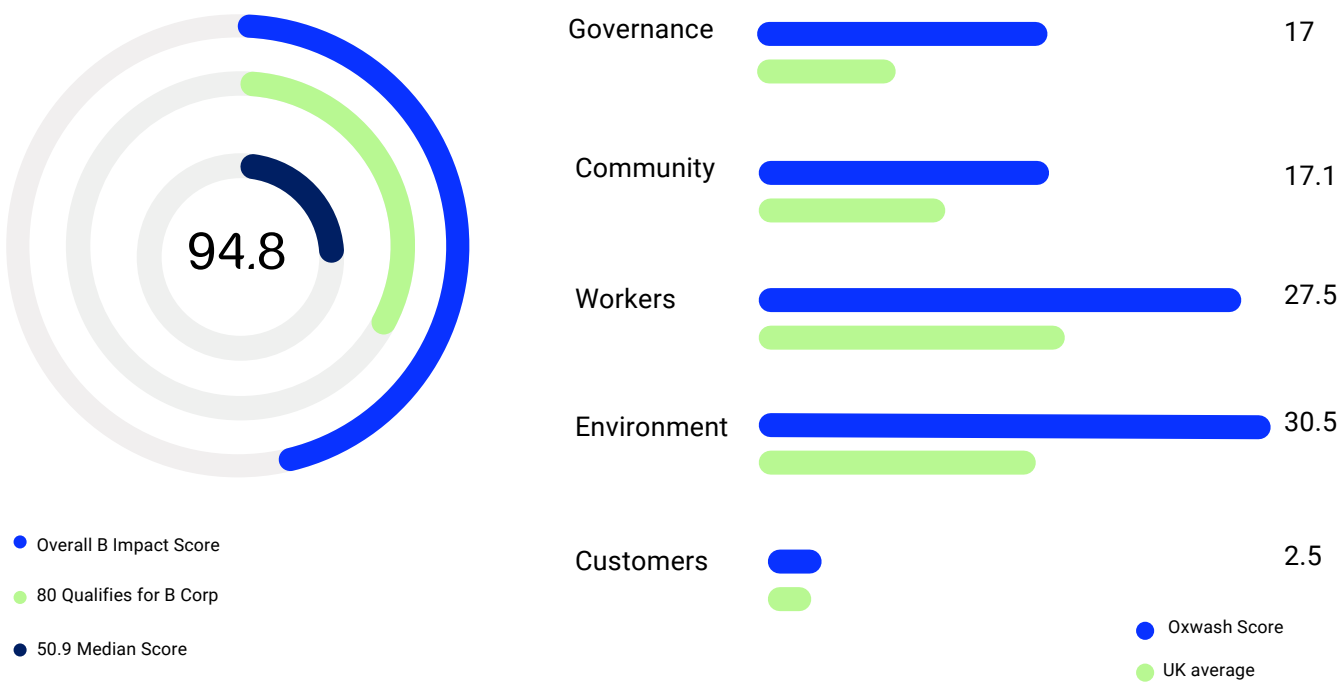
Certified B Corp

## 2023

Opening of our flagship facility, Big Blue I, in Swindon. Big Blue I is the world's first industrial-sized, carbon-neutral laundry and wet cleaning facility.

# Our B Corp
# **Score**

The B Corp Impact Assessment is a comprehensive and rigorous tool designed to evaluate a company's performance and impact on key stakeholders, including employees, the community, customers, and the environment. It challenges companies like Oxwash to provide thorough evidence and documentation to substantiate their responses.

For Oxwash, this tool has not only facilitated certification but also served as an invaluable resource for measuring impact, identifying areas for improvement, and adopting best practices. We're proud to have achieved a score of 94.8, but our ambitions don't stop there. As we prepare for recertification, we're committed to further improving and aiming for an even higher score.

Explore our goals and how they align with the Sustainable Development Goals in the pages ahead.

**94.8**

- Overall B Impact Score
- 80 Qualifies for B Corp
- 50.9 Median Score

| Category | Score |
|---|---|
| Governance | 17 |
| Community | 17.1 |
| Workers | 27.5 |
| Environment | 30.5 |
| Customers | 2.5 |

- Oxwash Score
- UK average

# Our goals **for recertification**

| Commitment | Achieve by... | SDG |
|---|---|---|
| **Greenhouse gas emissions reductions** | | |
| Reach science-based net-zero targets in scopes 1 and 2 and in all scopes 1, 2 and 3 | 2025 2028 | 13 CLIMATE ACTION |
| Increase the percentage of energy use produced from low-impact renewable sources to: 65% 95% 100% | 2023 2025 2031 | 13 CLIMATE ACTION |
| Be carbon neutral by offsetting (removing) Scope 1 (gas), Scope 2 (non-renewable electricity) and 100% of Scope 3 greenhouse gas emissions | From 2021 | 13 CLIMATE ACTION |
| Collaborate with key suppliers to collect data and report on greenhouse gas emissions Reduce GHG emissions in our supply chain by 20% Achieve a carbon-neutral supply chain | 2023 2025 2028 | 13 CLIMATE ACTION |
| **Monitoring and managing water use** | | |
| Implement water conservation and recycling systems in the new Big Blue facility | 2024 | 6 CLEAN WATER AND SANITATION |
| Achieve 25% reduction in water consumption intensity relative to financial performance | 2024 | |
| Set targets for water consumption reductions across all sites | 2023 | |
| **Monitoring and reporting non-hazardous waste** | | |
| Improve monitoring and recording of waste production Reduce waste production by 20% Produce zero waste to landfill / ocean | 2023 2025 2027 | 6 CLEAN WATER AND SANITATION |
| **EMS** | | |
| Implement an environmental management system (EMS) covering waste generation, energy usage, water usage, and carbon emissions Third-party auditing and certification of EMS | 2025 2028 | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION |
| **Workers' financial security, health and safety** | | |
| 100% of employees across the organisation continue. earning a Living Wage, matching annual changes | Annually | 8 DECENT WORK AND ECONOMIC GROWTH |
| Regularly monitor indoor environmental quality to ensure a healthy and comfortable workspace and avoid Sick Building Syndrome | 2028 | |
| **Diversity, Equity and Inclusion (DEI)** | | |
| Increase the representation of ethnic minorities to match the average levels of regional ethnic diversity in our local areas provided by the ONS and Census | 2025 | 10 REDUCED INEQUALITIES |
| Increase the representation of ethnic minorities in the senior leadership team to at least 20% | 2025 | 10 REDUCED INEQUALITIES |
| Increase the representation of females in the senior leadership team to at least 50% | 2025 | |
| Reduce the gender pay gap to zero with men and women receiving equal pay for work of equal value | 2030 | 5 GENDER EQUALITY |
| Introduce accurate measurement and set public goals for representation of underrepresented groups such as the LGBTQI+ community and people with disabilities | 2023 | 5 GENDER EQUALITY |
| Host annual DEI trainings for all employees | 2023 | |
| **Economic impact and supply chain management** | | |
| Screen suppliers to determine demographics (to determine purchases from companies that are majority-owned by women or individuals from underrepresented populations) | 2023 | 10 REDUCED INEQUALITIES |
| Ensure 10-24% of purchases are from underrepresented suppliers | 2024 | |
| Ensure 21-49% of suppliers are accountable for the SAQ and Supplier Code of Conduct (based on £ spent) | 2023 | 10 REDUCED INEQUALITIES |
| Set goals and expectations with suppliers to improve their social and environmental performance | 2023 | |
| Set up incentives for suppliers with strong social and environmental performance | 2025 | |

# Governance

Corporate governance forms the backbone of how a business operates and interacts with its community. It's the essential framework that guides our actions and keeps us accountable.

In 2023, Oxwash transformed from a local laundry service to an industrial leader. This rapid growth presented challenges as we balanced expansion with preserving our core values. As we scale, we're even more dedicated to upholding sustainability, transparency, and accountability as our guiding principles.

We've enhanced our governance policies to match our growth trajectory, but this isn't just a box-ticking exercise. We remain committed to offering innovative perspectives, maintaining stakeholder equilibrium, and advocating for a more equitable and sustainable economy.

## Progress at a glance

| What we said we would do | What we did |
|---|---|
| Enhance the effectiveness of our board of directors by ensuring diverse representation, fostering constructive board dynamics, and providing directors with the necessary resources and information to make informed decisions. | • Whilst the demographic and diversity of our board has not changed, we have set diversity targets for board recruitment and partnered with organisations to find diverse candidates.<br>• We held board retreats to introduce structured feedback for improving board dynamics.<br>• Provided directors with regular reports, including a digital platform for governance materials, and pre-meeting briefings on complex issues.<br>• Offered ongoing board education on industry trends and regulatory updates. |
| Improve employees' governance knowledge and skills through training, workshops, and professional development opportunities. Continuously update governance practices to adapt to changing regulatory requirements and industry trends. | • We conducted Sustainability training with all teams including Governance training, and role-specific workshops for employees.<br>• We reviewed and updated governance policies based on regulatory changes.<br>• We sent regular governance updates and conducted an audit to ensure practices stayed relevant. |
| Plans for the next year ||
| • Reattempt to achieve meaningful board diversity by refining recruitment strategies and setting clearer accountability measures. Enhance board performance by integrating diversity training and fostering a more inclusive culture.<br>• Strengthen anti-corruption measures by enhancing transparency and accountability. This would include developing and implementing a comprehensive anti-corruption training, outlining clear guidelines on ethical practices and reporting mechanisms. We will establish an independent auditing process to review high-risk areas of the business and ensure compliance with anti-corruption standards. ||

# Workers

Being a responsible business means caring for our workers—ensuring fair livelihoods, growth opportunities, and well-being support. Our rapid expansion brings challenges in maintaining equality, diversity, and inclusion, especially in sectors with dominant demographics. We're committed to fostering workplace diversity, and acknowledging the difficulties in underrepresented areas. We're addressing industry-wide issues like the gender pay gap through transparent structures and regular reviews.

Beyond cultivating inclusivity, we're dedicated to bolstering our employees' financial security, particularly as living costs soar. Recognising the intensifying economic pressures, Oxwash continually seeks better ways to offer fair compensation and support employee well-being. This includes competitive wages, career advancement opportunities, and mental health resources to help our people thrive.

## Progress at a glance

| What we said we would do | What we did |
|---|---|
| Develop a system for regular and transparent assessment of working conditions, ensuring that employees feel safe, supported, and motivated. This will help identify issues early and maintain a high standard of employee satisfaction, especially as the company scales. | • Implemented an employee satisfaction monitoring system including quarterly employee satisfaction surveys that focus on key areas such as workload, team dynamics, career progression, and mental well-being.<br>• Started using  real-time feedback tools in our digital HRIS platform to allow employees to provide quick, anonymous feedback on their working conditions and satisfaction at any time.<br>• Continued regular manager check-ins: Team leaders and managers have conducted structured, 1:1 check-ins with their team members to discuss working conditions and personal satisfaction on a fortnightly basis. |

### Plans for the next year

1. Increase workforce diversity by improving hiring practices and outreach to underrepresented groups. Whilst some work has been done in this area, Oxwash will spend 2024 primarily focusing on young people, NEET individuals and local schools.

2. Foster an inclusive workplace culture through ongoing DE&I training and employee resource groups. This includes rolling out a mandatory, delayed, DE&I training program for all employees, with a focus on cultural competence, inclusion, and addressing unconscious biases. We will also create a focus group working to support diverse communities within the company (e.g., women, LGBTQ+, ethnic minorities) to provide a platform for connection, mentorship, and advocacy.

3. Close the equity gaps in pay, promotion, and opportunities through transparent processes and data-driven reviews. Whilst Oxwash has conducted an annual pay equity audit to identify and close any gender wage gaps we intend to expand this to include racial, or other demographic-based gaps.

# Equity, diversity, and inclusion (ED&I)

At Oxwash, we strongly believe that diversity is our strength. We understand that every individual's voice, background, and perspective contributes to the success of our company and drives innovation. That's why we go above and beyond the Equality Act of 2010 to create a nurturing and supportive environment for our diverse workforce.

We have a zero-tolerance policy towards any form of discrimination and harassment, and we have grievance and whistle-blowing processes in place to ensure that all employees feel safe and heard.

In 2023, we began publishing bi-annual reports to evaluate our progress in the areas of diversity, equity, and inclusion (ED&I) and set targets for the future. **One year on, we have made significant strides in tracking our progress through voluntary disclosures within our new HRIS**. While we had limited data about disability, sexual orientation, and faith in 2022, **we have improved response rates in all of these areas by over 170%.**

In 2024, we aim to gather more voluntary data relating to our team members' socio-economic and underrepresented backgrounds, including NEET, care leavers, and long-term unemployment, to improve our ED&I analysis and progress.

We have also continued calculating our gender pay gap on a voluntary basis, despite not being statutorily required to do so. We are pleased to report that our **mean and median gender pay gaps both decreased in 2023, alongside a 50% distribution of males and females in 3 of our 4 pay quartiles**. Our mean gender pay gap decreased from 15% to 13.8%, and remains below the national average. We're especially proud to see our **median gender pay gap decrease dramatically, from 13.87% to -8.1%.** Although these trends illustrate a promising direction of travel, Oxwash aspires to make even faster and more impactful progress in 2024, including providing an accompanying narrative and action plan and quantifying other types of pay gap.

We're committed to reflecting the diverse communities we serve and ensuring that every voice has a platform.

# ETHNICITY

Whole company
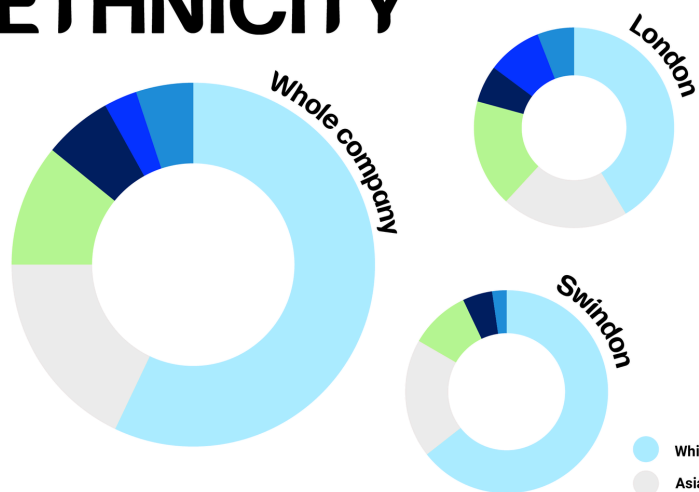
London

Swindon

we speak
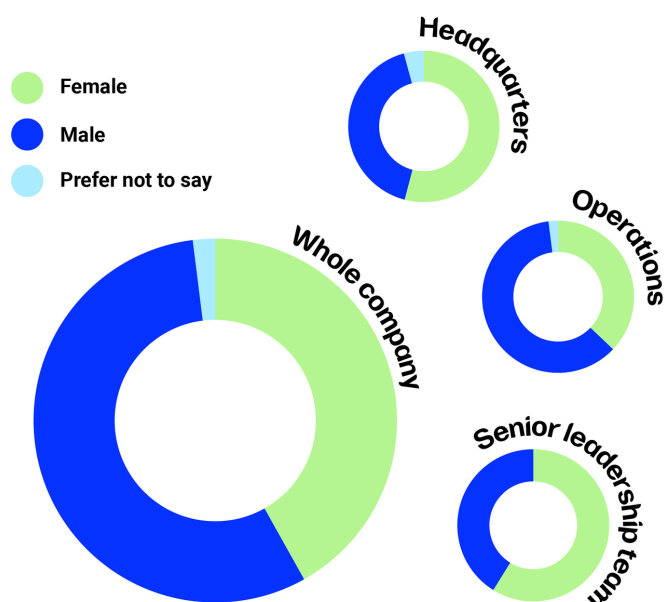**29 different languages**
among our team

Our ethnic diversity at our processing sites in Swindon and London either **matches or is more diverse than the regional averages.**

Our ethnic diversity at a whole company level is **also more varied than the general population in England and Wales** (compared to 2021 census data).

- White British
- Asian or Asian British
- Black, Black British, Caribbean or African
- Mixed or Multiple ethnic groups
- Other
- Prefer not to say

# GENDER

- Female
- Male
- Prefer not to say

Headquarters

Operations

Whole company

Senior leadership team

**Mean gender pay gap**

Decreased from 15% to 13.8%, and remains below the national average.

| Headquarters | Operations |
|---|---|
| **+ 15%** | **+ 6%** |

**Whole company**
**+ 8%**

♀ **Compared to 2022, identify as female**

**64%**
of senior leadership team identify as female
(an increase of 20% since December 2022.)

# AGE

- Under 18
- 18–24
- 25–34
- 35–44
- 45–54
- 55–65
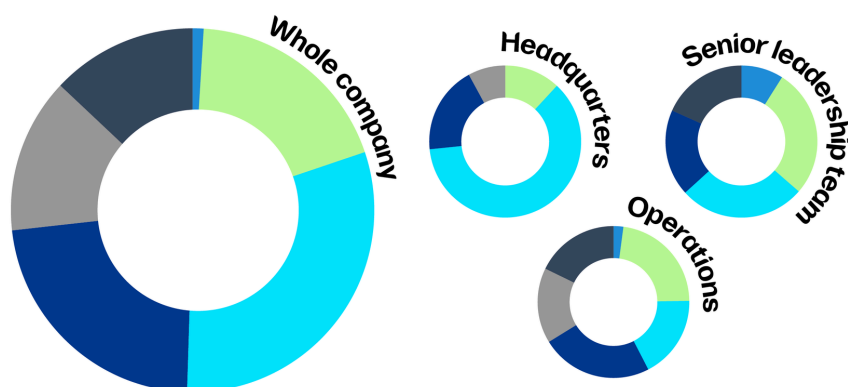
The whole company has **more even distribution across age groups,** including in our senior leadership team, compared to 2022.

Whole company

Headquarters

Senior leadership team

Operations

# Challenges with ED&I

While we made hugely positive strides last year with collecting ED&I data and progressing towards our targets, we still face some obstacles in both of these areas.

In 2023, we tried to build lasting partnerships with organisations that do invaluable work to support individuals from underrepresented groups, but we had mixed success. We learned that because each organisation specialises in one area of underrepresentation, we fell foul of trying to cast our net very wide rather than very deep.

As such, in 2024 **we will place more focus on our engagement with job seekers in our local communities who are NEET** (aged 16-24 and Not in Education, Employment or Training), long-term unemployed, ex-offenders, and/or care leavers. Like many other companies, our ED&I data depends on voluntary disclosures. We have achieved good response rates from our employees, and our next step is to invite voluntary ED&I disclosures from applicants who feel comfortable doing so. This way we can broaden our understanding of ED&I across the whole employee lifecycle. We will also supplement this by upskilling our line managers with ED&I training to enhance our inclusive hiring practices.

With a headcount of 92 Oxwashers and a couple of sites with 5 or fewer people, we acknowledge that small changes in our team composition can make a significant proportional difference in our ED&I and performance against our targets. While this challenge is not unique to Oxwash it is something that we must keep under constant review as we grow and evolve as a business that fosters a welcoming, inclusive, and proud environment for all Oxwashers.

# Community

Oxwash prioritises engaging with the communities in which we operate, hire from, and source from as a key aspect of our social responsibility and long-term sustainability, especially as we undergo rapid growth.

We interact with the community in various ways, collaborating with community organisations, NGOs, local authorities, and other stakeholders to co-create solutions that address local challenges. We believe in making decisions collectively, ensuring that the best interests of the community are always at the heart of our actions.

We take pride in our sourcing practices, recognising their far-reaching positive impacts on the communities we source from. As we expand, we remain deeply committed to ensuring our suppliers adhere to fair labor practices, human rights standards, and environmental sustainability. Whenever possible, we prioritise local suppliers, particularly small and minority-owned businesses, contributing to local economic development and job creation.

## Progress at a glance

| What we said we would do | What we did |
|---|---|
| Improve supplier diversity by actively seeking out and engaging with suppliers from diverse backgrounds and underrepresented groups. | <ul><li>We hosted supplier engagement sessions, inviting diverse suppliers to present their services and meet with the procurement team.</li><li>We established clear, measurable goals for increasing supplier diversity, aiming to onboard a certain percentage of new suppliers from underrepresented groups within the next year (2024).</li><li>We reviewed and updated procurement policies to encourage and prioritise bids from diverse suppliers, with a focus on fairness and accessibility.</li></ul> |
| Organise community clean-up events, support local environmental conservation projects, and promote environmental education and awareness. | Oxwash participated in local community events including wild flower meadow planting and river clean ups. |
| Start employee volunteering by providing paid volunteer time off. | Whilst individual employees participated in volunteering, provided business support and joined school events, we did not implement a formal policy for volunteering. |

| Plans for the next year |
|---|
| <ul><li>In 2024, we will join Sedex to manage our supply chain more consistently. Sedex, or Supplier Ethical Data Exchange, is a global platform that helps businesses improve their supply chain sustainability and ethical practices.</li><li>Develop a local business mentorship program to support young people, especially in the NEET group.</li><li>Implement a formal volunteering policy</li></ul> |

# Our Suppliers

For Oxwash, responsible sourcing is about building reliable partnerships with our suppliers. We select suppliers who share the same values as us and are aligned with our mission. We are aware that our purchasing practices impact not only our suppliers but also the people who work for them.

When we launched the business in 2017, our supply chain was simple. However, as we expanded each year, the list of goods needed became longer and more complex. **Now, we offer a full service for both hospitality and healthcare which means we have to procure linen, scrubs, and patient wear, making our supply chain much more complicated.**

In 2023, we mapped our suppliers, including the emissions associated with the products purchased from them, to have a clear vision of where to focus our work moving forward. All key suppliers are required to fill out Oxwash's Supplier Assessment Questionnaire and comply with our Supplier Code of Conduct.

To help with supply chain management in the future, **we are joining Sedex**, an organisation that helps ensure ethical sourcing and responsible business practices. This partnership will enable  us to have greater transparency and visibility into our supply chain, allowing us to identify and address any potential risks or issues. We are committed to upholding high standards of social and environmental responsibility, and joining Sedex is an important step towards achieving that goal.
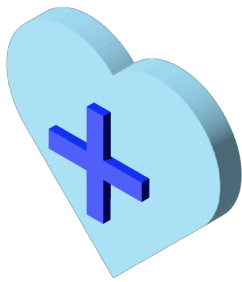


Washing machines and other equipment

Detergents and chemicals

Compostable packaging

Linen and towels

Scrubs and medical textiles

Reusable packaging

Plastic bags for medical textiles

SWEDEN

UK

GERMANY

CHINA

SPAIN

BANGLADESH

BELGIUM

PAKISTAN

**£4.8 million**

in value of local, direct employment

**150**

local direct employees

**£30,700 invested**

in employees' mental health initiatives, social value and local economic impact

**40 hours**

business advice to charities and SMEs

**19 hours donated**

for local school and college visits supporting pupils

**526 hours**

of training opportunities (BTEC, City & Guilds, NVQ, HNC - Level 2,3, or 4+)

**200 hours**

free donation washing for charities

**5000 miles saved**

car miles saved as a result of a green transport programme by employees

# Environment

The climate crisis continues to disrupt food and water supplies, habitats, and livelihoods. The scientific community has stressed the urgency of our situation: without significant reductions in greenhouse gas emissions, we risk exceeding a temperature increase of 3°C this century. This threshold could trigger irreversible damage to our planet's ecosystems.

In response to these challenges, Oxwash has reevaluated its environmental impact using the planetary boundaries framework. This has enabled us to pinpoint the most substantial areas where we can make a difference. Taking this comprehensive approach has deepened our understanding of our ecological footprint and highlighted the urgent need for action in key areas; Climate, Water, Biodiversity  and Waste.

As we move forward, we are committed to making a meaningful contribution to a sustainable future, aligning our operations with the urgent need to protect our planet and its resources.

## Progress at a glance

| What we said we would do | What we did |
|---|---|
| Improve the recycling rates for our operational waste and continue to promote the use of renewable and recyclable materials throughout the supply chain. | • Improved our system for tracking recycling rates and material usage and established specific, measurable targets for increasing recycling rates over the next year.<br>• We collaborated with suppliers to source renewable and recyclable materials, setting guidelines for preferred materials in procurement processes. |
| Establish aggressive water conservation goals by implementing water-efficient technologies and practices. We also want to improve and formalise our targets to reduce water consumption, improve water reuse and recycling, and implement responsible water stewardship strategies in the water-stressed regions we operate in. | • We developed specific goals for reducing overall water consumption by a certain percentage and increasing water recycling by a set amount over the next year.<br>• We started the investment  in water-efficient technologies, including reverse osmosis and recycling. |
| Promote environmental education and awareness among employees, customers, and stakeholders. We want to develop training programs, awareness campaigns, and initiatives to educate and engage stakeholders in sustainable practices and the importance of environmental stewardship. | • We developed training programs, including a series of workshops and online courses on sustainable practices for all employees. |
| **Plans for the next year** ||
| • Implement ISO14001, a formal Environmental Management System (EMS) to monitor, measure and audit our performance.<br>• Launch Sustainability Champions, an employee engagement programme to engage teams in specific environmental topics, using newsletters, social media, and internal communications. ||

# Climate – greenhouse gas emissions

It is widely known and scientifically proven that the acceleration of climate change is mainly caused by the emission of greenhouse gases like carbon dioxide and methane, which result from land use changes and the burning of fossil fuels in various industrial sectors.
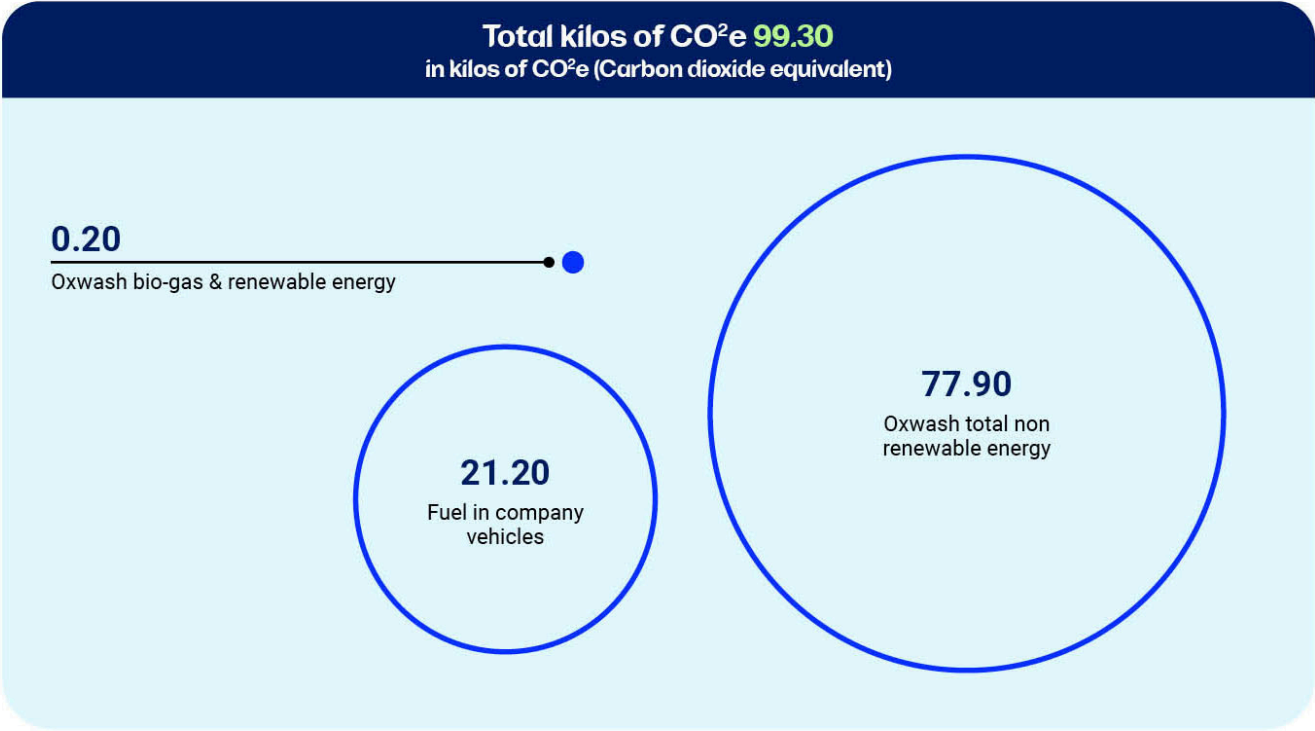
The rise in greenhouse gas concentration in the atmosphere traps heat, leading to global warming and climate change. Climate change in turn leads to ocean acidification as CO2 dissolves in seawater, forming carbonic acid and decreasing pH levels.

Every year, the global laundry industry washes millions of tonnes of textiles for healthcare and hospitality clients emitting an estimated 62 million tonnes of CO2-eq greenhouse gases. The climate effects of the laundry industry are complex and occur in many different places along the supply chains, however, most of the greenhouse gas emissions are caused by the fossil fuels that are used to run the machinery, heat water, dry textiles, etc.
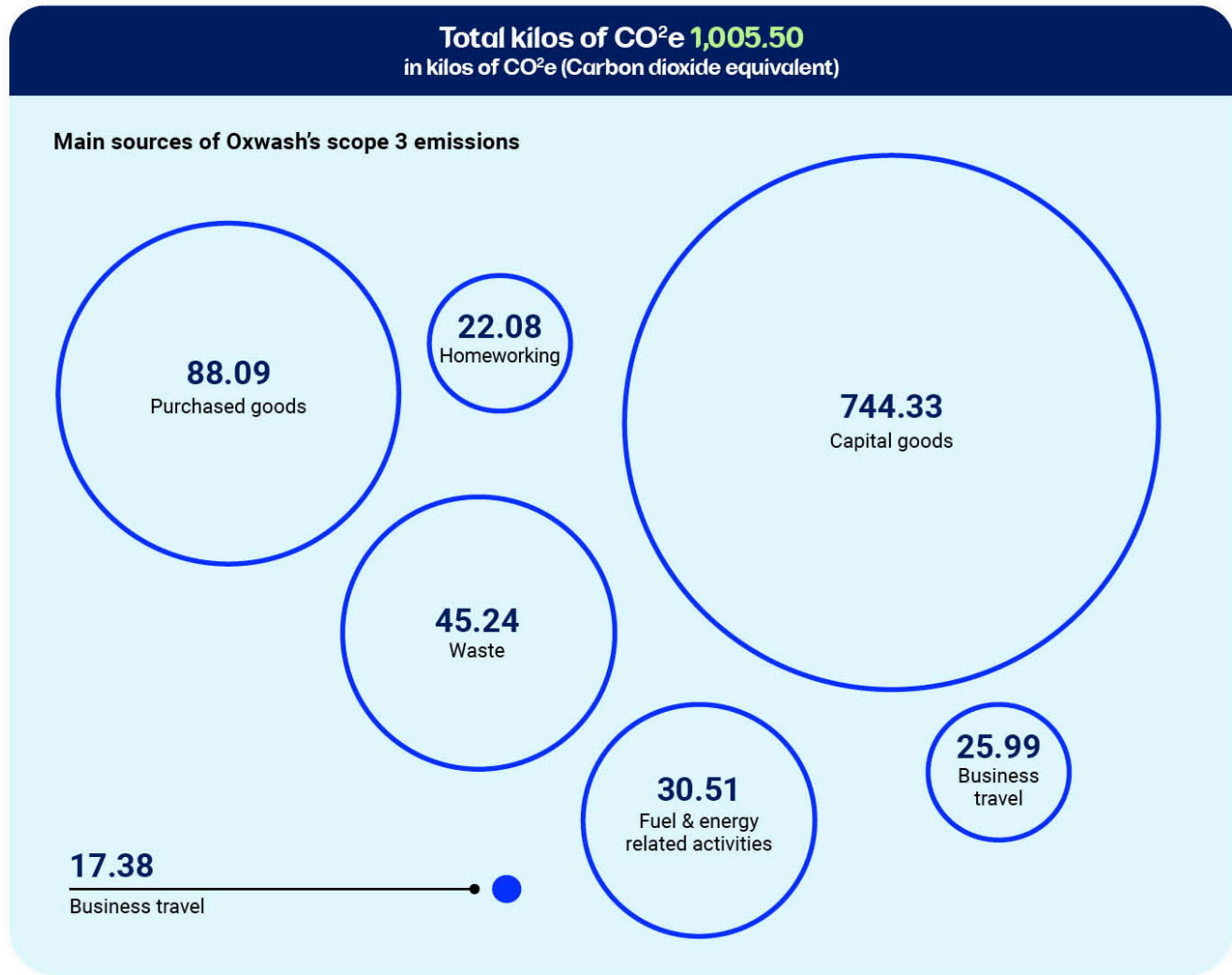
# Our greenhouse gas emissions

## SCOPE 1 & 2: DIRECT EMISSIONS (FLEET VEHICLES, GAS BOILERS, AIR-CON LEAKS)

**Total kilos of CO²e 99.30**
in kilos of CO²e (Carbon dioxide equivalent)

**0.20**
Oxwash bio-gas & renewable energy

**21.20**
Fuel in company vehicles

**77.90**
Oxwash total non renewable energy

## SCOPE 3: ALL OTHER INDIRECT EMISSIONS THAT OCCUR IN THE COMPANY'S VALUE CHAIN

**Total kilos of CO²e 1,005.50**
in kilos of CO²e (Carbon dioxide equivalent)

Main sources of Oxwash's scope 3 emissions

**88.09**
Purchased goods

**22.08**
Homeworking

**744.33**
Capital goods

**45.24**
Waste

**30.51**
Fuel & energy related activities

**25.99**
Business travel

**17.38**
Business travel

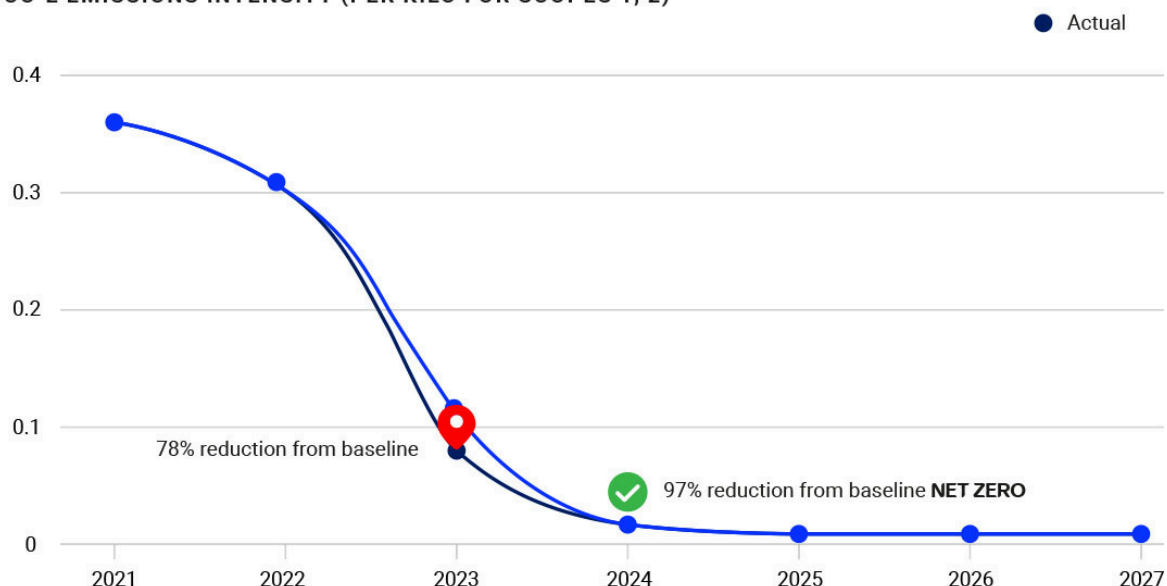Oxwash
0.13kg
CO²e

Industry average
3.464kg
CO²e

# Scope 1 & 2

We are proud to have reduced our **Scope 1 and 2 emissions by 77%**, which has significantly decreased our impact on climate change. By **March 2024, we will achieve a 97% reduction and be Net-Zero in Scopes 1 and 2.**

This reduction is due in part to our switch to biogas instead of natural and Liquefied Petroleum Gas, which are commonly used in the laundry industry. Typically, laundries operate using an energy mix of 30% electricity and 70% gas, so using renewable electricity alone is not sufficient to reduce emissions. Long term, we believe that the solution lies in fully electrified equipment and we have filed patents for new machines that will eliminate the use of gas entirely.

**CO²E EMISSIONS INTENSITY (PER KILO FOR SCOPES 1, 2)**

● Actual



78% reduction from baseline

97% reduction from baseline **NET ZERO**

# Scope 3 and challenges

In 2022, Oxwash set a goal to achieve Net-Zero in Scope 3 emissions by 2027. Scope 3 refers to the greenhouse gas emissions that occur indirectly in our value chain, including both upstream and downstream activities.

The majority of our Scope 3 emissions come from 'Capital Goods' and 'Purchased Goods' categories, which include linen and workwear procurement for our clients, machinery and vehicles, detergents, packaging materials, and electronic devices.

Whilst we have been diligently collecting comprehensive data on our Scope 3 emissions since 2021, our limited control over supplier infrastructure, processes and emissions has been more challenging than we had anticipated. And after thoughtful analysis and discussions with our partner network, we realised that our initial targets were unattainable within the set timeframe.

We are therefore adjusting our near-term approach to Net-Zero in Scope 3 and exploring alternative strategies aligned with new SBTi guidance. This **includes engaging with suppliers to identify emission reduction opportunities, sharing best practices, providing support, and incentivising the adoption of more sustainable practices**. This shift in strategy reflects a pragmatic understanding of the challenges involved within Scope 3 and demonstrates our dedication to achieving Net-Zero targets in the long term.

**Net-Zero means achieving a balance between the greenhouse gases we emit and those we remove from the atmosphere, which stops the build-up that causes climate change. Oxwash is Net-Zero in scopes 1 & 2 and has a carbon-neutral supply chain.**

**Carbon removal is something we invest in instead of traditional offsets to achieve Net-Zero. Traditional offsets balance existing emissions by preventing future ones, like planting trees. Carbon removal, on the other hand, actively pulls CO$_2$ out of the atmosphere, often through methods like storing it in rocks. We have chosen carbon removal as it directly reduces the atmospheric burden versus offsets that will only slow its growth, enabling us to reach Net-Zero faster. Carbon removals are significantly more expensive than traditional offsets, on average £150/ tonne of CO$_2$ compared to on average £20/ tonne of CO$_2$e.**

# Chemicals

Chemical pollution is a significant threat to global ecosystems around the world with the commercial laundry industry being a major contributor. The toxicity levels and combined effects of emitted chemicals remain largely unknown which is concerning for both humans and other organisms.

- The dry cleaning solvent Perchloroethylene, known as PERC, is still commonly used, despite its carcinogenic risks.
- Laundry detergents, manufactured with synthetic chemicals, contribute to pollution by releasing chlorine, dyes, fragrances, and optical brighteners into waterways during washing.
- Despite awareness of the risks, many conventional laundries persist in using bleach (sodium hypochlorite), releasing chlorine and chlorinated compounds into wastewater that pose threats to aquatic ecosystems and contribute to ozone degradation.
- Most industrially used detergents also contain nitrogen and phosphate, which cause algal blooms that starve other organisms of oxygen and sunlight.
- Wastewater is treated and tested for bacteria and biological organisms to ensure it is safe, but screening methods cannot always identify chemicals found in common detergents.

Chemical pollution caused by plastic waste is another major issue. Microplastics are tiny plastic particles that are released when washing synthetic fabrics and are known to be a serious disturbance to the Earth's system. Plastic waste in the marine environment has become a global, ecologically systemic problem, and even though our knowledge about the impacts on ecosystems is still incomplete, it is clear that both direct and indirect effects are causing damage.

## Our approach

**Chemistry**

We only **use biodegradable detergents that are free from harmful chemicals** like chlorine, dyes, optical brighteners, and phosphates to minimise water contamination.

Our technology can effectively remove both known and unknown pathogens and chemicals present in textiles resulting from the manufacturing process (such as BPA) and stemming from healthcare settings (such as Chlorhexidine). We regularly update treatment methods to keep pace with emerging pollutants.

**Our Supplier Code of Conduct screens collaborators on the use of hazardous chemicals:** PBTs (persistent, bioaccumulative, and toxic chemicals), CMRs (carcinogens, mutagens, and reproductive toxins), and EDRs (endocrine disruptors or hormone-disrupting chemicals). This is important to ensure suppliers manage the risks and provide safety information on the substances. **In 2024 we will roll out our fourth-generation chemistry formulation in our wash process that uses specific enzymes in various ratios** depending on the stains present to remove them. Most biological detergents with enzymes contain a general and consistent mixture of enzymes such as proteinases, lipases and manassas that are designed to degrade a general set of stains expected to be found on textiles. **At Oxwash we will be using unique enzymes specifically dosed into our wash process to degrade the matching stains found at sortation and check-in to avoid waste and increase textile lifespan**.

## Microplastics

Oxwash has partnered with UK green-tech company Cleaner Seas Group to eliminate microfibres as a waste byproduct from our cleaning process and ultimately to protect our environment and oceans and the biodiversity within them.

Cleaner Seas' cutting-edge filtration system diverts our wastewater through an external, circular filter system that **captures up to 99% of microfibres from every wash cycle**. This remarkable technology can trap fibres as small as 1 micron (70x smaller than a human hair), regardless of material, effectively acting as a guardian for our waterways. Once the filter cartridges are full, a circular send-back and refurbish, recycle and reuse system kicks in via Cleaner Seas, further minimising environmental impact.
But like any pioneering journey, there are hurdles to overcome. Scaling up such advanced technology for industrial laundry water volumes presents its own set of challenges. One such challenge is ensuring optimal filter performance, even with unexpected obstacles like tissues, pens, or the occasional stray coin. While these items can cause occasional clogs, our teams see them as opportunities not only to refine the system and make it even more effective and robust but also to set a precedent for ways in which we all approach laundry wastewater management.
Despite these temporary roadblocks, Oxwash and Cleaner Seas remain steadfast in their mission. Our collaboration stands as a testament to the power of innovation and teamwork in tackling pressing environmental issues. Every challenge tackled brings us closer to a future where laundry cycles contribute to cleaner oceans, one fibre at a time.

# Water

Average saving per kilo compared to industry average

**9 litres/kilo**

Litres saved compared to industry average

**6,940,102**

Water is a precious finite resource, but laundry operations consume significant amounts of it. In commercial machines, a single cycle can use up to 150 litres of water. Excessive water consumption, especially in water-stressed regions, depletes groundwater and surface water resources, disrupting natural water flows, and increasing water pollution.

Oxwash operates in regions that are already facing high water stress, which further amplifies the risk of exceeding sustainable water use. This puts pressure on local ecosystems and threatens future water availability. However, at Oxwash, **we proactively address water scarcity through innovative technology and resource management**.

In 2023, **we saved an impressive 6,940,102 litres of water compared to conventional laundries**, thanks to measures like our water reclamation system.

This ingenious system reuses water from the rinse cycle (at the final stages of washing when textiles are almost completely clean*) for subsequent washes, minimising freshwater consumption.

In 2024 we will push this even further at our next-generation facility, Big Blue I, **by harvesting rainwater and groundwater to supplement washing needs.** We are installing a new system called Hydro (more info in Innovation) and aim to retrofit our existing hardware to achieve an 80% water recycling rate. By coupling this with rainwater collection, we will create a near-self-sufficient water reclamation loop.

By addressing water consumption through resourcefulness and technological innovation, we aim to set a new standard for the laundry industry while safeguarding the planet's water resources.

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**\*Our machines recover rinse water from the last part of the cycle; this water is not contaminated as it is rinsing laundry that is already clean. The water recovered is then used in the pre-wash for the next load before it goes into the main cycle.**

**The reused water from the tank is normally warmer than the mains water, thus requiring less energy to achieve the desired temperature.**

**We also use technologies like ozone to sterilise the water, ensuring it meets strict hygiene standards. This sustainable practice not only conserves water but also reduces environmental impact by minimising wastewater discharge.**

# Textile Waste

The healthcare industry, particularly the National Health Service (NHS), faces a significant challenge in managing linen inventory sustainably. The NHS annually loses 80% of its linen, leading to financial and environmental consequences, such as 7,600 tonnes of CO2e emissions and substantial landfill waste.

In addition, hotels often lose 20% to 30% of their linen inventory, costing more than £40,000 a year in some cases. A typical 150-room hotel spends around £14,705 per year on linen replacement, which accounts for approximately 25% of its overall laundry costs.

Advanced technologies like Radio-Frequency Identification (RFID) are crucial in overcoming our clients' linen and textile inventory challenges. RFID systems, consisting of transponders (tags that are attached to the textiles) and readers, enable real-time tracking of items like bedlinen, scrubs, patient wear or bathrobes.

**Our investment in custom RFID software, developed by our in-house team, aims for 100% accuracy.** By tracking and monitoring each piece of linen, we are able to provide our clients with the visibility they currently lack on their stock levels. This saves time manually re-counting stock and the significant cost of replacing the stock that has been misplaced.

Once we're aware of what's missing, we partner with our customers to consult on how to minimise loss or waste, maintain decent stock levels and avoid unnecessary costs to both their business and the planet. We are working on several educational initiatives to support our customers in promoting awareness amongst end-users and employees.

Throughout 2024, we will continue to work closely with our clients to evolve these initiatives. We will also begin leveraging data on usage/wear rates and loss frequencies to gain a deeper understanding of linen longevity and lifespan based on manufacturer specifications.

# Customers

At Oxwash, we are dedicated to engaging with and caring for our customers as we believe it is essential for building a sustainable business. Our customers choose Oxwash for our purpose-driven values, transparency, and commitment to stewardship.

This year, we have enhanced our methods for gathering continuous feedback from our customers through improved channels, allowing us to better understand their needs and preferences. While we have maintained our existing customer surveys, we decided to not conduct focus groups as we transition strategically from B2C to B2B.

We have made significant strides in improving GDPR compliance, data security, and privacy by renewing and investing in more robust systems, with further enhancements planned for 2024.

By providing cleaner, safer, and longer-lasting textiles and garments, Oxwash continues to have a positive impact on both our customers and the wider community. We are also focused on improving accessibility to our services to ensure they reach underserved populations.

| What we said we would do | What we did |
|---|---|
| Improve channels for continuous feedback from customers. Alongside our existing surveys, we want to do focus groups and use the insights gained to drive improvement in our services, and customer engagement strategies. | • Building on our existing surveys, we introduced more targeted questions tailored to B2B clients, focusing on their specific operational needs, preferences, and pain points. This allows us to collect in-depth insights on how to improve service offerings and client relationships.<br>• While we initially planned to conduct focus groups, after our transition from B2C to B2B, it became clear that this approach no longer made sense. Instead, we have focused on methods better suited to the needs of B2B clients, ensuring we gather more relevant and strategic feedback. |
| Improve GDPR and data security and privacy by renewing and investing in better systems. | • We have invested in data management systems that enhance data encryption, secure storage, and provide better monitoring of data access to ensure compliance with GDPR and protect client information.<br>• Quarterly security audits are now conducted to identify potential vulnerabilities in our systems, with immediate action plans to close any gaps. |
| Plans for the next year | |
| • Further enhance data security and achieve Cyber Essentials certification to ensure robust protection against cyber threats and further improving client trust.<br>• Develop personalised communication strategies for our B2B clients, focusing on proactive outreach, industry-specific insights, and customised service offerings to enhance client satisfaction and retention. | |

As we look ahead to 2024, we are filled with optimism and a renewed commitment to taking better care of garments—for both people and the planet.

Reflecting on 2023, we recognise that while we've made great strides, our work is far from finished. In 2024, we are determined to do even more as an equitable, inclusive, and progressive business, while inspiring others to join us in this movement. By continuing to collaborate with our community and the global B Corp network, we aim to make an even greater impact in the year leading up to recertification and beyond.

We invite everyone — suppliers, customers, businesses, academics, and our future partners — to connect, collaborate, co-learn, and innovate with us as we work to improve together.