National Windscreens Sustainability Report 2022



| Introduction  |
|---|
| Describing the business   |
| Focus areas   |
| Focus Area: Climate   |
| Focus Area: Our people       21         - Leadership       21         - Our values form the basis of our culture       21         - Competence development       21         - Health and safety       23         - Equality and diversity       22         - Follow up       24 |
| Focus Area: Governance  |

| JN Sustainable Development Goals              |      |  |  |
|---|------|--|--|
| Defined UN sustainable development goals      | 27   |  |  |
|   |      |  |  |
| Sustainability risks                          |      |  |  |
| Climate impact                                | . 28 |  |  |
| Sustainable supply chain                      | . 28 |  |  |
| Health and safety                             | . 29 |  |  |
| Appendix - Sustainbility Data and Reporting   | ng   |  |  |
| About sustainability reporting                | . 30 |  |  |
| Stakeholder dialogue and materiality analysis | 31   |  |  |
| Results from the materiality analysis         | 31   |  |  |
| GHG emissions National Windscreens            | . 32 |  |  |
| Reporting principles                          | . 34 |  |  |
| Bind - climate compensating                   | . 38 |  |  |
| The carbon offsetting process                 | . 39 |  |  |
| The carbon offset projects and credits        | . 40 |  |  |
| About the Plan Vivo Standard                  | . 40 |  |  |
| Description of the carbon offset process      | 41   |  |  |
| Actors and concepts                           | . 42 |  |  |
| Other   |      |  |  |
| Board approval                                | . 44 |  |  |

# One of the UK market leaders in the repair, replacement and calibration of vehicle glass

National Windscreens specialises in sustainable solutions for repair and replacement of vehicle glass, with convenient locations, high-quality products and smart solutions. We recognise our responsibility in preserving the planet's primary resources and securing its future. We help our partners and customers make simplified and sustainable choices.

LETTER FROM THE BOARD

## Committed to reducing carbon emissions throughout the value chain

The Board of Directors at National Windscreens are pleased to present our sustainability report for the year ending 2022. We acknowledge the increasing importance of sustainability and the necessary role that businesses must play in promoting sustainable practices. National Windscreens is dedicated to operating in a responsible and sustainable manner whilst maintaining the highest standards of quality, innovation and service to our customers.

#### Climate

National Windscreens has set a clear objective when it comes to minimising our climate impact, we aim to reduce emissions by 41 percent by 2030. The goal is in-line with the criteria of Science Based Targets Initiative which we committed to in May 2022.

Our repair first strategy is integrated into our business, giving customers a sustainable solution. Repairing instead of replacing a windscreen saves 44Kg of CO2 emissions being released into the atmosphere. Digital services and AI systems for our customers offer simplified and smart solutions where damage assessment is completed remotely, reducing the number of trips to our fitting centres.

#### Our employees

We have a strong focus on becoming the employer of choice in our industry, attracting new employees and retaining our current ones. Communication across the organisation is key to achieving this. Creating open forums and channels of communication where employees are free to express their views on what can be improved in their working environment and across the company. We strive to minimise work related injuries maintaining a safe environment for employees and increase diversity within the workplace.

#### Governance

We focus on good compliance across all the members of National Windscreens. We are committed to ensuring that appropriate policies and procedures are in place to ensure compliance with our legal and regulatory obligations in accordance with industry best practice.

#### Looking ahead

We recognise that sustainability is not a destination, but an ongoing journey towards continuous improvement. As such, we have identified areas where we need to improve and we are committed to addressing these concerns while maintaining our commitment to sustainability.

We believe that this report will be a valuable tool for our stakeholders in understanding our sustainability performance. It provides a transparent view of our efforts towards creating a sustainable future and our achievements thus far. We recognise that effective communication is vital for building and maintaining trust.

We thank all our stakeholders for their continued support and engagement in our sustainability journey.

Sustainability Report 2022



"Our vision is to lead the way in our industry when it comes to sustainability. During the year we made progress across all three of our focus areas of sustainability - Climate, Our People and Governance."

### **About National Windscreens**

**National Windscreens** is one of the UK market leaders in the repair, replacement and calibration of vehicle glass.



National Windscreens, has a network of fitting centres bringing us close to our end customers. Our decentralised business model emphasises local entrepreneurial spirit. The fitting centre managers are the heroes of the company and are supported by central functions to ensure they have the tools they need to provide high-quality services in an efficient manner.

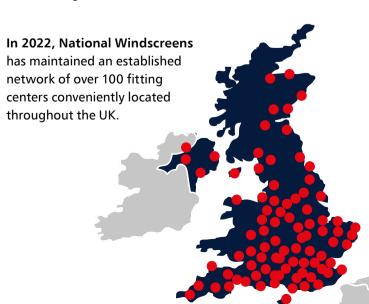




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National Windscreens is a problem-solver for both insurance, fleet and rental companies together with end customers. Thanks to efficient operations, geographical accessibility and outstanding reputation for quality and customer satisfaction, National Windscreens has grown and become a strong partner for insurance companies.

National Windscreens has a sustainable strategy. With good local accessibility, high-quality products and smart solutions, we help our customers make simplified and sustainable choices. Wherever possible we strive to repair windscreens, resulting in a high repair rate. When there is no option but to replace a windscreen, National Windscreens sends all windscreens to recycling, becoming mainly bottles, jars and building material.



## Millions of repairs and replacements later

National Windscreens was formed in 1982 by members who had a long and established association with the glass replacement and repair industry.

The company began life as an automotive glass firm in 1982 and has since developed and grown to become a leading vehicle glass repair and replacement specialist in the UK. Drawing from the breadth of expertise within its membership, the company has continued to service customers to the highest standard nationally.

In 2008, the company extended its reach across Europe, as one of the founding members of Automotive

Glass Experts. Whilst the company has grown strongly in recent years, it has not lost its agile approach and entrepreneurial spirit. There is a strong sense of belonging and the company utilises processes and systems from across the organisation, without sacrificing the legacy of a family company with a strong local grounding.

#### 1067

Pughs Brothers establishes a glass business producing glass predominantly for public houses. Some of their work is still seen today. In 1910 and trading as Charles Pugh (Glass) the business moves into vehicle glass as the second-hand car market takes off. Charles Pugh Holdings Ltd is acquired by Mobile Windscreens (Cary Group) in 2021.

#### 1917

J Huggins & Son starts as a small upholstery firm furnishing vehicles before moving into vehicle glass.

#### 1982

National Windscreens (Replacements) Limited was incorporated a company limited by quarantee.

#### National\* Windscreens

2005

Europarts Motor Factors Ltd, Northern Ireland, becomes a full member of National Windscreens.

#### 2008

Automotive Glass Experts, is established providing automotive glass services across Europe. National Windscreens is a founding member.

Today, coverage has expanded to 22 countries.



#### 2022

Mobile Windscreens acquires Charles Pugh Windscreens and in 2023 restructure to become Cary UK.



#### 1890

Quartermans, one of **Nationals Windsreens** founding members is in business making and selling glass products. In 1910 the business progressed to automotive glass. supporting the WW2 war effort and continuing to modern times when it was acquired as a going concern by Mobile Windscreens in 2021, another National Windscreens member.

25

#### 1971

Mobile Windscreens is formed by scaling to an operation of 35 fitting centres and over 230 mobile units. In 2018 the business was acquired by Ryds Bilglas (established in 1947), backed by Nordic Capital and also a major glass and calibration business scross Scandinavia.



#### 1985

Spire Windscreens a member of the National Windscreens consortium is established.

#### 2020

From Ryds Bilglas, Cary
Group is founded. Cary
Group is today one of the
market leaders in Sweden,
Denmark, Norway, the UK,
Spain, Portugal, Germany,
Austria, Belgium and
Luxemburg in the repair and
replacement of vehicle glass.

#### Cary group

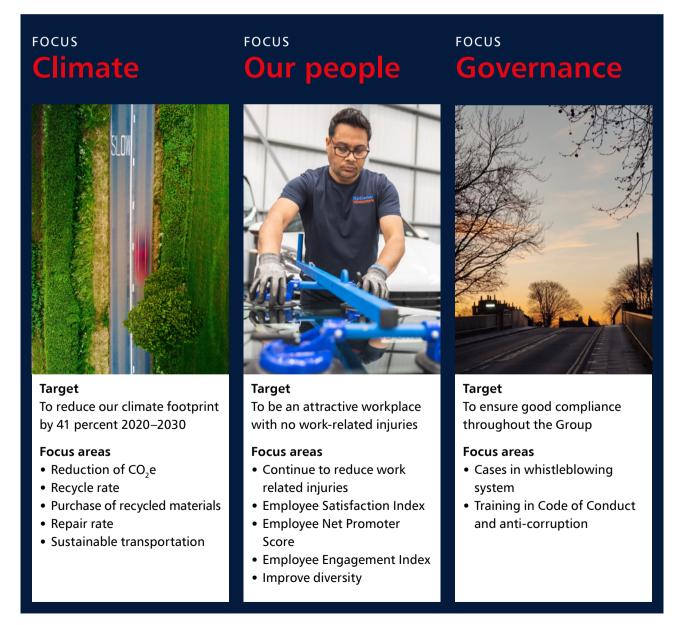
National Windscreens is a leading vehicle glass repair & replacement specialist.

- 100+ fitting centres
- 600+ mobile technicians
- UK contact centres
- Full coverage of the United Kingdom
- Seamless European coverage

## Focus on three sustainability areas

Sustainability is at the heart of National Windscreens identity and strategy. The company strives to "lead the way" in the UK market when it comes to service and to be at the forefront of digitisation and minimising climate impact.

Our vision is to be the most sustainable company in our industry, with a strong connection between business strategy, brand value and sustainability management. Our focus for our sustainability work covers three areas: environment, social and governance issues.



#### **FOCUS**

## **Climate**

Sustainability is integrated in every step, from the initial contact with the customer when a stone chip is found, through damage assessment and the entire repair or replacement process until the windscreen is repaired or recycled.

## A sustainable customer offering

National Windscreens completed 450,000 repairs replacements and calibrations in 2022. The sustainability aspect of our customer offering is therefore very im-

portant, both for reducing environmental impact and for educating and inspiring employees and customers.



- 1) Based on a calculation of direct emissions in the Nordics.
- 2) Electric bicycles only available in Nordic countries, electric courtesy cars available at some fitting centres in the UK.
- 3) With a maximum environmental impact of 115 CO2e g/km, in the Nordic market.

Our business model is based on simplicity, speed and convenience. We have high-quality services and develop smart solutions to make it easier for customers to take good care of their vehicles. With digital tools such as automatic damage assessment, digital signatures and the move to online payment, we make sure the business offering is as sustainable as possible.

#### Repairing when possible

Replacing a windscreen releases direct emissions of approximately 44 kg CO<sub>2</sub>e (carbon dioxide equivalents), including production, transport and recycling. For comparison, repairing a windscreen has a carbon footprint of close to 0 kg CO<sub>2</sub>e. To ensure that we repair wherever possible, our technicians follow clear guidelines regarding when a windscreen can be repaired and when it has to be replaced. In close

collaboration with insurance, fleet and rental companies, we work to reduce the number of replaced windscreens. We strive to find new ways to inform about the benefits of repairing in time to avoid replacement. We monitor and report our repair rate, which is a measure of damage repaired as a proportion of the total number of jobs, continuously to ensure that we do not replace windscreens unnecessarily. The repair rate is one of the most important sustainability measures at National Windscreens and specifically for our insurance partners. When a windscreen needs replacing, we strive to minimise the environmental impact. All windscreens are transported to recycling facilities. Around 90 percent of the material in all these replaced windscreens can be recycled and reused for other purposes.



CASE

## Sustainable digitisation

National Windscreens is investing in a programme of digitisation across the business. Digitisation promotes efficiency which enables the opportunity to reduce our carbon footprint. When a customer first reports damage on their windscreen our AI system will identify if that damage is repairable, removing the need for that customer to travel to a fitting centre to have their windscreen assessed. Invoicing and payment is now completed digitally, customers are able to sign digitally for work completed and receive a digital invoice and receipt reducing the use of paper.

### **Digital logistics**

- Our parts identification system identifies the correct replacement glass for a customer's vehicle with a 99.8% accuracy, reducing the number of trips to a customer's home or journeys to our fitting centres.
- Route planning software has optimised delivery routes and technician customer visit routes, reducing fuel usage and driving time.
- A soon to be introduced stock management system will drive further efficiencies meaning stock holding will be optimised and distribution vehicle movements can be reduced.

#### 24/7 Omnichannel booking options

- Over 25% of bookings are now through digital channels
- 39% of insurance customers use the web booking facility
- Email and web booking has increased 46% year on year
- · One contact is required to make a booking



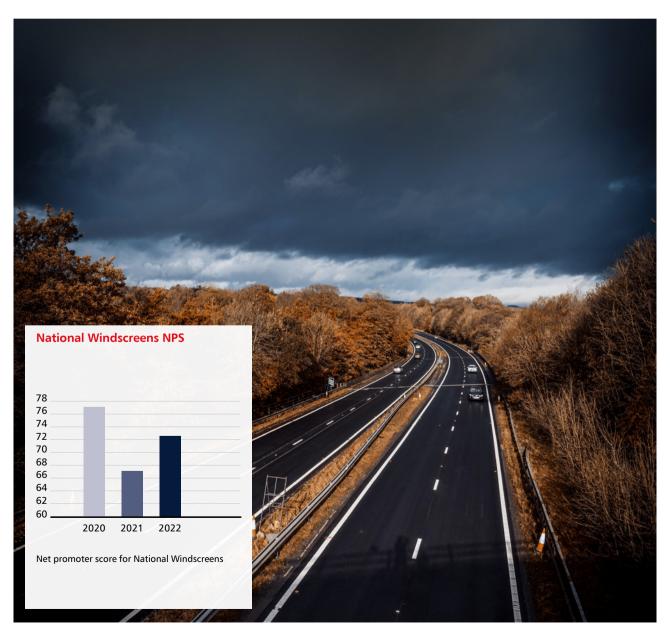
#### **Sustainable transportation**

National Windscreens operates through Fitting centres and mobile service units. We currently have several fitting centers where we offer customers free courtesy cars, while waiting for their car windscreen to be repaired or replaced. We are planning to add more electric courtesy cars across our fitting center network.

We also offer EV charging facilities in an increasing number of fitting centres.

#### **Customer satisfaction**

The Net Promoter Score (NPS) is a measure of customer loyalty and customer satisfaction. The result is obtained from asking end customers how likely, on a scale of 0–10, they are to recommend the company's products or services to others. National Windscreens currently measures NPS in the UK and compares it to other markets, these include Sweden, Norway, Spain and Portugal.



#### CASE

#### Carbon emissions of a windscreen

The replacement of a windscreen can be divided into four phases, all included in our total estimated carbon footprint per windscreen: manufacturing, transport to our workshops, fitting on the car and recycling of the broken glass.



#### Manufacturing

The manufacturing of car glass begins in float plants using the following raw materials: sand (~73%), soda ash (~13%), limestone (~9%), dolomite (~4%), other trace materials (~1%).

From the float plants, the glass is transported to and processed in various plants. The windscreens and laminated side lights are constructed using the above glass combined with PVB. Following toughening or laminating of the glass, various attachments are added for fitting to the vehicle and/or vehicle functionality, for example housing clips, mirror attachments, ADAS brackets and so on.

Based on calculations performed by our largest suppliers of glass, we estimate the carbon footprint of manufacturing a windscreen to be around 38.5 kg CO<sub>2</sub>/ windscreen (1.2m2).



#### Transport

The manufactured windscreens are transported to our central storage, stored at the branches, or ordered and delivered Just In Time (JIT) to the fitting centre the day before they are used.

This transportation is carried out by our glass suppliers and in some cases their local transport suppliers. Based on their calculations, the carbon footprint from transportation is estimated to be 3 kg CO<sub>2</sub> per windscreen.



#### **Fitting**

The main material used for replacing a windscreen is polyurethane adhesive. During a replacement, we mainly use two kinds of tools: cutting tools and a polyurethane extrusion gun. A windscreen replacement takes around two hours and includes cutting out the broken glass, cleaning the frame of the car, applying polyurethane adhesive and fitting the new windscreen. On many modern cars, we also calibrate the safety features such

as lane keep assist and autonomous emergency break. We strive for all our fitting centres to run solely on green electricity originating from carbon- free power sources such as wind and hydro.

We estimate the average carbon footprint of fitting a windscreen to be around 2 kg CO<sub>2</sub> per replacement.



#### Handling of used glass

When the windscreen replacement is complete, all broken glass is transported for recycling. Currently, around 90 percent of the materials from the broken glass can be recycled – mostly becoming new glass products such as glass blocks, jars and bottles.

Based on calculations, we estimate the average carbon footprint of transporting the windscreen to recycling to be around 0.6 kg CO<sub>2</sub> per replacement.

### Measure, reduce and bind GHG emissions

National Windscreens strives to lead the way in implementing climate measures in its industry. We have therefore, as part of our strategy, drawn up clear and ambitious targets to reduce our climate footprint.

National Windscreens active and thorough climate strategy is based on three pillars – measure, reduce and bind greenhouse gas (GHG) emissions. Since National Windscreens wants to take responsibility for our current emissions, we choose to not only measure and reduce our carbon footprint, but from 2022 we also climate compensate for all of our emissions.

#### Measure - Calculate GHG emissions

Measuring and calculating emissions according to viable standards are a prerequisite when reducing emissions. Since 2022 National Windscreens has calculated emissions in line with Greenhouse Gas (GHG) protocol corporate standard including Scope 1, 2 and 3.

| National Windscreens GHG emissions in tonnes CO <sub>2</sub> e | 2022 Total |
|--|------------|
| Direct GHG emissions (Scope 1)                                 | 4,666      |
| Indirect GHG emissions from energy (Scope 2 market-based)      | 542        |
| Other indirect GHG emissions (Scope 3)                         | 19,015     |
| Total  | 24,223     |

#### Measure and calculate results

National Windscreens GHG emissions in line with GHG protocol corporate standard in 2022 was 24,223 tonnes CO<sub>2</sub>e. As this is the first year of measuring all parts of the organisation, it creates the baseline for future comparison and reduction.

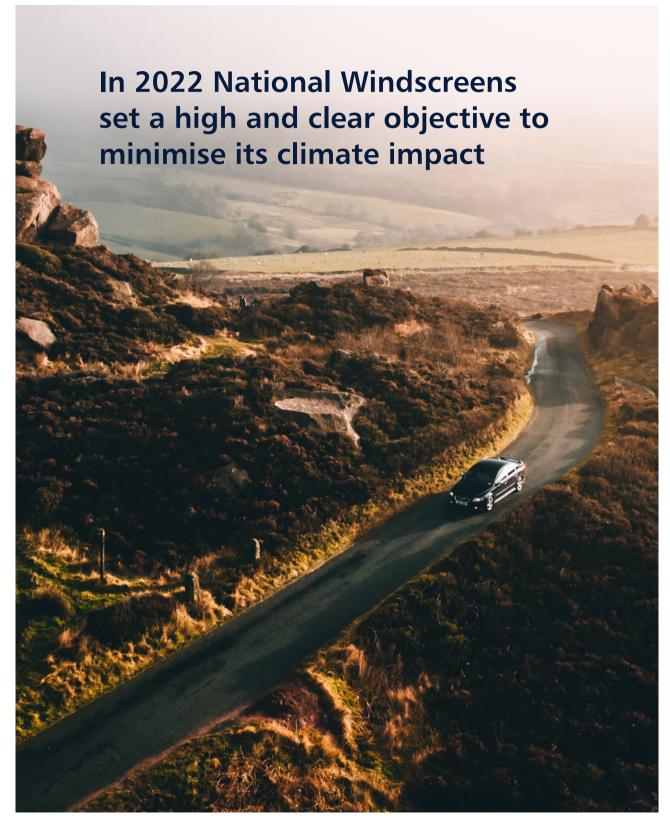
Whilst National Windscreens has had a strategic focus on carbon reduction and its impact on the

environment, due to integration across our organisation this is the first year we have been able to fully measure and report carbon output across Scopes 1, 2 and 3.

For more information see Page 32 Appendix - Sustainability data and reporting - GHG emissions National Windscreens.

| National Windscreens GHG emission  | ons in kg CO₂e per k£                   |                                | 2022 Total                            |
|--|---|--------------------------------|---------------------------------------|
| Direct GHG emissions (Scope 1)   |   |                                | 41.96                                 |
| Indirect GHG emissions from energy (S                                      | Scope 2 market-based)                   |                                | 4.87                                  |
| Other indirect GHG emissions (Scope 3                                      | 3)                                      |                                | 171.01                                |
| Total  |   |                                | 217.84                                |
| <b>SCOPE 1</b> includes emissions from company vehicles and direct energy. | SCOPE 2 includes purchased electricity. | SCOPE 3 include throughout the | es indirect emissions<br>value chain. |

National Windscreens Sustainability Report 2022 ≡ Content



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## Reduce - Carbon emission reduction target in line with Science Based Target initative

In 2022 National Windscreens set a high and clear reduction objective to minimise its climate impact. Based on calculations of the Group's carbon emissions in 2021 and 2022, National Windscreens set the target to reduce its emissions by 41 percent from 2022 to

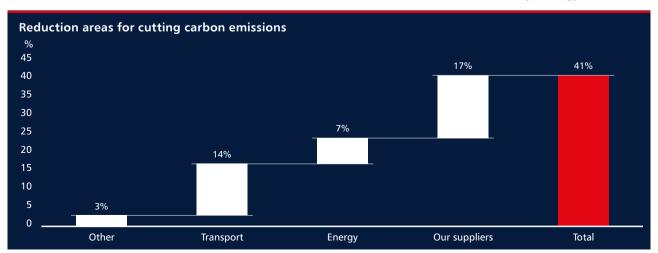
2030. The target was set in-line with the criteria of the Science Based Targets Initiative (SBTi) and the calculations that form the basis for the Paris Agreement's goal of 1.5°C.

In May 2022, however, National Windscreens decided to commit to the SBTi (which means getting the target verified by SBTi). Therefore, the current target of reducing emissions of 41 percent from 2022 to 2030 will be reassessed during 2023 and the base year will be 2022.



## Reduction areas for cutting National Windscreens carbon emissions

National Windscreens reduction targets are based on three reduction areas, where reduction actions and targets have been defined within each area. Reduction actions are implemented and are followed up as part of the strategic initiatives. Based on National Windscreens three biggest emission areas the prioritised reduction actions are divided in production, transport and energy. National Windscreens need to reduce the climate impact of the produced glass we procure (Production), transition to a fossil-free vehicle fleet and ensure fossil-free third party transport (Transport) and continuously increase the share of renewable electricity (Energy).



## Bind-Climate neutrality via CO2e compensation

Since 2020, National Windscreens has offset a portion of our emissions1 through Plan Vivo's tree-planting projects. In 2023, National Windscreens became climate neutral in accordance with the ISO 14021 standard, meaning that we need to capture as much carbon equivalent emissions as the company itself emits, so that the final sum of emissions becomes zero. Being climate neutral means that National Windscreens offsets all emissions including those in Scope 1, 2 and 3<sup>2</sup> – as per National Windscreens current knowledge and understanding of its GHG emissions and latest science<sup>3</sup>. It means that we not only take responsibility for emissions from our own services when repairing or replacing a windscreen but also include, for example, emissions from our suppliers that provide products such as windscreens and polyurethane adhesive, journeys to and from fitting centres and emissions from recycling the used broken glass.



Through the certified and renowned Plan Vivo via Zero Emission, National Windscreens offsets in carbon emission binding activities such as tree planting projects, with a 10 percent margin. The trees that are planted are native species and the projects also include agroforestry, poverty alleviation and water provision. All aspects of sustainability are taken into consideration. National Windscreens has projects all over the world, for example in Uganda, Nicaragua, Bolivia and Fiji.



- 1) The company focus in 2021 was to introduce a framework to map and collect data for the whole organisation, led by Cary Group.
- 2) In 2022 all GHG emissions is calculated and compensated across our organisation, with 10% margin.
- 3) Calculation of GHG emissions including standards is a constantly evolving practice both internally and externally. Internally, National Windscreens is continuously looking for improvements to increase its accuracy and data quality and thus cannot state that the calculations cover all of our emissions with a 100% certainty. Externally, the GHG standards are developed according to the latest science and thus the scope and method of the GHG emissions calculation change, which National Windscreens adapts to.

CASE

## Solar panels and renewable energy

Transitioning to renewable energy is a must to reduce Scope 1 and 2 emissions. One way is to sign renewable deals with your suppliers, which National Windscreens has done through Cary Group, other options are to start producing your own renewable energy for example Biogas boilers and solar panels. Both options have been explored in 2022. National Windscreens is looking to learn from the approach adopted by members of Cary Group that have already installed onsite renewable energy solutions.

Zentrale Autoglas, market leader in repairs and replacement of bus glass and part of Cary Group from January this year, has installed solar panels on the roof of their warehouse and offices in Melle to reduce their climate impact. In August alone, the solar panels on the roof of the operations in Melle generated 81 MWh, which means savings of 50 ton of CO<sub>2</sub> emissions, equivalent to the emissions from 7.2 laps around the equator in an average passenger car.

New solar panels have also been installed in the Swedish body and paint workshop Autoklinik in Malmö and outside Barcelona at the warehouse site for Cary Group's Spanish auto glass repair and replacement company Ralarsa. Together the German, Swedish and Spanish solar panels have produced 701 MWh, which saves 370 tons CO<sub>2</sub>e. It equals the emissions from 53 laps around the equator in an average passenger car.

In 2022 Cary Group bought Guarantees of Origin via trading company STX. They are globally known as

Energy attribute certificates (EACs) and are in accordance with Greenhouse Gas Protocol Scope 2 Guidance. EACs, in Europe known as Guarantees of Origin (GOs), are a tool to certify that an energy specific unit (1 MWh commonly) is produced from a renewable source. Guarantees of Origin is the same certificate you get in Europe when signing a renewable energy deal directly with your energy supplier. But the certificates are also a tradeable commodity and can be bought via companies trading with GOs, such as STX. To buy the GOs via a trading company is for example a suitable option for when electricity is included in your rent and you can't affect the source of the electricity directly via a supplier. In 2022 GOs were bought for Ryds Bilglas in Sweden, Ryds Bilglas and Crashpoint in Denmark, Cary Bilglas, Quick Car Fix and MPS in Norway, Ralarsa in Spain, Expressglass and Diveraxial in Portugal and Zentrale Autoglas in Germany.



The German, Swedish and Spanish solar panels saves emissions equal to 53 laps around the equator with an average petrol passenger car.





## Circularity and handling of chemicals

#### Responsible and circular sourcing

An important part of our environmental work is our circular resource focus. We strive to recycle 100 percent of our replaced materials and to purchase materials that are made from recycled components to the greatest possible extent.

Glass, manufactured from finite resources such as sand and limestone, is the main raw material consumed at our fitting centres. Of the new glass that we purchase, around 20 percent is made from recycled materials. We expect this proportion to increase over the coming years, partly because many of our glass suppliers have sustainability targets aimed at producing more of their glass from recycled materials.

We strive to reduce glass consumption by minimising waste and recycling the glass in the windscreens we replace. National Windscreens works with waste operators that specialise in recycling windscreens, to ensure that they are handled in the best possible way.

100% of the replaced windscreens are transported to recycling facilities and around 90 percent of the material can be recycled and used for other purposes mostly

becoming insulation products for the construction industry and raw material for new glass products.

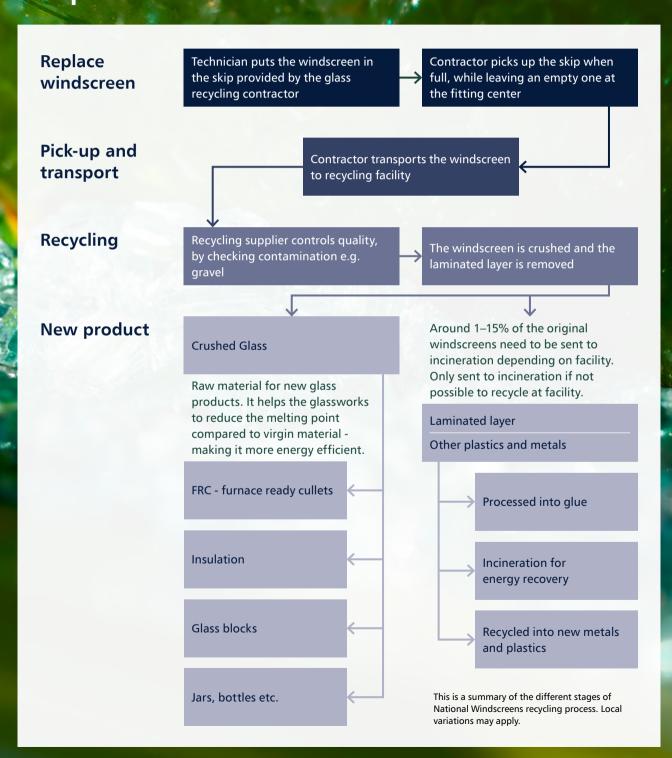
#### Responsible handling of chemicals

In a resource intensive industry, it is important to constantly improve and reduce the consumption of steel and glass as well as of the chemicals needed when servicing a vehicle. We use energy-efficient and climate friendly technology, handle waste appropriately and continue to phase out substances that are harmful to the environment and health. A large amount of chemicals are used in the fitting centres in order to offer the products and services that customers demand. Chemicals that leak into the environment can potentially have a negative impact on soil, air, water, biodiversity and human health. We therefore have procedures in place to ensure proper handling and disposal of chemicals and the phasing out of hazardous chemicals. No leakage of chemicals to soil and water have been reported in 2022, which is proof that the procedures for handling and disposal of chemicals are working well.



CASE

## Process of recycling a car, commercial or specialist vehicle windscreen



Cary Group Sustainability Report 2022 Focus People 

≡ Content

#### **FOCUS**

## **People**

National Windscreens aims to be an employer of choice. We aim to attract people with the right competencies, skills and attitude supporting our commitment to equality, diversity and inclusion. We focus on retaining motivated and engaged employees, providing opportunity for development and growth, working within a culture underpinned by our values, in a safe work environment delivering the highest levels of service to our customers. We do this by developing our leadership capability and building a strong employer brand which promotes a positive working environment.

#### Leadership

National Windscreens is a company with employees in all regions of the UK, which requires an empowered local, high performing team.

During 2022, we initiated the development of a National Windscreens leadership profile, to be launched in 2023, which is based on research as well as best practice from our industry. The leadership profile will support National Windscreens leaders in their daily work and their own development as managers.

#### Our values form the basis of our culture

Our values support us in building our culture and guide us on how to treat each other and our customers. The values have been developed based on our strategy since the launch in 2023 and they have supported local culture initiatives.

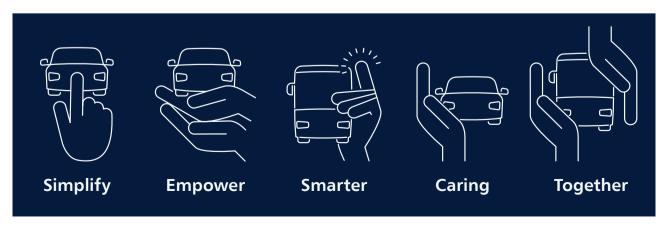
A training program and virtual toolbox has been

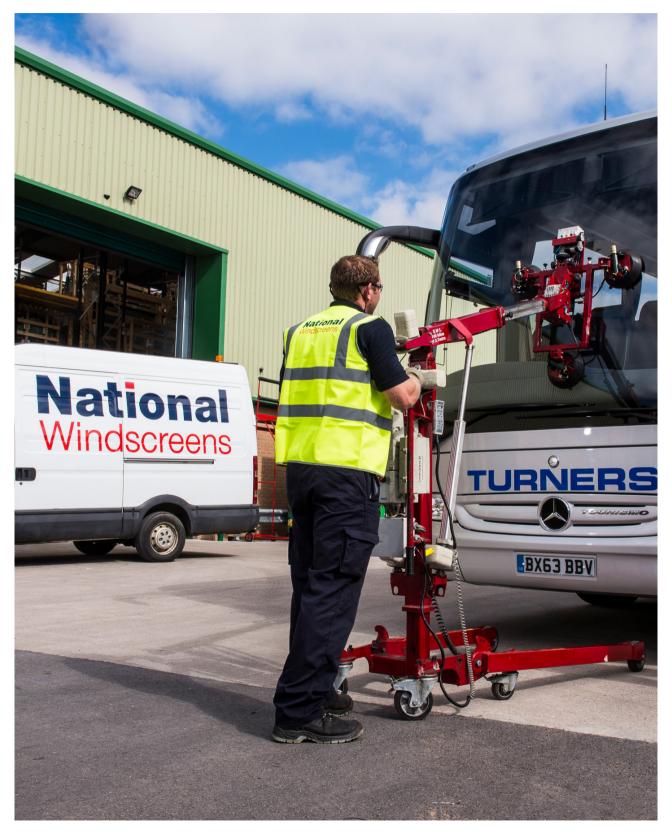
developed to engage our employees and support discussions related to culture and our values.

#### Competence development

National Windscreens operates in an industry where advanced technology is a natural part of everyday life. This means that it is essential that our employees have a high level of competence if we are to deliver high-quality services. Our common HR Policy lays the foundations for the employee journey, from onboarding to employee review with a personal development plan.

National Windscreens focus in 2022 has been to establish internal forums and a network to create structures for internal competence knowledge sharing. We are currently developing an academy which will enable us to offer harmonised and high-quality training throughout the company, supporting local practical training.





#### **Health and safety**

Our people are our most important resource. Therefore we have a strong focus on health and safety at work and to be an attractive workplace for all. We continuously work to prevent injuries and ill health. To ensure a high standard when it comes to health and safety across the company, we have established a Health Safety Committee which includes representatives from across the business. The Committee allows our staff to have input into how we go about meeting laws and regulations, as well as allowing peer review of our risk management processes. By gathering staff from all parts of the business together, we capture a great source of knowledge, which means we are able to drive further development and ensure valuable and sustainable improvements.

To ensure a high level of health and safety awareness, we work with a risk matrix based on six identified high-risk areas: driving, working at height, manual handling, car glass and tools, chemicals and workload. For each area, we identify hazards and risks and develop preventive measures.

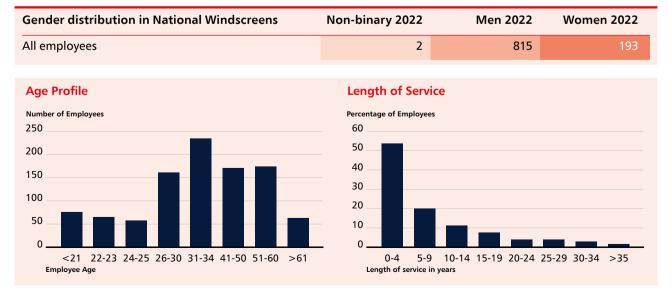
Early in 2023, work started on a Health and Safety campaign which will be launched during Q2 2023. The focus is to increase the number of reported near misses and accidents in each area to ensure proactive management of risks and to minimise incidents in these areas.

#### Equality, diversity and inclusion

We are committed to promoting equal opportunities in employment and creating a workplace culture in which diversity and inclusion is valued and everyone is treated with dignity and respect. Work on equality, diversity and inclusion is carried out in compliance with legislation and in cooperation with employees. We have various procedures in place, including procedures for managing alleged discrimination, bullying and harassment.

One of the main priorities of the equality and diversity work is to attract more women as both employees and managers. We also aim to attract and have diversified working groups, with a working climate where all competencies and people are welcome. During the past years, we have focused on understanding what our female employees seek in their employer and a recruitment campaign to target bringing young people and attract women to the industry was launched in 2022.

National Windscreens strives to offer correct and fair equal pay to attract, retain and motivate employees, free from any kind of discrimination. Salaries can differ between regions but should always be based on the employee's position and performance.



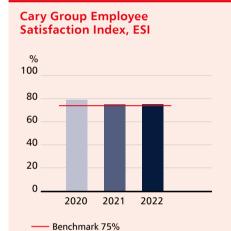
#### **Employee follow up**

To track our progress and to ensure that National Windscreens is perceived as an attractive company, we measure the engagement, work satisfaction and loyalty of our employees.

As the largest employer within the organisation, Cary Group measures the employees' engagement and satisfaction through EEI (Employee Engagement Index) and ESI (Employee Satisfaction Index) and employee loyalty through the eNPS (employee Net Promoter Score). Cary Group also monitors the voluntary turnover rate. If many employees leave the group voluntarily it can indicate dissatisfaction and the need for change.

By measuring these KPIs, regular individual or team meetings and an annual employee survey, Cary Group and National Windscreens get an understanding of areas perceived as strong and areas requiring improvement.

Cary Group Employee

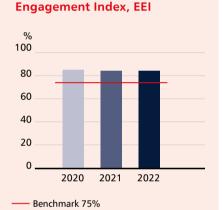




2021

2022

**Cary Group Employee Net** 



#### **Description of the KPIs:**

Employee Satisfaction Index (ESI) (0-100) is calculated based on this question:

Overall, I think the company is a good employer

#### Description of the benchmark:

The benchmark for ESI is built on Netigate's standardised questionnaire for employee engagement surveys.

#### **Description of the KPIs:**

2020

Benchmark 2%

5

Employee Net Promoter Score (eNPS) (-100 to +100) is calculated based on this question:

 How likely are you to recommend the company as an employer?

#### Description of the benchmark:

The benchmark for eNPS is built on Netigate's standardised questionnaire for employee engagement surveys.

#### Description of the KPIs:

Employee Engagement Index (EEI) (0-100) is calculated based on these questions:

- I always try to do my best when at work
- I am proud to be an employee of the company
- I actively make suggestions about how things could be improved

#### Description of the benchmark:

The benchmark for Employee Engagement Index is based on a panel survey conducted via CINT in December 2020.

These KPIs are measured annually through Cary Group's employee survey. The survey is conducted during the autumn and was sent to all employees within the group. They are proud that a response rate of 81 % was reached which gives the possibility to draw relevant conclusions and create actions to improve. An extensive expansion of the company, with several reorganisations within the Group affected the eNPS negatively.

The aim is to roll out the employee follow up processes across the whole of the National Windscreens organisation in 2023.

National Windscreens Sustainability Report 2022 Focus Governance ≡ Content

#### **FOCUS**

## Governance

National Windscreens places great emphasis on good business ethics and proactive anti-corruption work.

#### Sustainability management and governance

The management team at National Windscreens is ultimately responsible for sustainability strategy. Follow-up, monitoring, decisions on strategic direction and focus areas are discussed in executive management meetings. Sustainability is a central part of the company's strategy and a frequently recurring theme at management and board meetings.

#### **Anti-corruption**

It is important to us that the products and services we offer customers are produced, handled and distributed in a sustainable way throughout the supply chain.

In 2021, National Windscreens adopted an updated code of conduct. Based on the UN's Global Compact principles covering human rights, labour, environment and anti-corruption, the Code of Conduct outlines guidelines relating to suppliers and subcontractors. The Code of Conduct applies both internally and externally to National Windscrens employees, suppliers and subcontractors, who must all comply with national legislation in the countries in which they operate. If there are requirements in the Code of Conduct that differ from the national legislation, the level that is considered most strict shall apply. In 2022 a training course on the Code of Conduct suitable for all employees of National Windscreens was developed. This training will be compulsory for all parts of the organisation and new employees in 2023.

A training course on anti-corruption for the expanded management team was held in 2022.

Companies that choose to work with National Windscreens are provided with our Code of Conduct and all parties in the supply chain are expected to comply with its requirements. National Windscreens believes that the greatest risk of breach of anticorruption lies within the supply chain. In the industry

where National Windscreens operates, the risk of corruption is generally low as the companies are regulated by agreements with the insurance companies.

#### Supply chain and supplier assessment

National Windscreens uses the online tool WorldFavor to assess suppliers. The purpose is to obtain a better overview of potential risks and hazards in the supply chain. It covers anti-corruption, environmental and social issues. The assessment has so far been performed by Cary Group's top 50 suppliers in the UK and the Nordics. This first review of the assessment was completed during the first half of 2022 and going forward it will be carried out for all parts of the organisation.

National Windscreens assessment is that the suppliers have the greatest risk of violating human rights. Early observations in the supply chain show that a small proportion of suppliers lack a Supplier Code of Conduct of their own and formal commitments to respect internationally proclaimed human rights and working conditions. A Modern Slavery Statement and Code of Conduct is included in each agreement with contracted suppliers, to minimise the risk of suppliers violating human rights and anti-corruption, in line with our Procurement Policy. In 2022, sustainability assessment surveys were included in the tendering process for glass and urethane suppliers.

#### **Policy documents**

National Windscreens general sustainability work is governed by the company's Environmental Policy. In addition, the Board has adopted a number of policy documents which support and promote good governance and processes throughout the company. These policies include:

- Financial policies (including Anti-Bribery Policy, Conflict of Interest Policy, Anti-Money Laundering Policy)
- Information security policy
- IT policy
- Code of conduct
- HR policies (including modern slavery, EDi)

#### Whistleblowing system

In 2020, a Whistleblowing Policy and an external system (Whistle B) were introduced to encourage employees to report suspected wrongdoing in the workplace. The whistle blowing system is compulsary for all Cary Group organisations. It is important that employees can raise legitimate concerns in a manner where confidentiality is respected and maintained and where the concern will be taken seriously and investigated properly. Employees must feel confident to raise issues without fear of reprisal. National Windscreens must conduct it's business with honesty and integrity and all employees are expected to maintain high standards in every aspect of their work and interactions with each other, customers and suppliers. The company culture characterised by openness and accountability to prevent situations arising where our standards are challenged and to address such situations if they do occur.



#### **UN Sustainable Development Goals**

Cary Group contributes to the UN Sustainable Development Goals (SDGs). We have defined the goals that are most relevant for us and to which we make an active contribution. Below are some examples.

| Focus area | SDG  | Priorities                                     | National Windscreens contribution  |
|------------|--|--|--|
| Climate    | 13 BEKÄMPA KLIMAT-<br>PORAMIKANGANA                        | Reduce CO <sub>2</sub> emissions               | We have set a target of reducing our ${\rm CO_2}$ emissions by 41 percent by 2030. This target is in line with the Paris Agreement's target of 1.50C.  |
| Climate    | 12 HALBAR KONSIMINOOCH PRODUKTION                          | Increase the<br>repair rate for<br>windscreens | Repairing a windscreen has a carbon footprint of almost 0 kg CO <sub>2</sub> . Replacing a windscreen produces direct emissions of around 44 kg CO <sub>2</sub> e. To ensure that we always repair when possible, our technicians follow clear guidelines regarding when a windscreen can and cannot be repaired and the repair rate is closely monitored. |
| Climate    | 12 HALLBAR KONSIMITION OCH PRODUKTION                      | Circularity                                    | 100 percent of the replaced windscreens are sent to recycling from our fitting centres, but approximately 90 percent of the material can be reused.  |
| Climate    | 13 BEKÄMPAKIMAT-<br>FORANGRANA                             | Sustainable customer offering                  | As part of our sustainable customer offering, we provide electric courtesy cars¹ when the customer leaves their vehicle at our fitting centres, thus reducing the customer's environmental impact during the repair.   |
| Climate    | 8 ANSTĀNDIGA<br>ABRITSVILIKOR<br>OCH EKONOMISK<br>TILLVĀJT | Sustainable<br>supply chain                    | Not taking responsibility for the supply chain, would result in various kinds of risks, such as labour conditions, environmental hazards, or reputational risks.   |
| Our people | 3 GOOD WANTH AND WELL-BEING                                | Attractive<br>employer                         | We need to attract new employees and retain and motivate our existing people, to ensure we can continue to deliver the highest levels of service to our customers. We measure and follow up our Employee Satisfaction Index, Employee Net Promoter Score, Employee Engagement Index and Employee Turnover. We measure and follow up work-related injuries. |
| Our people | 5 JAMSTÄLLDHET   | Gender equality                                | We want to have diversified working groups and an open work environment and we are working to attract more women to become employees and managers.   |
| Governance | 16 FREDIBA OCH INNU-<br>GERANG SAMÄLLEN                    | Good compliance                                | We ensure good compliance in National Windscreens by regular audits and by maintaining all policy documents to meet regulation.  |

1) Electric courtesy cars available at some fitting centres in the UK.

National Windscreens Sustainability Report 2022 Sustainability risks ≡ Content

## Sustainability risks

National Windscreens operates in the UK market and is therefore exposed to risks that can affect our ability to achieve our strategic objectives and financial targets. Having an effective control environment provides protection against risks. National Windscreens risk management involves identifying risks and preparing for potential unknown risks. Clear risk ownership and prioritisation of risks along with continuous evaluation of the control environment are key to effective risk management. A risk assessment is performed annually in order to identify significant risks. Risks are evaluated by the management and the Board of Directors and risk work is led by the relevant risk owner. When identifying risks, a risk map is drawn up and then used as a basis for risk mitigation measures developed by the internal control function together with the risk owner. Below are the most significant sustainability risks for National Windscreens.

#### **Climate impact**

National Windscreens operates in an industry that requires resource-intensive goods such as steel and glass, as well as chemicals, which causes greenhouse gas emissions. If National Windscreens does not work to reduce its climate impact, it will contribute to increase the climate change and there is a business risk of terminated B2B contracts, partnership loss with suppliers and reputational damage. Windscreens has been working on its repair rate and other initiatives to reduce carbon emissions for some time. National Windscreens aims to source all it's electricity from a renewable source and move towards a fossil fuel free fleet. The climate change itself may have business critical effects on National Windscreens operations with extreme weather such as high temperatures, flooding and storms. The extreme weather increases the risk of a forced temporary slowdown in operations due to intolerable working conditions.

Apart from climate, biodiversity is a risk area to be explored as glass production requires finite raw material: sand ( $\sim$ 73%), soda ash ( $\sim$ 13%), limestone

( $\sim$ 9%), dolomite ( $\sim$ 4%), other trace materials ( $\sim$ 1%). These finite materials are extracted from quarries which affect the local and regional biodiversity.

#### Sustainable supply chain

As National Windscreens business offering is services, it is dependent on its suppliers to fulfil its sustainability commitments; reducing in line with Paris agreements 1.5 degrees C and comply with human right and anticorruption policies.

National Windscreens assessment is that the greatest risk of human rights violations exist at supplier level. National Windscreens maintains a continuous dialogue with its suppliers and all suppliers are expected to sign and live up to National Windscreens Code of Conduct and Modern Slavery Statement. In 2021, a supplier assessment was introduced and continued in 2022. The assessment includes human rights, labour and anti-corruption to be able to identify, follow-up and take possible actions on suppliers with an assessed elevated risk.

Replacing a windscreen has greater environmental impact than making a repair. Circular resource

management is important for improving and reducing consumption. To ensure that National Windscreens always repairs wherever possible, its technicians follow clear guidelines regarding whether or not a windscreen can be repaired. If a replacement is needed, National Windscreens works with waste operators who specialise in recycling windscreens.

Chemicals that leak into the environment can have a negative impact on soil, air, water, biodiversity and human health, therefore there are routines in place to ensure correct handling of chemicals and that hazardous chemicals are phased out.

#### **Health and safety**

Inadequate health and safety work in the workplace can lead to:

- work-related injuries, illness, ill-health or, in the worst-case scenario, loss of life
- reputational risk
- fines for compliance failures

Risks are identified and analysed and, where necessary, measures are implemented in accordance with a predefined process. National Windscreens risk management is supported by its HR policy and health and safety regulations.



**APPENDIX** 

## Sustainability information

This section of the report provides a more detailed overview of National Windscreens sustainability data and, includes materialality analysis, emissions per GHG Corporate standard category, reporting principles and the climate compensation process. It complements the information in pages 9-26.

#### About sustainability reporting

This sustainability report is for the period 01/01/2022 -31/12/2022. It refers to National Windscreens (Company number 01612587) which is a member organisation, made up of Cary UK (Company number: 2098007), Spire Windscreens Limited (Company number: 1931028), J Huggins and Son Limited (Company number: 1339652), Europarts Motor Factors Limited (Company number: N1016601).

National Windscreens reports with reference to Global Reference Iniative (GRI) Standards. The new standard GRI Universal Standards 2021 is refered to non-exhaustively, together with the selected GRI Topical Standards.

Greenhouse gases are reported in accordance with Greenhouse gas protocol corporate standard and aligns with ISO 14021:2017 Environmental labels and declarations - Self-declared environmental claims to be climate neutral through climate compensation. See more detail in pages 32-44.

#### Stakeholder dialogue and materiality analysis

National Windscreens constantly works to meet customer and other stakeholder demands and expectations.

Maintaining a continuous dialogue with our stakeholders is key in our sustainability work.

In 2022, National Windscreens carried out a materiality analysis relating to the sustainability work in which the most important sustainability areas were identified. Prior to the materiality analysis, the five most important stakeholder groups were identified. Stakeholder dialogues were then conducted and form the basis for our company's sustainability work and strategy. Through the materiality analysis, we have set our three focus areas; Climate, Our People and Governance. In 2023, the dialogue continues with our stakeholders who have confirmed that currently identified areas of sustainability remain valid.



| The major stakeholder groups            | Representing   | Channels   |
|---|--|--|
| B2C Customers<br>(Business to Consumer) | National Windscreens end customers, who we have daily contact with in our fitting centers                          | Trust Pilot<br>Net Promoter Score surveys  |
| B2B Customers<br>(Business to Business) | Business-to-business customers,<br>represented by the largest corporate<br>customers - insurers, fleets and others | Net Promoter Score, interviews, individual meetings with larger corporate customers and insurers |
| Employees                               | Our employees, from different members of National Windscreens  | Values, internal web, employee<br>dialogues, appraisal process, eNPS                             |
| Shareholders/Board members              | The largest Members, who are represented on the Board of National Windscreens and its remaining Members            | Board meetings and Annual<br>Member meetings   |
| Executive Management Team               | Management representatives from the different members of National Windscreens                                      | Current management meetings and discussions  |

#### Results from the materiality analysis

#### **Ambitions**

- Secure customer satisfaction through high-quality services
- Being an attractive employer
- Sustainable offerings

#### Three focus areas

#### **Environment and Climate**

#### – Circular use of resources

### Sustainable transport

#### - Repair rate

#### **Our People**

- Secure workplaces
- Equality and diversity

#### Governance

- Sustainable supply chain
- Anti-corruption

#### Stakeholders' essential issues

- Anti-corruption
- Equality and diversity
- Handling of customers and employee data
- Reduced GHG emissions from operations
- Reduced GHG emissions from supply chain
- Energy consumption
- Responsible use of chemicals
- Emissions from use of chemicals
- Emissions to soil and water

#### **GHG** emissions National Windscreens

The following chapter presents National Windscreens GHG results emissions data for 2022. It is presented together with reporting principles, as well as climate compensation reporting.

In the table below the GHG emissions are presented as per the Greenhouse gas protocol corporate standard category, divided in Scope 1, 2 and 3. Emissions factors' (EF) sources and a summarized description of method and estimations are included.

| Gŀ      | IG# | GHG Category   | Category                                   | Emission<br>Intensity<br>KgCo2e/<br>k£ | Total<br>Emis-<br>sions ton<br>CO2e* | EF Source   | Method and estimation   |
|---------|-----|--|--|--|--------------------------------------|---|---|
|         | 1   | Company facilities:<br>Direct energy - Fuels                             | Direct Energy                              | 1.06                                   | 105                                  | Defra   | Hybrid method - kWh/  |
| SCOPE 1 |     | Company vehicles:<br>Direct Energy - Fuels                               | Courtesy Cars                              | 0                                      | 0                                    | Defra   | litres used for<br>majority, km and<br>spend converted to                   |
| SCC     | 2   | Use of sold products   | Service<br>Vehicles                        | 38.69                                  | 4302                                 | Defra   | litres when fuel<br>consumption data  |
|         |     | Downstream leased assets   | Company Cars                               | 2.33                                   | 259                                  | Defra   | missing.  |
|         |     | Purchased electricity,<br>heating & cooling for own<br>use               | Electricity<br>- market                    | 4.87                                   | 542                                  | AIB   |   |
| SCOPE 2 | 1   | Purchased electricity,<br>heating & cooling for own<br>use               | Electricity<br>- location                  | 3.98                                   | 443                                  | AIB   | Hybrid method, when inaccessible data due to included in rent, used kWh/m2. |
| •       |     | Purchased electricity,<br>heating & cooling for own<br>use               | District Heating                           | 0                                      | 0                                    | N/A   |   |
|         | 1   | Purchased goods & services - Glass                                       | Glass produc-<br>tion (purchased<br>glass) | 103.03                                 | 11456                                | Glass supplier EPD<br>data  | Hybrid method   |
|         | 1   | Purchased goods & services<br>- Metals and Plastic                       | Spare parts (body/paint)                   | 0                                      | 0                                    | Defra   | Hybrid method   |
|         | 1   | Purchased goods & services<br>- Chemicals                                | Chemicals                                  | 7.21                                   | 802                                  | Paint- Sphera Washer<br>fluids and oth-<br>ere-Winnipeg Oil and<br>Urethane-defra | Hybrid method   |
| Е 3     | 1   | Purchased goods & services - Vehicles                                    | New cars                                   | 17.73                                  | 1972                                 |   | Hybrid method   |
| SCOPE 3 | 1   | Purchased goods & services<br>- Textiles                                 | Clothes                                    | 0.67                                   | 74                                   | Assume the weight for garments based on LCA-Swed-ish-clothing industry            | Hybrid method   |
|         | 1   | Purchased goods & services - IT equipment                                | IT (office<br>material)                    | 0.61                                   | 68                                   | EDP from HP, Dell<br>and Apple  | Hybrid method   |
|         | 2   | Capital Goods - Tangible and intangible assets                           | CAPEX                                      | 9.18                                   | 1021                                 | Swedish National<br>agency for procure-<br>ment Feb2020                           | Average spend-based method  |
|         | 3   | Fuel- and energy related activities (not included in scope 1 or scope 2) | Electricity<br>(scope 3)                   | 1.1                                    | 122                                  | AIB   |   |
|         | 4   | Upstream transportation and distribution                                 | Upstream 3rd<br>Part transport             | 10.64                                  | 1183                                 | Kg Co2e/kg pur-<br>chased from glass<br>suppliers                                 | Estimated based on supplier specific data                                   |

≡ Content

| Scope 1 42.08  | 4,666  |
|----------------|--------|
| Scope 2 8.85   | 542    |
| Scope 3 171.01 | 19,015 |
| Total 221.94   | 24,223 |

#### Reporting principles

National Windscreens calculates emissions in accordance with the Greenhouse Gas (GHG) protocol corporate standard, including the categories in Scope 1, 2 and 3. The Scope 3 categories included can be seen in the table on the previous page and in the picture below. The calculation results are expressed in the metric Carbon dioxide equivalents (CO<sub>2</sub>e) which includes carbon dioxide, methane, nitrous oxide and other relevant greenhouse gases.

By following ISO 14021:2017 Environmental labels and declarations – Self-declared environmental claims National Windscreens also claims climate neutrality via climate compensation. ISO 14021:2017 Environmental labels and declarations – Self-declared environmental claims put products in focus. ISO 14021 refers to ISO 14067 for quantification of a product's carbon footprint.

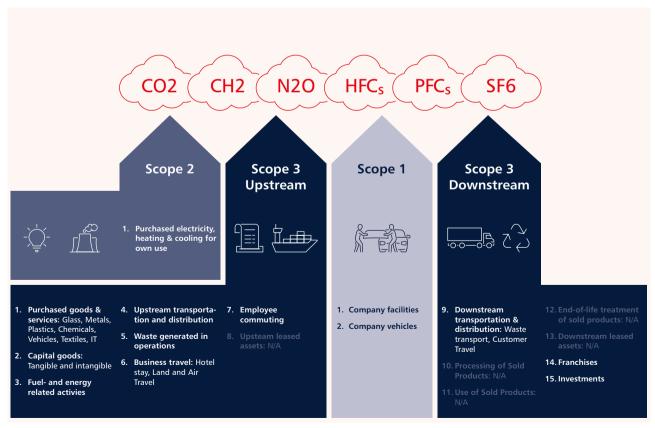
Activity data is based on information from invoices,

suppliers and internal National Windscreens statistics. Internal data and input from the supply chain usually apply to the period 1st January 2022 to the 31st December 2022, or parts of that same year. Deviations from this are documented.

The result of the GHG emissions calculations is a consequence of the current state of knowledge, which is why continuous updates are required as knowledge deepens and becomes more coherent.

#### Inclusions and exclusions

The GHG calculated measures include the National Windscreens business and Member operations that are engaged with the production and sales of the company's activities. The GHG protocol corporate standard categories which are included and excluded are shown below in the simplified illustration, see image below.



Excluded categories from GHG protocol is category 8, 10, 11, 13, in Scope 3 as it is not applicable for National Windscreens's operation.



The following processes have been excluded primarily in category 1. Purchased Goods and services. In Scope 3: Paper and printed materials, estimated at 0.123% of CO2e, Water use estimated at 0.005% of CO<sub>2</sub>e and Packaging estimated at 0.13% of total CO<sub>2</sub>e.

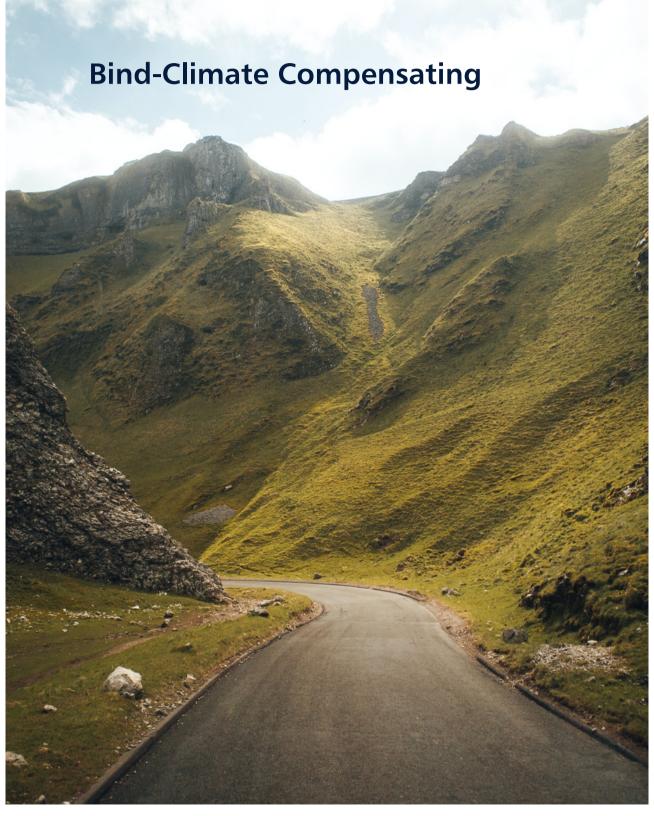
The excluded categories are assessed totally to be less than 1 per cent of the total carbon footprint for National Windscreens. This is based on verified data submitted by Cary Group.

| Emission sources/activities not included | Motivation  |
|--|---|
| Paper and printed materials              | Paper and printed materials were for the year 2022 reported from Sweden. An estimation for the entire Cary Group was made by using Net Sales comparison which gives Cary Group an estimated usage of 91 tons of paper and printed materials, which may correspond to 83 tons of CO <sub>2</sub> e or 0.123% of the total carbon footprint for Cary Group. |
| Water use                                | The use of water is limited in auto glass services. The use in Cary Group has been estimated from three Swedish service units and the water use per square meter has been used as a proxy. The whole group used 12,100 m3 water during 2022 which corresponds to 3 tons CO <sub>2</sub> e or 0.005% of the total carbon footprint for Cary Group.         |
| Packaging for car glass                  | The major packaging category in Cary Group is packaging for glass.  Data has not been collected, but has been estimated to be 106 tons, which correspond to 88 tons CO <sub>2</sub> e or 0.13% of the total carbon footprint for Cary Group.  |
| Marketing                                | Assessed to be insignificant.   |

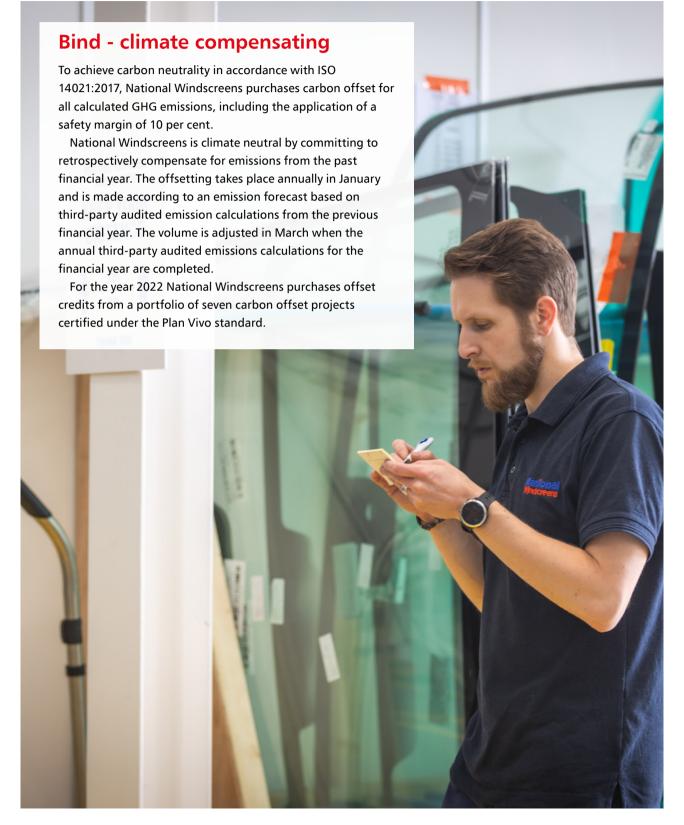
| National Windscreens GHG emissions in tonnes CO <sub>2</sub> e | 2022 Total |
|--|------------|
| Direct GHG emissions (Scope 1)                                 | 4,666      |
| Indirect GHG emissions from energy (Scope 2 market-based)      | 542        |
| Other indirect GHG emissions (Scope 3)                         | 19,015     |
| Total  | 24,223     |

Relative emissions in the unit kg CO<sub>2</sub>e/k£ for 2022 is presented in below table.

| National Windscreens GHG emissions in kg CO <sub>2</sub> e per k£ | 2022 Total |
|---|------------|
| Direct GHG emissions (Scope 1)                                    | 41.96      |
| Indirect GHG emissions from energy (Scope 2 market-based)         | 4.87       |
| Other indirect GHG emissions (Scope 3)                            | 171.01     |
| Total   | 217.84     |



≡ Content



### **The Carbon Offsetting process**

Sustainability Report 2022

| Time       | Activity  |
|------------|---|
| Jan 2023   | <ul> <li>Carbon offset for the financial year 2022</li> <li>The carbon offset for 2022 takes place in January. It is made according to an emission forecast based on third-party audited emission calculations from the previous financial year (2021)</li> <li>When the 2022 climate calculations are completed and verified<sup>1</sup>, the climate compensation will be adjusted in line with the final results.</li> </ul> |
|            | The carbon offset takes place on a year-round basis   |
| Q1 2023    | <ul> <li>GHG emissions calculation for the financial year 2022</li> <li>GHG emissions calculation and report for the year 2022 in accordance with GHG Protocol and ISO 14067</li> <li>Verification¹ of GHG emissions calculation and report regarding calculation, for 2022 in accordance with GHG Protocol and ISO 14021</li> </ul>  |
| March 2023 | Adjustment of 2022 carbon offset based on final calculations.   |
| Jan 2024   | Carbon offset for the financial year 2023  - The carbon offset for 2023 takes place in January. It is made according to an emission forecast based on third-party audited emission calculations from the previous financial year (2021)  - When the 2023 climate calculations are completed and verified, the climate compensation will be adjusted in line with the final results.   |
|            | The carbon offset takes place on a year-round basis   |
| Q1 2024    | <ul> <li>GHG emissions calculation for the financial year 2023</li> <li>GHG emissions calculation and report for the year 2023 in accordance with GHG Protocol and ISO 14067</li> <li>Verification of GHG emissions calculation and report regarding calculation, for 2023 in accordance with GHG Protocol and ISO 14021</li> </ul>   |
| March 2024 | Adjustment of 2023 carbon offset based on final calculations.   |
|            | extend to all National Windscreens members in 2023  |



 National Windscreens
 Sustainability Report 2022
 Sustainability information

 ≡ Content

## The Carbon Offset projects and credits – National Windscreens carbon offsetting 2022

The carbon offsetting for the 2022 financial year corresponds to a purchase of 26,644 tonnes CO2e Plan Vivo-certified carbon credits.

Table below shows how the carbon offsets have been distributed per project and the time of the emissions covered by the offsets.

| Cary Group including Cary UK  |                |                         |                   |                    |
|---|----------------|-------------------------|-------------------|--------------------|
| Project name  | Ton CO2e       | ZeroMission cert number | Invoice<br>number | Order<br>number    |
| AR Bolivia, Bolivia   | 4,500          | 212449                  | 71707             | 519                |
| Trees for Global Benefits - Uganda  | 35,989 + 3,760 | 212447 + 212527         | 71707, 71815      | 567, 581, 584, 587 |
| Drawa Rainforest - Fiji   | 2,000 + 604    | 212451 + 212529         | 71707 + 71815     | 578                |
| Halo Verde – Timor Leste  | 3,500          | 212453                  | 71707             | 545                |
| CommuniTree – Nicaragua   | 1,000          | 212448, 212370          | 71707, 71576      | 574                |
| Gula Gula - Indonesien  | 2,500 + 603    | 212453 + 212530         | 71707 + 71815     | 561                |
| Khasi Hills - Indien  | 4,000 +3,760   | 212450 +212528          | 71707 +71815      | 548                |
| J Huggins and Son (T/A National Windscreens)-Western AG Limited (T/A National Windscreens)-Spire Windscreens (T/A National Windscreens)-National Windscreens (Replacements) Limited |                |                         |                   |                    |
| Trees for Global Benefits - Uganda  | 5,689          | 212594 to 212597        | 1600176           | 21029              |

Overview of purchased carbon offset: Cary UK's emissions total 20,955 including the 10% margin and are included in the Cary Group figures shown above. The remaining members of National Windscreens emissions total 5,689 including the 10% margin and the corresponding offsets have been assigned to the project shown above.

#### About the Plan Vivo standard

The Plan Vivo standard is the most mature standard on the voluntarily carbon offset market, born out of a desire to help smallholders in Chiapas, Mexico to plant trees to sequester carbon and to improve their livelihoods. Since then, the Plan Vivo model and network of stakeholders have evolved into a system that can provide environmental and social benefits to many communities around the world.

In the process the Plan Vivo certified projects remove and avoid greenhouse gas emissions. This is monitored and turned into Plan Vivo Certificates, which can be sold by projects to help fund their operations and to expand. At least 60% of the income that projects received from the sale of Plan Vivo Certificates goes directly to the participants. <sup>1</sup>

1. Source: Plan Vivo

## The Plan Vivo standard is based on three pillars:

- Relieving poverty by offering sustainable livelihoods for communities whose environments have been degraded.
- Restoring and protecting environments to help protect communities against climate change and provide a variety of sustainable development benefits.
- **Building local capacity** through the transfer of knowledge, skills and resources to developing countries





## Description of the carbon offset process

Below is a description of the process, from National Windscreens purchases of Plan Vivo carbon credits, to the payments to project participants.

Reporting: National Windscreens reports to ZeroMission the quantity of carbon credits required to offset their annual emissions. The quantity is first reported based on a prognosis and later adjusted when the annual carbon accounting is completed for the studied year.

2

**Purchasing:** ZeroMission purchases the required quantity of carbon credits from the Plan Vivo certified projects.

3

Invoicing: ZeroMission invoices National Windscreens for the cost of the required carbon credits and produces a unique certificate of purchase. 4

Project activities and monitoring occurs on the project sites. At the end of the year, the projects submit annual reports on their activities to the Plan Vivo Foundation.

10

Payments to participants: Money is transferred to the project and funded. Project participants are paid as they reach their set milestones. 6

Issuance of credits: The Plan Vivo Foundation reviews and approves the annual reports. If approved, credits are issued corresponding to the carbon benefit.

7

Retirement of credits:
ZeroMission received and retires
the purchased credits in National
Windscreens name, in the
international environmental
registry IHS Markit.

## **Actors and concepts**

The process of National Windscreens offsetting their emissions involves several actors along a chain, all with different functions that are described below.

**AR Bolivia:** The name of the Plan Vivo certified project, located in Bolivia.

planvivo.org/arbolivia

**National Windscreens:** Buyer of Plan Vivo certified carbon credits

**CommuniTree Carbon Programme**: The name of the Taking Root Plan Vivo certified project in Nicaragua. planvivo.org/communitree

**Drawa Rainforest**: The name of the Plan Vivo certified project located in Fiji.

planvivo.org/drawa

**Ex-ante/Ex-post credits:** National Windscreens buys both Plan Vivo-certified "ex-ante credits" and "Ex-post credits". This means that the climate benefit will occur and be verified both before (ex-ante) and after (expost) the credit purchase date depending on the project type.

**Halo Verde:** The name of the Plan Vivo certified project located in Timor Leste.

planvivo.org/halo-verde

**IHS Markit:** An international environmental register where all sold certificates from Plan Vivo are registered and retired and can be tracked.

ihsmarkit.com/products/environmental-registry.html

**Plan Vivo Foundation**: A registered, non-profit foundation in Edinburgh that reviews, certifies and monitors carbon offset projects and issued Plan Vivo certificates. They specialise in natural climate solutions and all their projects have strong ties with local people. planvivo.org/

The Environmental Conservation Trust of Uganda (ECOTRUST): Local non-profit environmental organisation in Uganda and which runs the Plan Vivo certified project "Trees for Global Benefits".

ecotrust.or.ug/

The Plan Vivo Standard: A standard for carbon offset projects which focus on poverty reduction and restoration of ecosystem services. Certifies projects where trees are preserved or planted in collaboration with local people.

planvivo.org/

**Trees for Global Benefits:** The name of the Plan Vivo certified project in Uganda.

planvivo.org/trees-for-global-benefits

**ZeroMission**: Reseller of Plan Vivo certified carbon credits.

zeromission.se



## **Signatures**

The Board of Directors hereby give their assurance that the consolidated Sustainability reporting has been prepared in accordance with member guiding principles and gives a true and fair overview of National Windscreens work within sustainability.

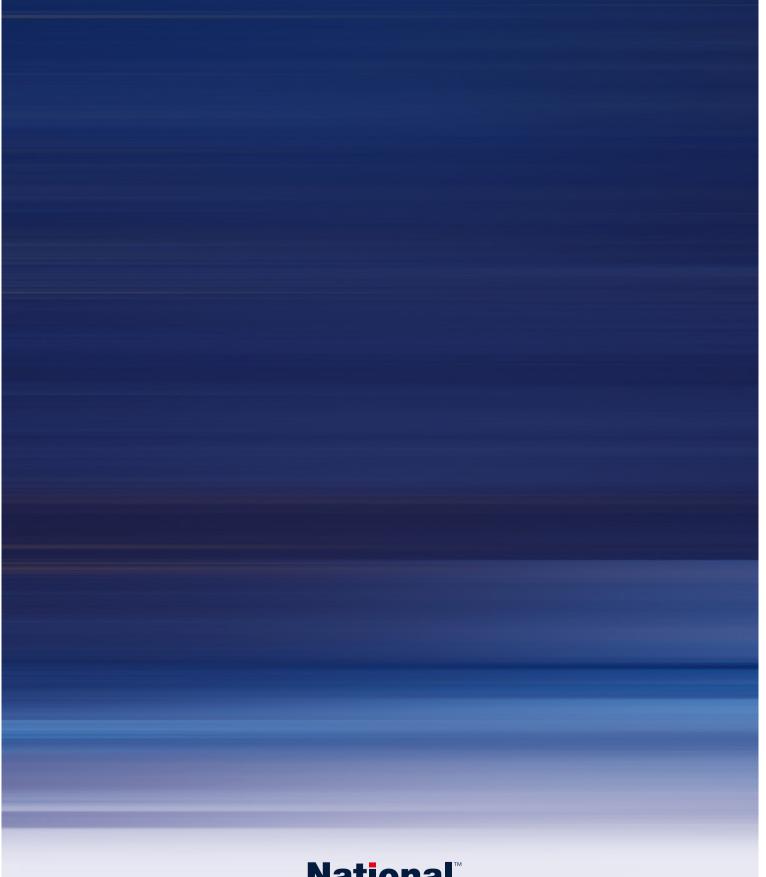
30th June 2023

Stuart Pearson
Member of the
National Windscreens
Board

Peter Watters Member of the National Windscreens Board Keith Huggins Member of the National Windscreens Board

Joakim Rasiwala Member of the National Windscreens Board Kashmir Sanghera Member of the National Windscreens Board James Webb
TLT Solicitors and
legal advisor to the
National Windscreens
Board

Our Sustainability report was presented on June 30th 2023





Simon Hunt, Commercial and Services Director sustainability@nationalwindscreens.co.uk National Windscreens (Replacements) Limited, Silica House, Galena Close, Tamworth, Staffordshire. B77 4AS. Organisation Number: 01612587