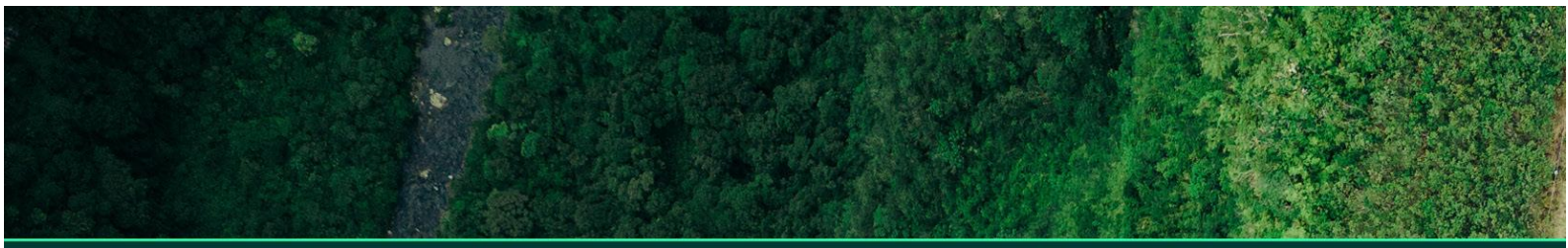

Carbon Reduction Plan For Leo Workwear

Publish date: August 2025

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LEO WORKWEAR

positive planet

Our Commitment

Leo Workwear is committed to achieving Net Zero emissions by 2050.

What does Net Zero mean in practice?

To achieve Net Zero, we will be aiming to reduce emissions in line with the latest guidance from the Science Based Target initiative (SBTi), who publish research-based timelines outlining the rate of reduction required to limit global temperature increases to 1.5°C compared to pre-industrial levels.

SBTi defines various scenarios under which an organisation can deem itself to have achieved Net Zero. Achieving Net Zero will require absolute scope 1 and 2 emissions by 90% and reducing scope 3 emissions, either by 90% in absolute terms or 97% in economic (tCO2e / £) intensity terms compared to the base year. Leo Workwear has previous set absolute reduction targets for scope 3 emissions reductions, however, following review of stock purchasing patterns setting Economic Value Add (EVA) intensity targets has been identified as a more appropriate pathway to Net Zero. This allows for fluctuations in annual stock purchasing, which can vary significantly due to stockpiling of products up to 3 years in advance, while still representing a sound economic performance indicator (further discussion on page 5-6).

In addition to long-term Net Zero goals, SBTi recommends that organisations commit to near-term targets covering 5 - 10 years from the initial reporting period and at regular intervals following this. This encourages short-term action while working toward longer-term goals. Leo Workwear have set near-term targets based on guidance from SBTi around annual reduction, adapting this to ensure alignment with the rate of reduction required to achieve our long-term target.

Near-term targets:

- Reduce scope 1 emissions by 42% by 2030.
- Continue to procure 100% renewable electricity up to and beyond 2030.
- Reduce location-based scope 2 emissions by reducing energy demand year on year.
- Reduce scope 3 emissions per £million Economic Value Add by 48% by 2030, in line with the rate of annual compound reduction required to keep on track with long-term targets.

Long-term targets:

- Reduce total market-based scope 1 and 2 emissions by at least 90% by 2050.
- Reduce scope 3 Economic Value Add intensity by at least 97% overall by 2050.
- Neutralise any residual emissions using verified carbon offsets.

Our Carbon Footprint

Base year Emissions Footprint

Base year emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Base year emissions are the reference point against which emissions reduction can be measured. We have chosen to set our base year as January 2023 - December 2023.

Base Year: Calendar Year 2023	
Base year emissions have been restated to incorporate the latest spend-based emission factors following methodological updates made to factors used by UK Gov. Emissions from garments covered by Life-Cycle Assessments (LCAs) have also been restated following the correction of a mistake in the models used to produce per product emission factors by the 3rd party utilised by Leo Workwear. The base year measurement will be updated and reviewed in line with updates to emissions accounting methodologies, relevant emission factors or other influencing factors to ensure future measurements are comparable. The base year measurement may also be adjusted where a significant organisational change or improvement in data which would cause incomparability occurs.	
Category	Tonnes CO_2e
Scope 1	12.36
Scope 2*	Market-based: 1.27 *Location-based: 9.60*
Scope 3, including: - Purchased Goods & Services - Capital Goods - Fuel & Energy Related Services - Business Travel - Transportation & Distribution (Upstream & Downstream) - Employee Commuting & Homeworking - Operational Waste & Water - Leased Assets (Upstream & Downstream) - Franchises & Investments	10,869.91
Total Emissions*	**Market-based: 10,883.54** *Location-based 10,891.87*

Base year Intensity Metrics

Intensity Metric	Tonnes CO_2e / Unit	Total Metric Units
Economic Value Add (per £million)	9,178.216	£1.19
Employees (per FTE)	213.40	51.00
Revenue (per £million)	468.76	£23.22

*Purchased electricity can be measured in two ways. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). A market-based method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice). A market-based method therefore takes into account the purchase of electricity via a verified renewable energy tariff. We have chosen to base our Net Zero target on a market-based methodology.

Current Emissions Reporting

Current Reporting Year: January – December 2024	
Category	Tonnes CO_2e
Scope 1	14.15
Scope 2*	Market-based: 1.53 *Location-based: 8.52*
Scope 3, including: - Purchased Goods & Services - Capital Goods - Fuel & Energy Related Services - Business Travel - Transportation & Distribution (Upstream & Downstream) - Employee Commuting & Homeworking - Operational Waste & Water - Leased Assets (Upstream & Downstream) - Franchises & Investments	18,460.13
Total Emissions	**Market-based: 18,475.81** *Location-based: 18,482.81*

Current Intensity Metrics

Intensity Metric	Tonnes CO_2e / Unit	Total Metric Units
Economic Value Add (per £million)	13,550.32	£1.36
Employees (per FTE)	307.93	60.00
Revenue (per £million)	726.44	£25.43

Carbon Reduction

Annual Emissions Discussion

Emissions have increased in absolute (70%) and all reported intensity terms between the 2023 and 2024 reporting periods. While FTE, revenue and economic value add have increased between the base and 2024 reporting periods (18%, 10% and 15% respectively) these increases are not deemed to be the primary driver behind increased emissions, as can happen when increases are observed in reporting metrics cause increased emissions due to no emissions reductions efforts being implemented or the impact of operational efficiency and emission reduction initiatives being outweighed by growth.

Drivers of change

Increased emissions have primarily been driven by increased stock purchasing in 2024, with stock purchased during this year projected to impact projected sales for the following three years. This has caused a large spike in scope 3 Purchased Goods & Services and Transportation & Distribution emissions compared with the base year, during which stock purchasing activity was significantly lower. Increased energy and fuel demand also contributed to increased emissions. These are expected to be addressed in following years with further energy efficiency and fleet decarbonisation efforts already underway in 2025. Additionally, decreased business travel emissions despite growth in FTE and revenue is a positive indicator of progress toward addressing emissions here. The change in emissions between the base year and current reporting period are outlined in the following pages.

Reduction targets progress

As 2024 represents an anomalous year for purchasing activity the increased emissions observed are not deemed an indicator that Leo Workwear is behind on the delivery of near-term targets, as future reporting years are not expected to show comparable procurement activity. Monitoring of emissions in subsequent years will allow improved oversight of target progress achieved through the implementation of initiatives outlined later in this document. Meanwhile it is important that emissions are accurately and transparently reported while continuing to work on achieving reductions across direct operations and supply chain.

Current reporting practise & future considerations

Currently best practise is to measure and report emissions from all relevant activities occurring within the reporting period on an annual basis, regardless of whether this is in preparation for future delivery of outputs or mitigating supply chain uncertainties/risks. It is however worth noting that the Greenhouse Gas Protocol and Science Based Target initiative (SBTi) are undertaking concurrent public consultations regarding their published guidance around emissions quantification & reporting and Net Zero target setting respectively. Updated guidance is expected around accounting for emissions/setting representative base years under various business models and sectors (GHG Protocol) in late 2026, while updates on target setting for SMEs (SBTi) is projected to be ready for adoption from 2027.

We will continue to monitor the progress of these consultations and adopt best practises to best monitor and manage our emissions in future years in line with fluctuations in emissions due to non-linear stock purchasing.

Total Emissions (tCO_2e)			
Emission Category	**Base year (2023)**	**Current (2024)**	**% Change**
Scope 1			
Stationary Combustion	2.22	2.62	+18%
Mobile Combustion	10.13	11.53	+14%
Fugitive Emissions	0.00	0.00	-
Process Emissions	0.00	0.00	-
Total	**12.36**	**14.15**	**+15%**
Scope 2			
Electricity (Location-based)	*9.60*	*8.52*	*-11%*
Electricity (Market-based)	1.27	1.53	+20%
Heat & Steam	0.00	0.00	-
Total	**1.27**	**1.53**	**+20%**
Scope 3			
Goods & Services	9,845.75	16,895.22	+72%
Capital Expenditure	-	13.33	-
Fuel- and energy-related activities	131.54	250.41	+90%
Upstream Transportation and Distribution	858.46	1,261.17	+47%
Waste Generated in Operations	0.24	0.21	-13%
Business Travel	25.44	14.90	-41%
Commuting & Homeworking	8.49	24.89	+193%
Upstream Leased Assets	-	-	-
Total	**10,869.91**	**18,460.13**	+70%
Total Emissions	**10,883.53**	**18,475.81**	**+70%**

Total % changes may not match with figures shown, this is due to % changes being based off total emissions in place of rounded decimal figures presented here.

Emissions per £million Economic Value Add (tCO_2e)			
Emission Category	**Base year (2023)**	**Current (2024)**	**% Change**
Scope 1			
Stationary Combustion	1.88	1.92	+2%
Mobile Combustion	8.55	8.46	-1%
Fugitive Emissions	0.00	0.00	-
Process Emissions	0.00	0.00	-
Total	**10.42**	**10.38**	**-0.4%**
Scope 2			
Electricity (Location-based)	8.10	6.25	-23%
Electricity (Market-based)	1.07	1.12	+5%
Heat & Steam	0.00	0.00	-
Total	**1.07**	**1.12**	**+5%**
Scope 3			
Goods & Services	8,303.04	12,391.11	+49%
Capital Expenditure	0.00	9.78	-
Fuel- and energy-related activities	110.93	183.65	+66%
Upstream Transportation and Distribution	723.95	924.95	+28%
Waste Generated in Operations	0.20	0.15	-24%
Business Travel	21.45	10.93	-49%
Commuting & Homeworking	7.16	18.25	+155%
Upstream Leased Assets	0.00	0.00	-
Total	9,166.72	13,538.83	+48%
Total Footprint			
per £million Economic Value Added	9,178.21	13,550.32	**+48%**

Total % changes may not match with figures shown, this is due to % changes being based off total emissions in place of rounded decimal figures presented here.

Emissions per Full Time Equivalent Employee (tCO_2e)			
Emission Category	**Base year (2023)**	**Current (2024)**	**% Change**
Scope 1			
Stationary Combustion	0.04	0.04	0%
Mobile Combustion	0.20	0.19	-3%
Fugitive Emissions	0.00	0.00	-
Process Emissions	0.00	0.00	-
Total	**0.24**	**0.24**	**-3%**
Scope 2			
Electricity (Location-based)	*0.19*	*0.14*	*-25%*
Electricity (Market-based)	0.02	0.03	+2%
Heat & Steam	0.00	0.00	-
Total	**0.02**	**0.03**	**+2%**
Scope 3			
Goods & Services	193.05	281.59	+46%
Capital Expenditure	0.00	0.22	-
Fuel- and energy-related activities	2.58	4.17	+62%
Upstream Transportation and Distribution	16.83	21.02	+25%
Waste Generated in Operations	0.00	0.00	-26%
Business Travel	0.50	0.25	-50%
Commuting & Homeworking	0.17	0.41	+149%
Upstream Leased Assets	0.00	0.00	-
Total	**213.14**	**307.67**	+44%
Total Footprint			
per FTE	**213.40**	**307.93**	**+44%**

Total % changes may not match with figures shown, this is due to % changes being based off total emissions in place of rounded decimal figures presented here.

Emissions per £million Revenue (tCO_2e)			
Emission Category	**Base year (2023)**	**Current (2024)**	**% Change**
Scope 1			
Stationary Combustion	0.10	0.10	+8%
Mobile Combustion	0.44	0.45	+4%
Fugitive Emissions	0.00	0.00	-
Process Emissions	0.00	0.00	-
Total	**0.53**	**0.56**	**+5%**
Scope 2			
Electricity (Location-based)	0.41	0.34	-19%
Electricity (Market-based)	0.05	0.06	+10%
Heat & Steam	0.00	0.00	-
Total	**0.05**	**0.06**	**+10%**
Scope 3			
Goods & Services	424.06	664.29	+57%
Capital Expenditure	0.00	0.52	-
Fuel- and energy-related activities	5.67	9.85	+74%
Upstream Transportation and Distribution	36.97	49.59	+34%
Waste Generated in Operations	0.01	0.01	-21%
Business Travel	1.10	0.59	-47%
Commuting & Homeworking	0.37	0.98	+168%
Upstream Leased Assets	0.00	0.00	-
Total	468.18	725.82	+55%
Total Footprint			
per £million revenue	468.76	726.44	**+55%**

Total % changes may not match with figures shown, this is due to % changes being based off total emissions in place of rounded decimal figures presented here.

Completed Carbon Reduction Initiatives

The following emissions management measures and projects have been completed or implemented.

Activity	Completion Date	Scope
Commit to measuring carbon footprint of business activities year on year to gain an understanding of pinch points and regularly be making efficient and direct improvements to reduce these emissions.	2024	1, 2, 3
Appointed Positive Planet to support with annual emissions quantification and reduction recommendations.	2024	1, 2, 3
Created a Sustainability Team to lead initiatives. This team has been made up of members from different departments to support the roll out of initiatives and management of data, this includes sharing and collaborating throughout the organisation. To support the development of the Sustainability Team, Carbon Literacy Training has been provided to 50% of its members.	2023	1, 2, 3
Developed and implemented the following policies*: Environmental Policy, Ethical Policy, Sustainability Policy, Corporate and Social Responsibility Policy, Sustainable Procurement Policy. **All our policies are reviewed annually to ensure they are up to date and fit for purpose.*	2020 & onwards	1, 2, 3
Started conducting Lifecycle Assessments for Leo Workwear products. To reduce emissions associated with the production, use and disposal of our products our Ecoviz range now makes up 100% of new production.	2024	3
To facilitate active travel and support our employees in making sustainable commuting decisions we have implemented a cycle to work scheme.	2018	3
Achieved Supply Chain Sustainability School's Gold Membership, demonstrating our engagement and significant commitment to gaining knowledge on sustainability.	2024	3

Joined the Ellen MacArthur Foundation's community to further engage the Leo team in circularity and Ecodesign principles.	2024	3
Achieved ISO 14001 certification. As part of this management system, the organisation has put the following initiatives into place: • LED lighting installed throughout our building and sensor lighting throughout warehouse. • Timed boiler turned off when not necessary to reduce emissions	2021 & updated annually	1, 2, 3
Installation of solar panels on the roof to reduce energy demand, and associated location-based emissions, from the National Grid. In 2023 we generated ~34,885.3 kWh of solar energy, of which we consumed ~26,041.78 kWh. Avoiding ~7.16 tCO_2e (incl. WTT) emissions from the generation, transmission and distribution of energy from the grid.	2014	2
Switched to a renewable electricity tariff to ensure market-based emissions for the energy we purchase from the National Grid are zero.	2023	2
Over the 2024 measurement period our company fleet was composed of 25% battery electric, 50% plug-in hybrid, 12.5% petrol and 12.5% diesel vehicles. We continue to increase the proportion of low / no emissions vehicles within our fleet as current vehicles reach their natural end of life.	2024	1
Installation of 3 EV charging points to support the further roll out of electric and hybrid vehicles within our fleet and improve access for employees considering transitioning away from fossil fuels.	2020 & 2023	1
Switched from recycled bags to biodegradable, recyclable and recycled bags to package products, in addition to packaging multiples together.	2022	3
All suppliers are BSCI or Sedex audited and we have introduced Supplier Appraisals to monitor supplier performance on a range of factors including sustainability.	Ongoing, updated in 2024	3

Global Recycled Standard (GRS) alignment auditing has been incorporated into supply chain management processes.	2025	3
Where safe to do so lighting systems have been upgraded to LEDs and fitted with timed PIR sensors to align with space use patterns across Leo Workwear's premises.	2024 - 2025	2

Future Carbon Reduction Plans

We are committing to action the following emissions management measures and projects in line with our Net Zero targets.

Reduction Plans – Scope 1 & Scope 2			
Activity No.	**Activity**	**Target Date**	**Category**
1	Continue to monitor and ensure adoption of low-cost options such as reducing boiler temperature and use of timers to align with working schedules.	*ongoing*	Stationary Combustion
2	Continue to consider heat & solar control reflective window sheets to improve heat retention.	2025 & onward	Stationary Combustion
3	Review and plan for larger cost solutions to eliminate stationary combustion emissions. Such as an upgraded, efficient boiler system or complete replacement with an electric boiler, solar heating or heat pumps (following an energy audit to assess feasibility and payback periods).	2035	Stationary Combustion
4	We will continue to champion behaviour change initiatives within the workplace for reduction of energy and gas demand, including clear messaging for preventing heat leaks, turning off lights, monitors, computers, and other electrical appliances where appropriate. We will assign roles and responsibilities to Sustainability Team members. High-level monitoring of energy use is key to understanding further pinch points.	*ongoing*	Stationary Combustion, Purchased Electricity

5	Continue to implement energy efficiency measures to reduce the overall amount of electricity and gas used. Optimisation of operational procedures is an ongoing process and implementing energy management systems laid out as part of our ISO 14001 certification will need continued review to identify further opportunities. Examples of reduction measures include: - installing timers on sockets/equipment - reviewing and renewing inefficient equipment (when at end of life), and actively consider the energy efficiency of equipment when new purchases are required (e.g. laptops, fridges, dishwashers) To foster a collaborative approach invite colleagues from across the organisation to openly explore challenges and barriers to reduction solution implementation.	2025 & *onward*	Stationary Combustion, Purchased Electricity
6	There is a single fully internal combustion engine vehicle left within Leo Workwear's fleet, this is due to be replace with a hybrid or fully-electric solution by 2026. Achieving the 2026 target for replacement of fully fossil fuel powered vehicles.	2026	Mobile Combustion, Purchased Electricity (EVs)
7	Continual review of hybrid vehicles to identify opportunities for replacement with fully-electric solutions is the next step in addressing Mobile Combustion Emissions. Understanding when current hybrid vehicles will approach end of commercial lease/life will allow for projection of commercially viable vehicles and charging infrastructure to inform procurement decisions.	*ongoing*	Mobile Combustion, Purchased Electricity (EVs)
8	Consider driver-efficiency training for company car users – this should demonstrate a reduction in total fuel/electricity use but is reliant on improving data quality to account for fuel/energy use rather than currently used milage data.	2027	Mobile Combustion, Purchased Electricity (EVs)

Based upon the above completed and planned initiatives, it is projected that scope 1 & 2 emissions will decrease to 7.905 tCO_2e by 2030.

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We also aim to implement the further initiatives below to reduce scope 3 emissions:

Reduction Plans – Scope 3			
Activity No.	**Activity**	**Target Date**	**Category**
1	Consider measuring the remaining downstream Scope 3 categories, meaning that year's carbon emissions measurement will be a full picture of Leo Workwear's carbon impact. Currently, the largest missing category is End-of-life Treatment of Sold Products, meaning that once measured, reduction activities targeted at these categories can be created.	2030	Product emissions
2	Consider training and engagement for the Sustainability Team, leadership, and the wider employee base. Including and not limited to, creating spaces for environmental positive conversations (internal comms, newsletters, Teams etc), certified Carbon Literacy Training for all applicable to roll out to further workforce and share with externals where appropriate. On average, certified learners reduce their carbon footprints by 5-15%, of which ~50% are work-related.	2025 (Sust. Team)	Commuting & Home Working Business Travel
3	We will continue to implement and review our Sustainability Policy whilst requesting all suppliers gain Sedex or BSCI accreditations. To further support the integration of supply chain into our net zero journey we will build upon existing policies and audits to begin requesting emissions information from our suppliers, this will allow us to move away from using spend-based estimations. The results of this reporting will help us inform our strategy for supplier engagement and projected reductions.	*ongoing*	Purchased Goods & Services
4	Complete LCAs for the remaining 57% of products for sale to obtain primary data for each product sold and achieve high data quality when reporting emissions associated with goods for sale.	2026	Purchased Goods

5	Continue to expand the proportion of recycled polyester in non-Leo branded products. This transition will reduce the carbon intensity of products containing polyester while alternative low-emissions materials are explored. Continue to review the use of alternative, low-emission fabrics to ensure a rapid transition to these as they become commercially viable and stay ahead of industry trends.	*ongoing*	Purchased Goods
6	Review logistics and warehousing partners and utilise the above Sustainable Procurement Policy. Continue to work with providers to gather their emissions data, and/or switch to lower-carbon providers. As part of the above Sustainable Procurement Policy prioritise alternative distribution methods to air freight, including combined sea and/or road freight.	2025 & *onward*	Upstream Distribution
7	Develop and implement a Sustainable Travel Policy to support environmental impact of choices when travelling, staying in hotels and commuting. The priorities within this policy will support active travel and low emission travel options where appropriate. Monitor and consider alternatives to, or optimisation of, air-based travel as a priority and commit to offering support to workforce with options for active travel schemes, such as bike to work or car sharing opportunities. Utilise the emissions travel hierarchy: - Digital communication - Walking and cycling - Public and shared transport - EV's and car sharing/clubs - ICE vehicles and car sharing/clubs - Air travel Consider creative ways to engage and support the workforce to influence change and improve engagement with employee commute surveying (61% for 2023) to gain a more nuanced understanding of trends.	Doc. Creation 2025	Business Travel, Commuting

8	Liaise with key suppliers to see whether they can ship with the minimal amount of packaging needed to secure the product.	*ongoing*	Waste

Declaration and Sign Off

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard[1] and uses the appropriate Government emission conversion factors for greenhouse gas company reporting[2].

This Carbon Management Plan has been reviewed and approved by Leo Workwear's Executive Team.

Signed on behalf of Leo Workwear:

Name: PETER TURNER

Position: DIRECTOR

Date: 10/9/2025

1 https://ghgprotocol.org/corporate-standard

2 https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting