

Carbon Footprint Report BY2023

1. Smappee's mission

To create a world where everyone relies exclusively on renewable, locally generated, and affordable energy, ensuring sustainable living for future generations.

2. Purpose of the Carbon Footprint Report

Smappee is a purpose-driven organisation. Our ESG Strategy is built on 3 core pillars:

- We strive for carbon neutrality as a team and as a partner.
- We design our products and services with sustainability at their core.
- We foster innovation and transparency in all our activities.

These principles are part of Smappee's DNA, embedded throughout the entire Smappee organisation, and aim to support our partners in their ESG pursuits.

The Carbon Footprint Report plays a crucial role in contributing to the 1st pillar of Smappee's ESG strategy. It enables Smappee to measure, manage, and mitigate its environmental impact, while supporting product and process innovation, fostering transparency and strengthening partnerships – all contributing to Smappee's overarching mission.

3. Calculation & Reporting Methodology

The Carbon Footprint Report is prepared in accordance with the Greenhouse Gas (GHG) Protocol. It details emissions across all relevant scopes as defined by the GHG Protocol. The organisational boundaries are defined using the Operational Control approach, which ensures that all emissions from operations under Smappee's control are accounted for within the scope of this report. We have employed the following methodologies and data sources to calculate our GHG emissions:

- Activity data collection from operational records and utility bills
- Emission factors sourced from ADEME and Ecoinvent databases
- Estimation techniques for unavailable data, in line with GHG Protocol guidelines

The Carbon Footprint Report will be updated yearly and will be made available by May 31st at the latest. This Carbon Footprint Report BY2023 details Smappee's Carbon Footprint for the reporting period of BY2023, starting on January 1st, 2023, and ending on December 31st, 2023.

4. Carbon Footprint BY2023

The Total Carbon Footprint of Smappee for BY2023 is 12,686 metric tons CO₂e, broken down as follows:

- Scope 1: Direct GHG emissions: 33 metric tons CO₂e, or 0.3% of total emissions
- Scope 2: Indirect GHG emissions from energy consumption: 5 metric tons CO₂e, or < 0.1% of total emissions
- Scope 3: Other Indirect GHG emissions: 12,657 metric tons CO₂e, or 99.7% of total emissions

| Total Carbon Footprint for BY2023, in t CO ₂ e = | | 12.686 | |
|---|--|--------|---------------|
| Scope 1 | Direct GHG emissions | 33 | as % of total |
| | Natural Gas | | 0,05% |
| | Refrigerant | | 0,00% |
| | Fleet | | 0,21% |
| Scope 2 | Indirect GHG emissions from energy consumption | 5 | |
| | Electricity Location Based | | 0,01% |
| | Electricity Market Based | | 0,02% |
| Scope 3 | Other Indirect GHG emissions | 12.648 | |
| | 1. Purchased goods & services | | 84,46% |
| | 2. Capital Goods | | 1,11% |
| | 3. Fuel & energy related activities | | 0,07% |
| | 4. Upstream transportation & distribution | | 1,75% |
| | 5. Waste generated in operations | | 0,04% |
| | 6. Business travel | | 0,07% |
| | 7. Employee commuting | | 0,43% |
| | 8. Leased assets | | 2,45% |
| | 9. Downstream transportation & distribution | | 4,43% |
| | 10. Processing of sold products | | 0,00% |
| | 11. Use of sold products | | 1,22% |
| | 12. End of life treatment | | 3,99% |
| | 13. Leased assets | | 0,00% |
| | 14. Franchises | | 0,00% |
| | 15. Investments | | 0,00% |

5. Carbon Reduction Target

Smappee has pledged to reach Net Zero by 2030 at the latest. This Net Zero target implies that all greenhouse gas emissions generated by Smappee will be counterbalanced by an equivalent amount of removal or offsetting, resulting in a net zero emission balance across all emission scopes.

The carbon reduction plan is drafted and will be rolled out in 2 major phases across all departments:

- Phase 1: Mid 2024 – 2025:
 - Implementing quick wins, including among others:
 - Scope 1: transition to EV-only company fleet
 - Scope 2: transition to 100% green electricity supply
 - Scope 3: switch to sea freight for all inbound, non-EU originated transport
 - Value chain analysis, including supplier review and Product Life Cycle Assessment
- Phase 2: 2026 – 2028:
 - Implementing structural changes, including among others:
 - Updated raw materials sourcing, overhaul waste management and recycling processes and alternative product packaging

6. Disclaimer

The Carbon Footprint data presented in this report has been compiled based on current best practices, available data, and standard methodologies, including recognized life cycle assessment (LCA) techniques. However, due to the complexity of Carbon Footprint calculations and the reliance on various data sources, including third-party databases and assumptions, there may be uncertainties or inaccuracies inherent in the reported figures. Variations in data quality, changes in operational practices, regional differences, and the dynamic nature of environmental factors can influence the accuracy of the reported Carbon Footprint. As such, the figures provided should be considered as estimates rather than exact measurements.

This report is intended to offer a general understanding of the Carbon Footprint and should not be used as the sole basis for critical decision-making. Stakeholders are encouraged to consider this information within the context of its limitations and to seek further verification or perform additional analysis where precision is essential. Continuous improvements in methodologies and data accuracy are anticipated, and updates to this report may be necessary as new information becomes available.

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