

Carbon Reduction Plan

Cowater International Inc.

Publication Date: February 27, 2023

Cowater's Commitment to Achieving Net-Zero

Cowater International is committed to achieving net-zero emissions by 2035.

Cowater recognizes the risks that climate change poses to our efforts to support a better tomorrow for people and economies. We acknowledge two related facts: firstly, that climate change is a present and ongoing challenge to sustainable development; and secondly, that the development sector both contributes to building environmental sustainability and climate resilience, but also includes a high carbon cost in its operations.

Our emphasis is to support the shift towards a low-carbon economy through environmentally smart corporate operations and projects that help protect natural resources and deliver additional environmental benefits, while also supporting employment and responsible growth. We are committed to fostering a culture of environmental responsibility within our company to reduce our greenhouse gas emissions (GHG) and environmental impact over time; to ensure 100% compliance with donor requirements and local environmental laws in the countries where we operate; and to encourage continuous improvement both within the company, throughout our supply chain, and with our clients.

Baseline Emissions Footprint

Baseline 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. Baseline emissions are the reference point against which emissions reduction can be measured.

Cowater undertakes annual emissions reporting across its corporate operations. All carbon emission calculations are undertaken in accordance with the GHG Protocol' operational control consolidation approach.

The following section captures our carbon emissions monitoring and the mitigation commitments in this plan

Baseline Year: 2020 (April 2019 to March 2020)	
Additional Details relating to the Baseline Emissions calculations.	
Baseline emissions calculated on the fiscal year 2020 (starting April 1st, 2019 and ending March 31st, 2020) as reflective of Cowater's regular operations prior to Covid19-related business disruptions. Scope 1 includes emissions from directly-owned equipment, such as business vehicles or other combustion equipment. Scope 2 includes all indirect emissions such as generated from the use and purchase of electricity in the conduct of business operations. Scope 3 emissions are downstream emissions such as from using transportation (airfare, taxis, and short-term vehicle rentals), waste generated from operating in an office, as well as an estimate for commuting to the place of work. Cowater includes all its worldwide operations which are controlled by the company, in compliance with GHG Protocol methodology.	
Baseline year emissions: 566.40 m tCO ₂ e	
EMISSIONS	TOTAL (m tCO ₂ e)
Scope 1	
Direct combustion	0.0
Scope 2	
Purchased electricity	5.4
Scope 3	
Business Travel	531.9
Waste generated	0.1
Commuting	29.0
Total Emissions	566.4

Current Emissions Reporting

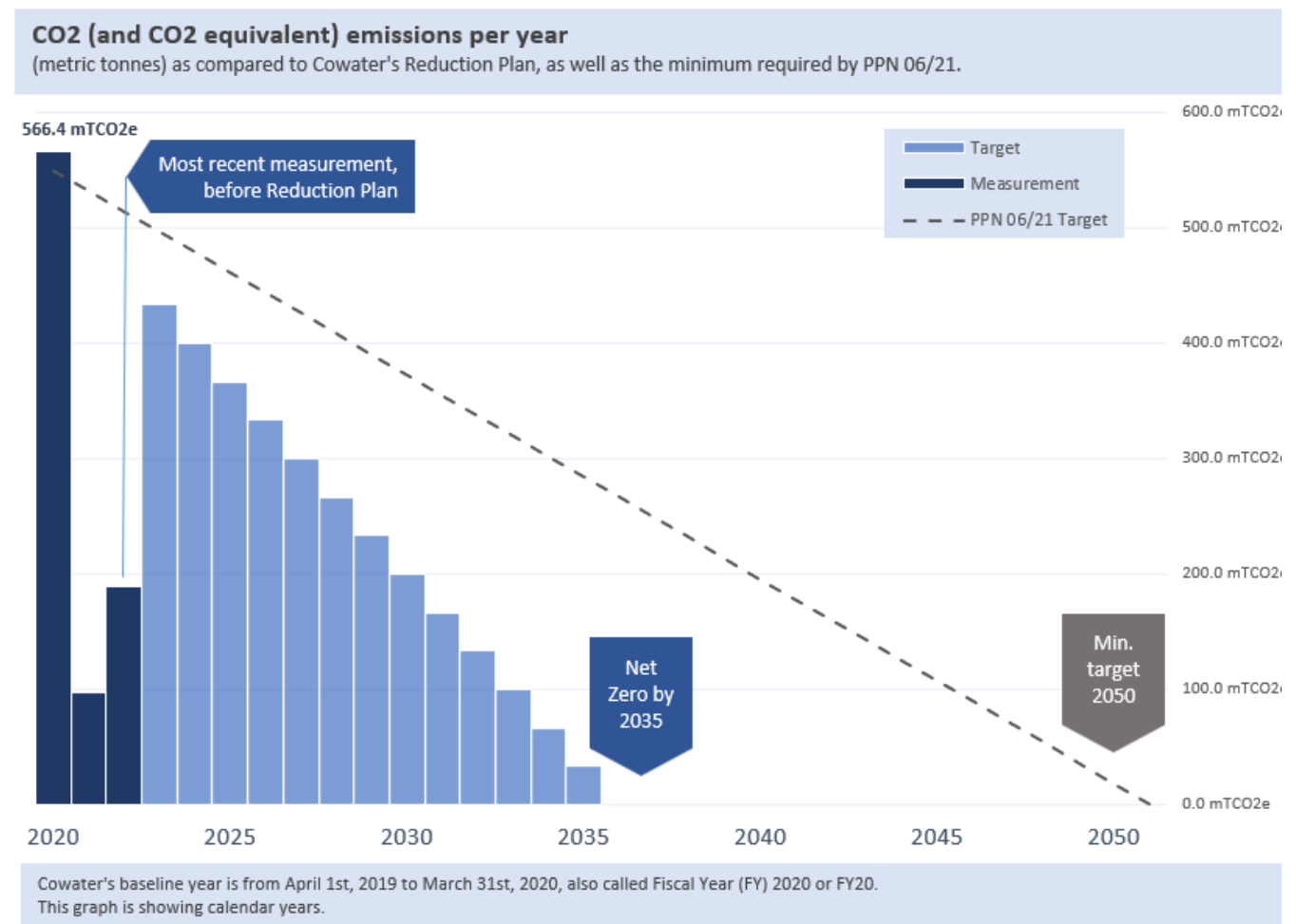
Current Year: 2022 (April 2021 to March 2022)	
Current year emissions: 188.7 m tCO ₂ e	
EMISSIONS	TOTAL (m tCO ₂ e)
Scope 1	
Direct combustion	4.0
Scope 2	
Purchased electricity	53.8
Scope 3	
Business Travel	126.6
Waste generated	1.1
Commuting	3.2
Total Emissions	188.7

Emissions Reduction Targets

In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets.

We project that net carbon emissions will decrease over the next five years to 299 tCO₂e by 2028. This is a reduction of 53% in net emissions.

Progress against these targets can be seen in the graph below:



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the inception of this Carbon Reduction Plan. We estimate that the net carbon emission reduction which will be achieved by these schemes equates to 18.9 tCO₂e, a 10% reduction against the 2020 baseline and the measures will be in effect over the years to come

- Launched carbon emissions monitoring
- Shifted to a fully paperless operating environment across our corporate offices
- Engaged in improved corporate awareness of environmental issues and carbon reduction, including through the work of Cowater's Environment and Climate Change Working Group
- A reduction in the carbon footprint of Cowater's HQ in Ottawa, Canada through an analysis and reconfiguration of operations which resulted in a reduction of required square footage
- The implementation of a domestic travel approach that encourages rail travel wherever possible
- Training activities implemented by the Environment and Climate Change Working Group, including to implement low carbon and environmental considerations on programming
- Implementation of a flexible work environment which among others, encourages staff to commute using environmentally friendly transportation (public transport, cycling, carpooling)
- Office hours have been adjusted to reflect a "hybrid" work environment where staff work regular hours from home, reducing the carbon footprint of offices and through commuting

In the future we hope to implement further measures such as:

- Identifying reliable carbon offsetting companies and select offsetting projects
- Continue revising our GHG emission methodology to ensure accuracy.
- Continue to assess and revise our travel policy further

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹ and uses the appropriate [Government emission conversion factors for greenhouse gas company reporting](https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting)².

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier:



David Baron

CEO

Cowater International Inc.

February 27, 2023

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

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

³<https://ghgprotocol.org/standards/scope-3-standard>

