

## BUSINESS PLAN

### CarbonPath (SME WORKSPACE FOR COMPLIANCE READINESS)

#### 1. Executive Summary

CarbonPath is a UK based compliance readiness and routing platform designed to help small and medium sized enterprises remain sustainability ready in practice, not just in theory.

UK SMEs are increasingly required to demonstrate environmental responsibility to win contracts, access grants, satisfy lenders and insurers, and remain competitive within modern supply chains. However, most SMEs do not fail because they are unwilling to act. They fail because sustainability requirements arrive before they are operationally prepared. Evidence is scattered, responsibilities are unclear, deadlines are missed, and responses are rushed and costly.

CarbonPath exists to solve this readiness gap. It provides SMEs with a single workspace to organise sustainability evidence, track recurring obligations, maintain data freshness, and monitor how prepared they are to respond when sustainability related requests arise. Rather than producing reports or certifications, the platform focuses on the practical realities SMEs face: being asked for policies, data, and proof of action at short notice.

When specialist expertise is genuinely required, CarbonPath routes SMEs to vetted third party providers. The platform itself does not deliver regulated advice, audits, or certifications. This ensures regulatory safety, scalability, and affordability.

CarbonPath generates revenue through subscriptions, performance-based partner referrals, and future anonymised readiness insights. It is designed as an asset light, scalable platform that embeds into SME operations over time.

#### 2. The Real-World Problem CarbonPath Solves

SMEs increasingly encounter sustainability requirements in everyday business situations, including:

- supply chain onboarding and renewal
- public sector and framework procurement
- grant and funding applications
- lender and insurer due diligence
- customer questionnaires and audits

These requirements rarely arrive as a single, clear regulation. Instead, they appear as repeated requests for proof: policies, data, logs, plans, and evidence of action.

Most SMEs struggle because:

1. Information is fragmented

Sustainability related documents and data are spread across emails, spreadsheets, and staff members, making retrieval slow and unreliable.

2. There is no readiness system

SMEs do not know what they should have in place at any given time, what is missing, or what needs updating.

3. Consultancy is reactive and expensive

Help is often sought only when a deadline is imminent, leading to high costs and poor outcomes.

The result is lost opportunities, reputational risk, unnecessary spending, and ongoing anxiety around sustainability requirements.

### 3. What CarbonPath Actually Prepares SMEs For

CarbonPath does not prepare SMEs for a single regulation or certification.

It prepares them for real, recurring sustainability compliance requests arising from:

- customers and supply chains
- procurement and tender processes
- grant and funding bodies
- lenders, insurers, and internal governance reviews

These requests all share common requirements: up to date data, clear responsibility, organised evidence, and the ability to respond quickly.

CarbonPath ensures SMEs are continuously ready, rather than scrambling each time a request appears.

#### 4. The CarbonPath Solution

CarbonPath provides a compliance readiness workspace that transforms sustainability from a one-off exercise into an ongoing operational discipline.

The platform enables SMEs to:

- capture their business profile once
- map that profile to a practical library of sustainability obligations
- convert those obligations into recurring tasks with review cycles
- store and organise evidence in a time stamped, structured way
- monitor readiness through a clear, non-judgemental score
- receive alerts when evidence is missing, outdated, or required
- access specialist support only when necessary

CarbonPath does not assess legal compliance, certify performance, or provide advice. It tracks readiness and organisation, which are the foundations of every sustainability requirement SMEs face.

#### 5. Product and MVP Description

The CarbonPath MVP focuses on behaviour, habit, and retention rather than complexity.

Core components include:

- structured SME onboarding and profiling
- a compliance calendar tied to data freshness and review cycles
- an evidence locker for policies, bills, logs, and records
- a readiness dashboard answering one question:  
*“If we were asked for sustainability evidence today, how ready are we?”*
- personalised grant and funding alerts based on readiness status
- Access to third party consultants via a marketplace

The MVP deliberately avoids advanced calculations and certification features. Its value lies in organisation, clarity, and preparedness.

## 6. Innovation and Differentiation

CarbonPath is innovative because it addresses a neglected layer of the sustainability ecosystem: operational readiness.

Most existing solutions focus on:

- defining standards
- producing reports
- delivering consultancy
- calculating metrics

CarbonPath focuses on:

- organising evidence
- maintaining readiness
- tracking recurring obligations
- enabling fast, confident responses

Its innovation is not technological novelty, but a reframing of the problem. Sustainability failure in SMEs is primarily operational, not intellectual.

## 7. Revenue Model

CarbonPath operates a diversified and scalable revenue model:

### 1. SME subscriptions

Low friction annual subscriptions provide access to the readiness workspace, evidence management, reminders, and alerts.

### 2. Consultant referral commissions

When SMEs choose to engage specialist support through the platform, CarbonPath earns a performance-based referral fee.

### 3. Anonymised readiness insights (future)

Aggregated, anonymised data may be used to inform institutions, policymakers, and financial organisations about SME readiness trends.

Revenue is generated without CarbonPath delivering regulated services or increasing headcount proportionally.

## 8. Market Opportunity

The UK has over 5.5 million SMEs, many of whom are already subject to sustainability scrutiny through supply chains and procurement processes.

CarbonPath initially targets SMEs that:

- supply larger organisations
- bid for public sector or framework contracts
- seek grants and incentives
- operate in regulated or energy intensive sectors

The platform architecture allows expansion to other jurisdictions by adapting compliance logic, not rebuilding the product.

## 9. Competitive Landscape

The market currently consists of:

- consultancy led sustainability services
- carbon calculation tools
- static information and grant listing platforms

CarbonPath does not compete directly with standards bodies or consultancies. Instead, it complements them by preparing SMEs to engage effectively and affordably.

## 10. Technology and Data Strategy

CarbonPath uses structured data capture, rule-based obligation mapping, and document management to build reusable sustainability readiness data.

Over time, this creates data gravity, improves matching accuracy, and strengthens platform defensibility.

## 11. Defensibility and Scalability

Carbon Path's defensibility comes from operational embedding rather than exclusive technology.

As SMEs use the platform, they accumulate:

- historical evidence
- readiness records
- structured workflows

Replacing CarbonPath would require rebuilding systems, retraining staff, and risking missed deadlines. This creates switching costs and retention.

The platform scales efficiently due to low marginal costs, marketplace dynamics, and repeatable workflows.

## 12. Regulatory and Risk Management

CarbonPath does not provide legal, tax, or certification advice and does not perform audits or verifications. All specialist services are delivered by independent partners under transparent terms.

Clear disclaimers, data governance, and role separation ensure regulatory safety.

## 13. Founder Capability and Execution

The founder demonstrates a clear understanding of SME realities, sustainability systems, and scalable platform design. Carbon Path's execution strategy prioritises operational embedding, early revenue, and disciplined growth.

14                  What SMEs get from CarbonPath (tangible outputs)

Even without consultants, SMEs receive:

A.        Readiness Summary (exportable)

Business sustainability overview

What is tracked and reviewed

What evidence exists

Last review dates

Clear disclaimers (self-reported, not certified)

B.        Evidence Pack

Organised documents and logs

Time stamped records

Structured folders or indexed PDFs

C.        Activity and Review Log

Monthly or quarterly check-ins

Task completion history

Proof of ongoing management