

Journey to Net Zero

Dear Supplier Partner,

As you know we are a loyal supportive customer and have worked with most of you for many years. I thank you for your support and help in our journey over the last decade.

You are all very aware of our mission, vision and purpose to be a **net positive business** delivering exceptional cleaning products that do not damage the environment with what gets washed down the drain or packaged in single-use plastic that damages our oceans.

Measuring our Scope 1 and 2 emissions are relatively easy but the **vast majority of our Carbon output, Scope 3**, will be in our supply chain. This is where our partnership becomes more critical than ever. Delphis Eco expects **every supplier to be on the same journey** and with the same timeframe. We have no choice but to lean into this with everything we've got, and like we have done for the last decade, show the world of business that there is a better way.

Having the largest **EU EcoLabel** accredited range in the UK confirms that our products are independently certified to be the least harmful to both the environment and the user. And being a **B-Corp** means that as a business we have a high social and moral compass. We were also founding signatories to the Ellen MacArthur Foundation's (EMF) Plastics Pact and have signed up to **The Race to Net Zero**, **The Climate Pledge** and The Prince of Wales's **Terra Carta**. We are also pleased to be among more than 150 leading organisations expressing our support for Extended Producer Responsibility for packaging led by the EMF, as a necessary part of the solution to waste and pollution.

Most of you know we set up the **first scholarship programme at CISL**, the University of Cambridge, to study a Masters in Sustainability Leadership which is all about giving our future business leaders the best chance to change corporate behaviour. And part of our culture is for all staff to give back to local communities and educate them on sustainability issues. Our **Tops Off Campaign** went national with households sending back their used triggers, lotion pumps and caps when there was a global shortage, so manufacturers of hand sanitiser across the country could get their products to those that needed them most. We strongly believe in the principle of 'A trigger for Life' and the reuse, and bottles diluted from concentrates.

Collaborate to Zero is our new programme where we interview game-changing leaders on what they are doing and what they can share to help others move faster.

We are fully committed to be **carbon neutral** by 2030, if not before. We cannot and must not let the global temperature rise go above 1.5degrees. Anything above this will be disastrous for all living things on our planet.



Where to start? **Beyond technologies**, the "climate-leading" companies interviewed by **WEF** (World Economic Forum) and **BCG** (Boston Consulting Group) are embracing nine high-level strategies that could be beneficial for others to consider. They include:

- 1. Calculating an emissions baseline and moving to share data with suppliers.
- 2. Setting targets that "cascade" net-zero emissions ambitions down to their suppliers. For an increasing number of companies, that means encouraging them to set science-based reduction commitments or requiring them, as is the case under the new Salesforce plan.
- 3. **Redesigning products**. That could mean creating closed-loop systems that increase the amount of recycled materials or it might mean swapping out one material or component for another entirely.
- 4. **Reconsidering sourcing.** That could mean a move to "nearshoring" the location of key partners, which helps cut down on transportation emissions. It would also mean the rise of more vertically-oriented production models.
- 5. Tying emissions requirements to procurement contracts.
- 6. Teaming up with suppliers on emissions reductions.
- 7. Engaging on sector-focused initiatives that could create momentum.
- 8. Bringing other buyers along.
- 9. **Introducing 'low-carbon governance.'** This includes embedding carbon reduction considerations into product development, procurement, finance and so forth, so that management incentives are aligned around them. Increasingly, it includes executive compensation.

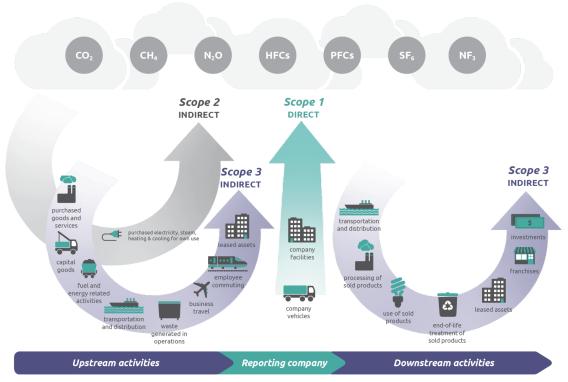
The above guide is a great tool kit to look at our collective businesses and drive for a Carbon Neutral situation. However, carbon neutrality means we are using carbon off-sets to reduce our impact. Yes, these will play a part of what needs to happen but at the time of this letter (June 2021) Carbon Offsets are unregulated, opaque and have significant efficacy credibility, therefore should not be relied on as the sole solution and easy immediate way out. Absolutely, we can be carbon neutral today by buying offsets but 1) we don't trust their accuracy and 2) we are not addressing the fundamental issue of reducing our actual carbon outputs. Carbon offsets are the last part of the process once we have reduced our Scope 1,2 and 3 to their absolute lowest.

As per SDG Goal 13 – Climate Action – this goal is all about resilience and how we can **reimagine our companies** in a Low-Carbon Economy. We need to look at everything to see how we can reduce our CO2 emissions to as close to zero before we rely on offsets.

We are asking every one of our suppliers to report back on their commitment to match our targets, what steps they've already taken and report to us every 6 months on progress so we can **measure and celebrate** our collective Scope 1, 2 & 3 emission reduction.



Like everything, we believe in **case studies showing best practice** to help others with tips and tricks so they can move along this path with additional speed so we can reach scale faster.



Source: Greenhouse Gas Protocol [2020]: Corporate Value Chain (Scope 3) Accounting and Reporting Standard

I look forward to continuing our disruptive innovation journey with our **supplier partners** and getting to **Net Zero Carbon by 2030** if not before.

Mark Jankovich Founder & CEO













