# Oxwash

Annual B Corp Statement 2022





# Contents

Introduction	Message from our Founder	03
	Journey to certification	04
	B Corp verified score and goals	05
	Goals for Recertification	06
Governance	Oxwash's Impact Business Model	0
<b>14</b> /		
Workers	Oxwash's workers	09
	Meet our people	10
	Diversity, Equity and Inclusion	11
Community	Oxwash's community work	12
,	Our suppliers	13
	Local communities	14
Environment	Climate and our emissions	10
	Water	2
	Microplastics	2:
	No toxicity	23
	Circularity and waste	24
Cuetomore		
Customers	The Oxwash customer	30
	Our commitment	0.



# Message from our Founder

2022 has been a big year for Oxwash, full of adventures and challenges. Despite the continued global turbulence, the growing Oxwash team and our community have achieved some incredible work, making tangible progress towards our vision - to permanently eliminate the impact of washing on our planet and us.

As we continue to build on our commitment, we are extremely proud to have become the first laundry (and wet cleaning) company in the world to be a certified B Corp! We believe that a B Corp certification is one of the most powerful ways to build credibility and trust. It shows our customers that we meet the highest verified standards of social and environmental performance, public transparency and legal accountability.

In this report, we share our journey to become a B Corp and our commitments to the planet and its people for the years to come, so we can be held accountable for designing an excellent laundry service with a clean footprint.



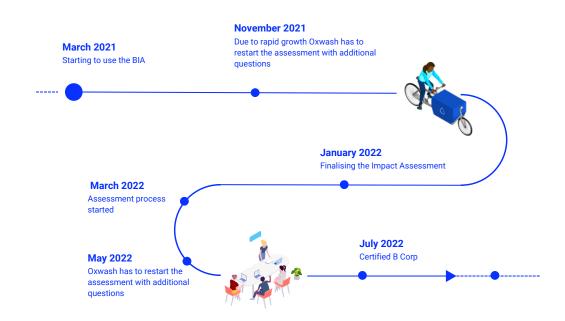
INTRODUCTION GOVERNANCE COMMUNITY

## Journey to B Corp

Since its founding, Oxwash has been on a mission to eliminate the environmental impact of laundry and our commitment to people and the planet, not just profit, is a core part of how we operate. We have known from the start that we wanted to become a B Corp and join the over 4000 companies across the world aiming to transform the global economy and create businesses which benefit both people and the planet. Oxwash started the application in March 2021 and spent over a year going through the independent set of rigorous assessments to quantify our holistic impact in the world. As the company grew at an incredible speed Oxwash had to restart the assessment twice, with added questions, to reflect on the new size of the company.

Oxwash is proud to have achieved a score of 94.8, well above the 80 points minimum, making us part of a community of leaders who drive positive change through collaboration and through role-modelling best practices.

This journey does not end with being recognised as a B Corp, however; we want to continue improving. We have embedded B Corp principles and standards throughout our business, and we use the impact areas in the B Impact Assessment to structure our sustainability roadmap.



INTRODUCTION GOVERNANCE COMMUNITY

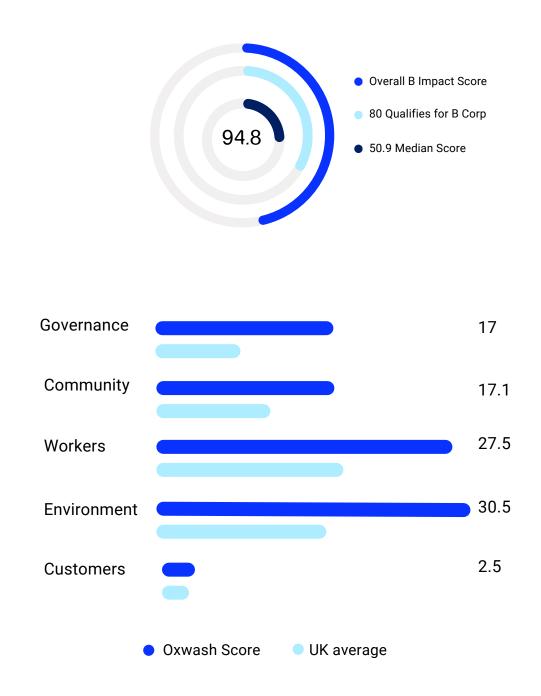
# B Impact Score

The B Corp Impact assessment tool is a robust and rigorous tool that evaluates a company's performance and impact on various stakeholders, including their workers, community, customers, and the environment. It requires companies like Oxwash to provide evidence and documentation to support their responses.

For Oxwash this has not only served as a tool for certification but also as a valuable resource to measure our impact, identify areas for improvement, and learn from best practices.

Oxwash is proud to share our overall score of 94.8. We are looking forward to renewing our certification with improvements in the coming years. Read about our goals and how they align with the Sustainable Development Goals in the next pages.





# Our Goals for Recertification

Our key commitments to the Planet

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 GMAT 13 GMA	
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 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	6 CLEANWAITEN	
Monitoring and managing water use			
Implement water conservation and recycling systems in the new Big Blue facility			
Achieve 25% reduction in water consumption intensity relative to financial performance			
Set targets for water consumption reductions across all sites	2023	À	
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	12 EDPOSSEE CORRESPOND AND PRODUCTION	
<b>EMS</b>			
Implement an environmental management system (EMS) covering waste generation, energy usage, water usage, and carbon emissions Third-party auditing and certification of EMS	2025		
Time party additing and obtainoution of Line	2028		

# Our Goals for Recertification

Our key commitments to People

earning a Living Wage, matching annual changes  Regularly monitor indoor environmental quality to ensure a healthy and comfortable workspace and avoid Sick  Building Syndrome	Annually 2028	8 OCCUST WORK AND COMMUNICATION	
a healthy and comfortable workspace and avoid Sick Building Syndrome	2028	M	
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 REGULED BEGINNINGS	
Increase the representation of ethnic minorities in the senior leadership team to at least 20%	2025	10 REDUCED HEQUALITIES	
Increase the representation of females in the senior leadership team to at least 50%	2025	5 GENDER EQUALITY	
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	<b>∮</b>	
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 DEQUALITIES	
Ensure 10-24% of purchases are from underrepresented suppliers	2024	10 REDUCED IMEQUALITIES	
Ensure 21-49% of suppliers are accountable for the SAQ and Supplier Code of Conduct (based on £ spent)	2023	₹	
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 is the system of rules, practices, and processes by which a corporation or business is controlled. It provides businesses with a framework for encompassing how they will be managed and interact with the community.

What sets Oxwash and other B Corps apart from other companies, is that we use our governance process to measure and hold ourselves accountable to our stakeholders. Conventional businesses may have a mission statement and governance framework that organises their business, but without accountability to their stakeholders, businesses tend to prioritise profit over everything else.

Oxwash has implemented a strong governance policy into our Impact business model. It allows for independent perspective and stakeholder balance and supports a more equitable economic system.

#### Transparency and Accountability



Oxwash prioritises transparency and accountability. We are committed to disclosing our impact data, practices, and performance to our stakeholders, ensuring that our claims are backed by credible evidence.

#### Mission-driven



Oxwash has a clearly defined mission that goes beyond maximising profits to wash clothes and textiles with no net impact on our ecosystems and communities. Our mission guides our decision-making processes and shapes our overall strategy.

#### **Innovative Solutions**



At Oxwash we are developing new technologies to create scalable and sustainable solutions. We embrace creativity, entrepreneurship, and continuous learning to drive positive change in our industry and beyond.

#### Integrated Impact



At Oxwash our social and environmental goals are embedded into our business operations. We seek to create impact through every aspect of our value chain. The impact is not an add-on or a side project but a core part of our business model.

#### Stakeholder engagement



Oxwash recognises the importance of engaging and collaborating with various stakeholders, including employees, customers, communities, suppliers, and partners. We ensure our activities align with the needs and aspirations of these groups.

#### Measurable Impact Metrics



We measure and track our social and environmental impact using specific metrics and indicators. We have set targets and goals for our impact performance and regularly assess our progress.

# Progress at glance: Governance

What we said we would do	What we did	
Efficiently communicate our mission, values and ethics with all our employees and key stakeholders to ensure transparency of our Environmental, Social and Finance targets.	<ul> <li>Set up fortnightly Town Hall meetings where all employees can voice thoughts, questions and concerns.</li> <li>Quarterly offsite days where employees come together to reevaluate the company's mission, progress, successes and learnings.</li> <li>Introduced additional senior management structure to ensure employees are supported and communication across teams works well.</li> </ul>	
Create clarity and alignment between company target, team targets and individual employee targets.	Introduced 2 new HRIS (Lattice and HiBob) tools to help track individual employee performance and link to overarching business goals.	
Formalise organisational structure to enhance decision-making and communication by introducing clarity.	<ul> <li>We developed mechanisms to establish clear lines of accountability, including defining roles and responsibilities, setting performance targets, and implementing performance evaluation systems.</li> <li>Reorganise our Senior Leadership Team (SLT) to simplify reporting lines</li> <li>Provide line managers with management training</li> </ul>	

#### Plans for the next year

- 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.
- 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.

GOVERNANCE WORKERS COMMUNITY

## Workers

Being a responsible business means taking good care of our workers and supporting a fair livelihood and wellbeing.

Our people's unique talents, creativity and cultural perspectives help us move towards our mission to eliminate the negative impact of laundry. In the cost of living crisis we face, Oxwash believes it is essential for businesses to support fair livelihood and employee wellbeing. In 2022, our headcount has doubled-reaching a milestone of 100 Oxwashers!

We are committed to continuously exploring the best ways to support our workers' financial security, professional growth and wellbeing.



#### Fair livelihood

Living wage employer ahead of government changes in May 2023 Enhanced sick pay and health cash plan for permanent employees

Wagestream app access for early pay and financial wellbeing coaching



#### **Employee** wellbeing

8 free face-to-face therapy sessions and 1 fully paid Mental Health day Quarterly employee surveys as a forum for feedback, achieving an Employee Net Promoter Score of 48 (April '22) Flexible hours and location for most of our hybrid employees, with option of 5 extra holiday days purchase



#### **Excellence & Collaboration**

#### Training days

for our operations to expand skillsets and safety

Quarterly HQ off-sites

and line manager training to enhance connections between remote teams **Monthly Town Halls** 

to openly ask questions to the senior leadership team

Enhanced hiring processes with Workable, our Applicant Tracking System and onboarding flows Internal newsletter weekly space to share and celebrate successes

People success platform Lattice will support annual performance reviews and career progression

# Progress at glance: Workers

What we said we would do	What we did	
Establish a clear career development framework that includes opportunities for growth, advancement, and skill enhancement.	<ul> <li>Implemented regular performance feedback, formalised existing training programs</li> <li>Supported employees to pursue professional development to enhance their skills and knowledge</li> </ul>	
Create an inclusive work environment that embraces diversity and provides equal opportunities for all employees	Implemented diversity and inclusion initiatives, such as unconscious bias training, diverse hiring practices, and employee resource groups, to foster a sense of belonging and create a diverse workforce	
Establish channels for open and transparent communication between management and employees	Started regular feedback sessions and 1:1s. This incorporates employee suggestions and ensures managers are approachable and accessible to address concerns and provide support.	
Implement initiatives to support employees' physical and mental well-being	<ul> <li>Introduced Enhanced sick pay and health cash plan for permanent employees</li> <li>Implemented 8 free face-to-face therapy sessions and 1 fully paid Mental Health day</li> </ul>	

## Plans for the next year

Start to more consistently assess and monitor the working conditions and employee satisfaction within the company. Gather feedback through surveys, focus groups, and regular performance evaluations to identify areas for improvement and take necessary actions to enhance the overall working conditions for employees.

GOVERNANCE WORKERS COMMUNITY

## Meet our people





Rich Smith. Joined Oxwash in 2019, growing from Oxford's Laundry and then General Manager, and is now our HQ Operations project manager.

#### Tell us a bit about your career at Oxwash so far.

What drew me to Oxwash was the vision and passion of our founder Kyle for wanting to change the archaic ways in which laundry was processed and how we could do this sustainably. I began as the first Laundry Manager in Oxford - our first lagoon, and helped develop the processes and procedures that would begin to make Oxwash that sustainable laundry. I was made General Manager in the summer of 2020 which meant my role was then multi-faceted and as the Covid pandemic subsided began to grow and shape the lagoon. In the summer of 2021 I relocated to the West Country so took on a new role managing our compliance, health and safety/risk assessments etc, this then morphed into a more general operational improvements role and now I am our Operations project manager.

#### What's it like to work here?

One word - brilliant! Being surrounded by a much larger team all having that shared passion for making Oxwash a truly sustainable laundry is inspiring, Also, having such a diverse range of employees makes those conversations over a coffee that bit more interesting.

#### What current experience, initiative or project are you most excited about?

Now we have 3 very busy lagoons I am passionate about making the lives of our on-the-ground operational teams as painless as possible, that might be by having maintenance plans for our machines so they don't have to cope with breakdowns, or planning workflows so they are as efficient as possible.

Carla Lin. Joined Oxwash in 2020, growing from an intern to our Finance Manager.

#### Tell us a bit about your career at Oxwash so far.

I joined Oxwash as the 10th employee. Whilst I started out as an intern didn't take long to see that Oxwash and its team were something special. Three years later, we are now over 100 people, with multiple sites. I have enjoyed growing the inhouse Finance function as the Finance Manager alongside doing my CIMA.

#### What's it like to work here?

Rewarding and fun! It's rare to find a team that you look forward to speaking to every day. The culture has been a huge positive for me; everyone wants to help each other out. That being said start-up life is wild, it's a lot of hard work and going above and beyond but you definitely get out what you put in. I wouldn't have it any other way.

#### What current experience, initiative or project are you most excited about?

Finance and Platform are doing some exciting work to improve the internal financial infrastructure and reporting functionality. It's nice to work with an impressive team to make our vision a tangible reality. I find the work that the platform team does incredibly impressive and the result of our collaboration makes major quality-of-life improvements for the finance team and the wider company. We also recently launched 'Oxwash Marketplace', an in-house buy/sell initiative to reduce waste.

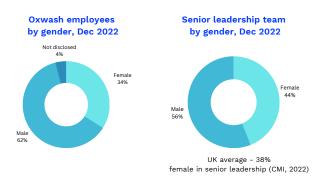


GOVERNANCE WORKERS COMMUNITY

## Diversity, equity and inclusion

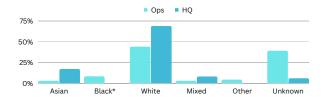
Oxwash values and respects every team member equally. We go beyond compliance with the Equality Act of 2010 and take pride in nurturing and supporting a diverse and unique workforce. We have a zero-tolerance policy for any discrimination and harassment, with a grievance and whistle-blowing system in place through line managers and our people team. In 2022, we worked together with charities such as Beam, to improve our hiring practices through more inclusive job applications, interviews, and onboarding processes. The introduction of biannual reports on diversity, equity and inclusion (DEI) brought visibility to our progress and allowed us to set informed targets.

2022 was a year of unprecedented growth: our staff headcount rapidly expanded from 50 to 100 Oxwashers. Our gender balance in the senior leadership team has reached 44% female, beyond the UK national average of 38%. We measured our gender pay gap for the first time and voluntarily committed to disclosing and improving it. Our mean gender pay gap mid-year was 15%, on par with the national average. We reviewed our ethnic representation in our operations, headquarters and senior leadership teams and set targets informed by the representation balance in the local areas and best practices. One important step will be to improve the accuracy of the data through our new HRIS solution, HiBob.









\*Including Black, Caribbean or African ethnicities

# are representatives of BAME in our senior leadership \*UK average - 10.3% of senior leadership are from BAME backgrounds (BITC, 2020)

## Community

For Oxwash engaging with the community that we operate in, hire from, and source from plays a big part in our social responsibility and long-term sustainability.

Oxwash interacts with the community in different ways and engages with community organisations, NGOs, local authorities, and other stakeholders to foster collaboration and co-creation of solutions to address community challenges. This way decisions and actions are made collectively, with the community's best interests in mind.

At Oxwash we are proud of our sourcing practices which we know have far-reaching impacts on the communities from which we obtain goods and services. We work collaboratively with suppliers to make sure they adhere to fair labour practices, human rights standards, and environmental sustainability. When possible, Oxwash prioritises local suppliers, especially small and minority-owned businesses, as this can contribute to local economic development, job creation, and the overall prosperity of the community. We collaborate with suppliers to adopt environmentally sustainable practices, such as responsible resource management and reduced carbon footprint, to protect the environment and minimise negative impacts on surrounding communities.



# Progress at glance: Community

What we said we would do	What we did
Establish a closer collaboration and partnership with key suppliers to drive continuous improvement and innovation.	<ul> <li>We developed goals for strategic partnerships with our suppliers including joint problem-solving, and co-creating sustainable solutions that benefitted both us and them</li> <li>We introduced supplier workshops and guided them on how to start monitoring and reducing CO2 emissions.</li> </ul>
Prioritise diversity, equity, and inclusion in community engagement efforts	We started setting goals and monitoring our community initiatives using the TOMS social value calculator, to make sure these are inclusive and equitable and consider the needs and perspectives of all community members.
Be a leading voice in sustainable business practice in our community	We hosted two live-streamed panel talks on the circular fashion economy in collaboration with Cambridge Institute for Sustainable Leadership (CISL), we hosted a community breakfast, we presented at the Cherwell School's World of Work day
Increase charitable giving and support community projects	We donated free washing for homeless people in our local community

### Plans for the next year

- In the next year, we want to improve supplier diversity by actively seeking out and engaging with suppliers from diverse backgrounds and underrepresented groups.
- We want to organise community clean-up events, support local environmental conservation projects, and continue to promote environmental education and awareness in the community.
- We want to start employee volunteering by providing paid volunteer time off.

WORKERS COMMUNITY ENVIRONMENT

## Our suppliers

Our suppliers are an important part of our sustainability journey at Oxwash. This year, we have introduced our Supplier Code of Conduct to encourage financial, environmental and social transparency in the supply chain. We asked our key suppliers to fill in a self-assessment questionnaire to confirm adherance to the Supplier Code of Conduct and to learn about the achievements and risks around the three ESG areas: Environment, Social and Governance.

Whereas there are mandatory policies such as human rights compliance, there are areas where we encourage our suppliers to collaborate with us to improve together. We start conversations and host workshops to exchange learnings and support them in addressing issues such as health and safety and disclosing greenhouse gas emissions for our supply chain Scope 3 accounting. We also provide feedback that could help enhance the environmental performance of products and services that we use, for instance, insights from our operations teams for the Electrolux platform and Planet Care filters.















## Local communities

We recognise that as a sustainable business, we have a responsibility towards the environment and the local areas in which we operate. We want to support our communities and the people around us to grow and develop as part of our broader stakeholder engagement plan. Based on the National TOMS social value framework, we have identified four key areas in which we can use our skill, experience and service to make a positive difference in our local communities. These four key areas form the basis of our social impact roadmap: addressing the rising cost of living, reducing water and chemical pollution, supporting the growth of the responsible regional business, and promoting local skills to youth and vulnerable people.

# 2022 social impact highlights

Hosting our first community breakfast event at our Battersea lagoon in September

Hosting two live-streamed panel talks on the circular fashion economy in collaboration with Cambridge Institute for Sustainable Leadership (CISL) Donating free washing for homeless people in our local community

A leading voice in sustainable business practice at local OxLEP events

Guest speaker for the Carbon Monsters programme supporting SMEs on their sustainability journey An active member of the B Local Oxfordshire+ community, engaging with and supporting fellow B Corps

Oxwash became a member of the Oxfordshire Economic Growth Board

Introduced Oxwash as a sustainable business to students at The Cherwell School's World of Work day

# Environment

The climate crisis disrupts food and water supplies, habitats and livelihoods. The scientific community has warned us; our failure to reduce our greenhouse gas emissions could lead to a temperature increase of more than 3°C this century - a point of no return in our efforts to preserve the health of our planet.

At Oxwash, our response to the climate crisis is guided by our core values - excellence, integrity and innovation. Our mission is to eliminate the impact of textile cleaning; we will do this through accelerated efforts on four environmental issues:

Climate

Water

**Biodiversity** 

Waste

# Progress at glance: Environment

What we said we would do	What we did	
Achieve carbon neutrality by reducing greenhouse gas emissions across all operations and implementing renewable energy sources	We went beyond our set goal by switching to biogas and fully renewable electricity, achieving a drop in GHG emissions by 63%, and we removed the remaining emissions through verified carbon removal projects.	
Transition towards a circular economy model for our packaging by minimising waste generation and maximising resource efficiency.	We set up a circular packaging scheme with our chemistry manufacturer IDEAL manufacturing. All packaging is returned, refilled and redelivered in a zero emissions vehicle.	
Establish transparent reporting mechanisms to track progress towards environmental goals and share performance with stakeholders	We improved our monitoring and reporting systems to ensure accountability, provide regular updates on environmental performance. This included collecting more data and analyse it, to ensure we don't miss anything.	
Develop initiatives to protect and enhance biodiversity especially in relation to water and microplastics	We started a new collaboration with Cleaner Seas group, a company that makes new, advanced filters to capture microfibres in the washing process, to restore natural habitats and support biodiversity conservation projects.	

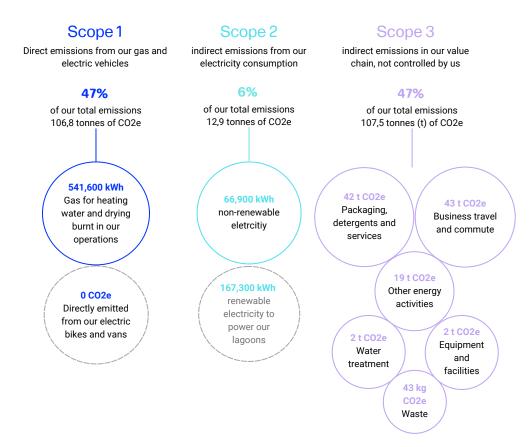
#### Plans for the next year

- Improve the recycling rates for our operational waste and continue to promote the use of renewable and recyclable materials throughout the supply chain.
- 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.
- 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.

## Understanding our emissions

To decarbonise laundry, we must first understand the sources of our emissions. In 2021, we calculated that we emitted over 120 tonnes of CO2e\* across our whole business and value chain. In 2022, our total emissions increased in line with our growth and we emitted 227 tonnes of CO2e. Although the number this year is higher in absolute, the actual intensity of how much CO2e we emit per million of revenue has decreased by 54%. Over half of our emissions come from the gas and electricity we use to power our lagoons. These are our so-called scopes 1 and 2 emissions which we have direct influence and control over in our operations and offices. The other significant source of our emissions is indirect and comes from our supply chain, business travel, waste and water. In 2022, this scope 3 accounted for 47% of our total emissions.

#### 227 tonnes of CO2e emitted in 2022



# The path to Net-Zero by 2028

As a B Corp, we believe in both, ambitious business growth and absolute emissions reductions. In 2022, we have joined hundreds of companies in setting science-based targets that will take us to net zero across scopes 1 and 2 by 2025, and scope 3 by 2028. The plan is to reduce our CO2e emissions by 90% or higher, by transitioning to renewable electricity and biogas once it becomes available in all of our lagoons, working closely with our suppliers to support their transformation, and empowering our employees to make carbon-smart choices. There will still very likely be 5% to 10% of emissions that it is not humanly possible to reduce yet, which we will offset (remove) through the most efficient technology available on the market.

Commitment	Achieve by	SDG
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 CLMATE 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 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 GLIMATE ACTION

# Reducing our emissions



Our future lagoon Big Blue will be powered exclusively by renewable electricity from the launch in 2023



Gradually phase out the use of natural gas and liquified petroleum gas, transitioning to 95% of biogas by 2025



Setting targets with our suppliers to reduce emissions in 2023



Smart travel and commute, implementing new sustainable travel policies in 2023



Continue to wash at low temperatures and use ozone gas to kill bacteria instead of high heat, reviewing operational efficiency monthly



Solar panels installed in our Cambridge lagoon in September 2022



Transition to circular packaging with zero waste to landfill by 2028



Offsetting (or removing) only what we cannot reduce yet, continuing to be carbon neutral from 2021

## Durable carbon removal

At Oxwash, we have always been sceptical of conventional carbon offsetting because we believe that businesses, including ourselves, must be held accountable for our environmental impact. Conventional offsets on the market pay others to avoid emitting carbon. This is done by, for instance installing low-energy lightbulbs or cooking stoves or building a wind farm. However, every tonne emitted is still out there in the sky and does not create the immediate changes required to reverse the climate crisis.

This is why we at Oxwash instead have decided to invest in carbon removal technologies. Contrary to carbon offsetting, carbon removal works by completely removing carbon emissions from the atmosphere. In 2022, we permanently removed 135 tonnes of CO2e emitted by our operations and supply chain in 2021. A recent IPCC report reiterated the urgent need to scale carbon removal, which made us confident in our choice to contribute to the growth of carbon removal technologies. Our carbon neutrality portfolio consists of permanent carbon removal projects including biochar, enhanced weathering and high-tech Direct Air Capture, rigorously vetted by our partner Supercritical to ensure the impact and lack of negative side effects.

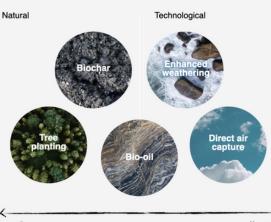
A net-zero target can only be achieved by completely negating the number of greenhouse gases produced. This can only be achieved by reducing the emissions as much as possible and then implementing methods of absorbing any non-reducible carbon dioxide from the atmosphere, such as carbon removals. Carbon offsetting does not achieve net-zero, but only carbon neutrality.

This is to confirm that Oxwash has fully removed its measured footprint with permanent carbon removal offsets.

Michelle You Michelle You, Co-founder and CEO



Total tonnes CO2 removed



Less costly Closer to deployment Less durable Higher chance of reversa

More costly Greater R&D needs More durable

## The power of data

We are a tech company at heart; crunching data, creating new products, and building our own software to power our sustainable laundries and logistics. In 2022, we expanded our team to improve our data capabilities. One project that the team will be involved in is to automate and personalise impact receipts for our customers, to drive more transparency around the emissions and water consumption of laundry. We have installed electric sensors in our Cambridge lagoon, from a UKbased startup GridDuck, to track the electricity consumption of each machine in real time. Our first results bring a more nuanced understanding of the impact of different types of laundry. For instance, Oxwash's average emissions per kg washed are 0.25\* kg of CO2e, whereas wet cleaning a bag of rental fashion items at Oxwash emits only 0.11\*\* kg of CO2e per kg washed - 5 orders of magnitude less than the industry average.



"Data enables us to analyze compare the efficiency of different washing methods, and identify opportunities for reducing water and emissions. Having accurate and comprehensive data is essential for making informed decisions and developing effective strategies to eliminate the environmental impact of laundry."

Hasan, Data Engineer at Oxwash

## Savings of CO2e per kilo washed

Average Oxwash cycle\*



0.25 CO2e (kg) saved per kg washed

saved per kg washed -compared to the industry average of 0.50 CO2e kg per kg washed Bag of fashion items\*\*



0.11 CO2e (kg)

saved per kg washed -compared to the industry average of 0.50 CO2e kg per kg washed



This means the environment is spared 1 beef burger\*\*\* worth of CO2e for every 8-13 kg laundry wash

<sup>\*</sup>Emissions in Scopes 1 and 2 compared to Scopes 1 and 2 of the industry average, including delivery with e-bikes VS 3-tonne diesel vans

<sup>\*\*</sup> Emissions in Scope 1 and 2 from a siloed experiment of washing, drying and ironing of the item in our Cambridge lagoon

<sup>\*\*\*</sup> Estimates of beef burger emissions worth 3.24 kg of CO2e are based on 'How Bad Are Bananas?' by Mike Berners-Lee, 2020

## Saving water

Water is a material issue at Oxwash as large volumes are required to wash laundry - a single kilo washed in commercial washer-extractors consume 17-22 litres of water. For example, a pair of jeans weighs approximately 0.65 kg and uses 12.6 litres of water; a set of bedding (2 pillow cases and a double duvet) weighs approximately 1.4 kg and uses 27.3 litres of water.

We have identified the risk of water scarcity as each of our lagoons is located in regions of high water stress. We use advanced technology and modern machinery to meet the challenges related to water scarcity. In 2022, we estimated\* to save 4.6 million litres of water across our three sites compared with a typical commercial washing machine - enough to fill 57,400 baths. A big part of these savings was linked to our brilliant water reclamation system in our Oxford lagoon, which uses water from the rinse phase to kick off the next washing cycle. In our next-gen facility, Big Blue, we will use greywater, collected from either rainwater harvesting or a groundwater sump. We will also retrofit the hardware to ensure a closed-loop system and a water recycling rate of at least 80%.



9.4 litres

of drinking water saved, per kg washed



over 60%

is saved in Oxford via our water reclamation system

Commitments	Achieve by	SDG
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	Ā
Set targets for water consumption reductions across all sites	2023	

<sup>\*</sup>Water savings compared to the traditional washed-extractor consumption (The Water Conservancy, QWC 2006)

# Reducing microplastics

When textiles and clothing are washed, they shed microfibers into the air, soil and ocean. These microfibers contain chemicals that have been found at the top of Mount Everest, in the deepest oceans and even in human blood. An average load of laundry releases 700,000 microfibers - around 1.2 grams.

At Oxwash we have partnered with a UK-based startup PlanetCare to ensure all washes with microplastic pollution risk have advanced filtration which captures more than 90% of all the microfiber shed during washing. In 2022, together we estimated that we captured at least one billion microplastics\*. The used filters are returned to PlanetCare and the captured microfibres are recycled for use in insulation mats. Microfibres shed from our drying process are currently being captured and stored with a view to being used with a partner to produce tools for home construction.

#### 1 credit card

worth of plastic captured for every five washes

## 1100 mg

of microplastics per wash are prevented from going into the oceans



## No toxicity

The laundry and dry cleaning industry has often prioritised getting rid of stain concerns around what they are putting down the drain and back into the ecosystem.

Perchloroethylene, the most common dry cleaning solvent known as PERC, is shown by <u>research</u> to be carcinogenic to humans and the waste produced from the dry cleaning process is toxic to all forms of life. Laundry detergents are manufactured using synthetic chemicals and often contain a number of chemicals including chlorine, dyes, fragrances and optical brighteners which can contaminate rivers, lakes and other waterways when washed down the drain. In addition to being toxic, some detergents contain nitrogen and phosphate which can 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.



#### Responsible chemistry

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.



#### Wastewater testing

Although Oxwash does not use these hazardous types of chemicals in our processes, we have chosen to test our wastewater to run tests to verify and guarantee that there is no residue of chemicals that may have an effect on biodiversity. We will analyse the results and set targets for our water stewardship by next year.

## Circularity

The UK produces 222 million tonnes of waste annually, 23% of which is sent to landfill (Defra, 2020). Although laundry is not the most waste-producing industry, we still use significant amounts of detergents, hangers, and bags for delivering garments.

In 2022, as part of our journey towards becoming a zero-waste laundry, we have launched a circular partnership with our chemistry supplier, IDEAL Manufacturing. All of our detergents are now delivered in large reusable containers that are regularly picked up by their electric van and refilled. We also use their zero-waste FILL products for our offices, purchasing soaps and cleaning products in refillable bottles.

We plan to develop waste-free partnerships with all of our suppliers by 2027. Our Supplier Code of Conduct requires our collaborators to reduce the consumption of natural resources and minimise waste to landfill, co-developing circularity solutions for products and packaging.

IDEAL delivers the detergents in reusable containers in their EV and collects the empty ones

IDEAL washes and refills all containers

We pump the detergents into the automated dispensers and store the empty ones



We also use their zero-waste FILL products for our offices, purchasing soaps and cleaning products in refillable bottles.

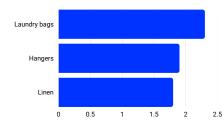
## Reducing operational waste

In 2022, we identified our two biggest waste streams - our recyclable laundry bags and hangers. We are aware of passing on the responsibility to our customers to either return the packaging to us or dispose of it accordingly. That is why implemented a hanger return scheme, encouraging our customers to supply all used hangers back to us through an educational label system. Another large waste stream is rental linen. In 2022, we donated part of the stored rejected linen to our partner, Hermit, that upcycle used cotton into beautiful pyjamas. In 2023, we hope to build more similar circular partnerships.

We measured our waste in our three lagoons sites and estimated that we produced around 2.6 tonnes of waste, 50% of which goes into recycling and 8% into composting. We have set targets to reduce our operational waste and reach zero-to-landfill by 2027. We launched a Zero Hero competition, inviting all of our employees to submit their ideas on how we can reduce waste.

As a result, we are now working on establishing recycling champions in each Oxwash lagoon to spread the recycling best practices.

Top 3 waste streams (tonnes)





Our hanger return scheme encourages our customers to send back the used hangers with educational labels

Commitment	Achieve by	SDG
Improve monitoring and recording of waste production Reduce waste production by 20% Produce zero waste to landfill / ocean	2023 2025 2027	12 BEPRANKE BOOKSHIP AND PROJECTION AND PROJECTION

## Customers

At Oxwash we have always emphasised that engaging with and caring for our customers is an essential component of building a sustainable business.

Customers turn to Oxwash for our purpose-driven values, transparency and stewardship.

Oxwash actively seeks customers' feedback and works to understand their needs and preferences. By listening to our customers' opinions and incorporating their feedback, we can improve our services. This promotes innovation and ensures that we stay relevant and competitive in a rapidly changing market.

By providing cleaner, safer, and longer-lasting textiles and garments Oxwash can positively impact our customers and communities. We are actively working to improve accessibility to our services and we make sure they reach underserved populations.



#### **Customer Satisfaction**

Oxwash measures customer satisfaction via a Net Promoter score and share those scores publicly

#### **Customer Privacy and Data Security**

We have clear ethics policies data privacy and treat our customers data with integrity.

#### **Customer Feedback & Innovation**

By listening to our customers' opinions and incorporating their feedback, Oxwash continuously improve our services.

#### **Marketing Practices**

We have policies that ensure that our marketing is always ethical and transparent.

# Progress at glance: Customers

What we said we would do	What we did	
Improve customer co-creation, actively involving customers in the product development process	We have engaged customers in ideation sessions, feedback surveys, and beta testing programs such as our wash tracker counting system that we use to decrease the loss of items. This has helped us to gather valuable insights and involve customers in shaping Oxwash's offering.	
Support customer education and empowerment about laundry and its environmental impact	We have provided customers with resources, tools, and knowledge about laundry, how to care for garments and clothing and increase their lifespan. Oxwash's marketing team has developed educational materials, online tutorials, and customer training programs that enable customers to maximise the value and benefits of Oxwash's services.	
Get better at proactively identify and address customer needs and issues before they become a problem	We have implemented proactive customer support strategies to identify potential problems and provide proactive solutions or recommendations before customers even reach out for assistance. We also use data-driven insights to understand customer preferences, needs, and behaviours which have helped us deliver highly personalised experiences to each customer.	

### Plans for the next year

- 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.
- Improve GDPR and data security and privacy by renewing and investing in better systems.

