



PZ Cussons PLC PAS2060:2014 Carbon Neutrality Qualifying Explanatory Statement (FY2021-2022)

17th January 2022

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Table of Contents

1.	Introduction	4
	1.1 General information	4
	1.2 Declaration of achievement of carbon neutrality	4
2.	Carbon footprint	5
3.	Carbon management plan	7
4.	Carbon offsets	7
5.	Annex A: PAS2060:2014 check list	11
6.	Annex B: Energy audit opportunities	14
7.	Verco validation statement	15

1. Introduction

In accordance with BSI PAS 2060, this document presents the declaration of achievement of neutrality through a set of Qualifying Explanatory Statements and public disclosure of documentation supporting PZ Cussons plc’s carbon neutrality claim for the Agecroft and Aviator Way sites, both of which are in the UK.


1.1 General information

Information required under PAS2060 guidance	
Subject of PAS 2060 declaration	PZ Cussons plc’s Scope 1 and Scope 2 (market-based) emissions from the UK Agecroft and Aviator Way sites, and the Beauty and ANZ offices.
Type of conformity assessment	Other party verification – Verco Advisory Services Ltd
Application period	1 June 2021 – 31 st May 2022
Prepared by	Victoria Schutz, Verco
Date	17 th January 2022
Checked by	Tim Crozier-Cole, Verco

1.2 Declaration of achievement of carbon neutrality

“Carbon neutrality of PZ Cussons plc’s Scope 1 and Scope 2 (market-based) emissions from the UK Agecroft and Aviator Way sites, and the Beauty and ANZ offices achieved by PZ Cussons plc in accordance with PAS 2060 as of 10th September 2022 for the period commencing 1st June 2021 to 31st May 2022, Verco Advisory Services Ltd declared.”

This QES contains all the required information on the carbon neutrality of the given subject, and will be made publicly available on our website: <https://www.pzcussons.com/>

Name:	Joanna Gluzman
Position:	Chief Sustainability Officer
Signature:	
Date:	20 th January 2023

2. Carbon footprint

Methodology

The methodology used in this statement was applied in accordance with its provisions and the principles set out in PAS 2060 were met.

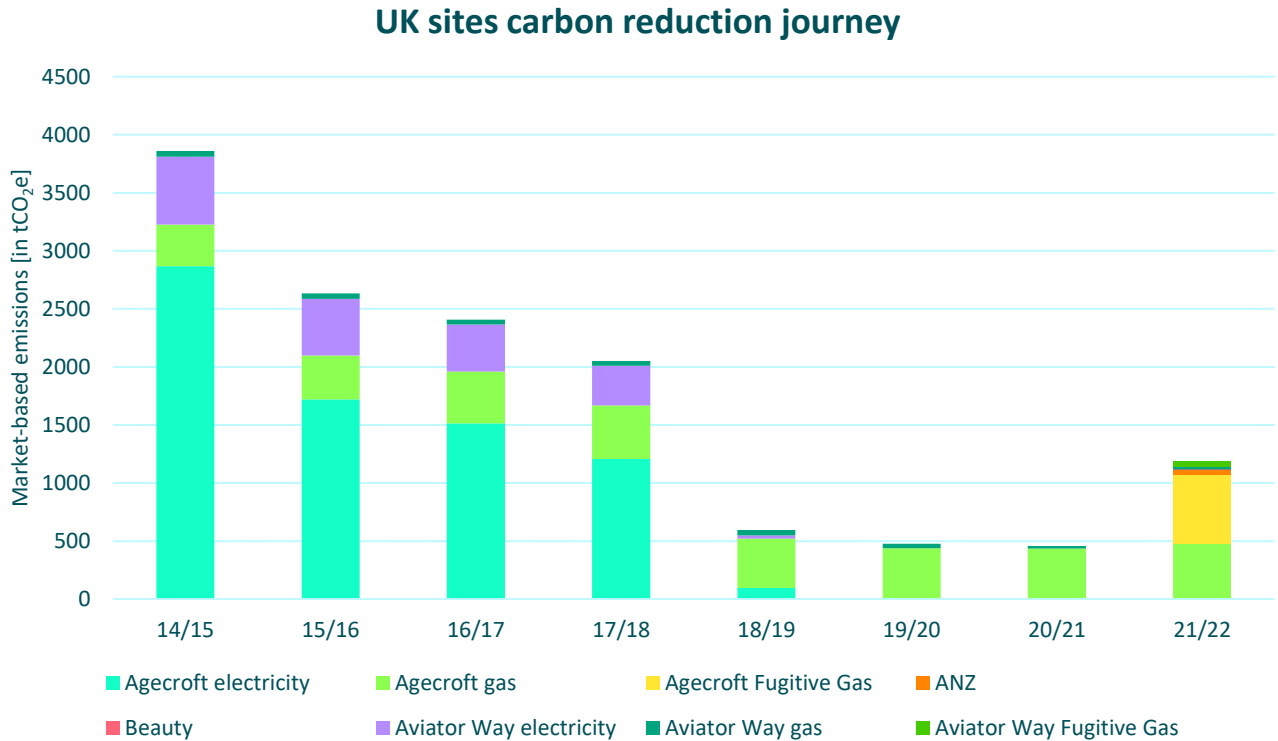
Greenhouse gas emissions have been calculated following the WRI/WBCSD GHG Protocol using automatic meter reads and company data for refrigerant emissions. Emissions factors have been taken from DEFRA 2022 data and the electricity supplier E-on's market-based grid factor.

Emissions summary (FY 2021-22)

The assessment boundary of this study was scope 1 and 2 emissions for Agecroft, UK head office, beauty, and ANZ (using market-based emission factor for scope 2 emissions). The following tables below summarises the emissions calculated and their respective sources.

Business Unit (tCO ₂ e/yr)	Scope 1 Gas	Scope 1 Fugitive Gases	Scope 1 Total	Scope 2 Location Based	Scope 2 Market Based	Total Scopes 1 + 2 Market Based
UK – Agecroft	478	591	1,069	596	-	1,069
UK – Head Office (Aviator Way)	23	49	72	112	-	72
Beauty	-	-	-	7	7	7
ANZ	-	-	-	41	41	41
Total	501	640	1,141	756	48	1,189

Emissions reductions to date



The above graph illustrates the gradual decline in scope 1 and market-based scope 2 emissions from 2014/15 to 2020/21 across both Agcroft and Aviator Way. The overall reduction in tonnes of CO₂e/year is due to site energy efficiency and continuous improvement programs. In June 2018 PZ Cussons moved across to 100% renewable electricity source.

For FY21/22 the scope of the carbon neutrality claim has been expanded to include the emissions from fugitive gas for both Agcroft and Aviator Way. The UK office electricity use of the Australia and New Zealand (ANZ) and Beauty business units has also been added. These are leased offices in London and Melbourne respectively, and the electricity sits outside of PZ Cussons' renewable electricity purchase being supplied by the landlord. In FY21/22 there were also some exceptional refrigeration leakages at Agcroft, which are now being investigated to prevent a reoccurrence.

3. Carbon management plan

PZ Cussons currently targets a 3% reduction in operational emissions across its sites. As part of this, there is a rolling programme of reduction initiatives. The current status of opportunities can be found in Annex B.

PZ Cussons has recently announced a long term goal to reach net-zero emissions across all scopes by 2045. The value chain emissions of the whole group has recently been calculated, and pathway analysis is now underway with an aim of setting near-term targets aligned with the net zero goal. PZ Cussons plc is an annual responder to the CDP: <https://www.cdp.net>.

Whilst working to reduce absolute emissions, PZ Cussons is also expanding the scope of its carbon neutrality commitment. Scope 1 and 2 emissions from the ANZ and Beauty division have been added for FY2022. Emissions from Indonesian operations will be added in FY2023. Finally, the planned addition of African operations in 2025 will extend carbon neutrality to all group scope 1 and 2 emissions.

4. Carbon offsets

In 2022 PZ Cussons purchased 13,000tCO₂e offsets, which are made up of 9,000tCO₂e bought from Abuja Nigeria cook stoves and 4,000tCO₂e offsets purchased from Rantemario 72MW Wind power, Indonesia.

The emissions detailed in section 2 (1,189tCO₂e) are offset by the above purchase, leaving 7,732tCO₂e of Abuja Nigeria cook stoves offsets (taking account of the 79tCO₂e retired against the 2020/21 carbon neutrality claim) and the whole 4,000tCO₂e from Rantemario for future years.

Further details of all offset purchases related to this QES are provided below:

Certificate

Partner in
climate action

PZ Cussons (International) Limited

PZ Cussons

This certificate confirms the offset
of carbon emissions by additional
carbon offset projects.

CO₂-equivalents

9,000,000 kg

Supported offset project

**Clean cookstoves
Abuja
Nigeria**

ClimatePartner-ID

19182-2204-1001

Issued on

07.04.2022

Use the following URL for more
information about the offset and the
supported carbon offset project:

climatepartner.com/19182-2204-1001



ECOACT – REGISTRE CARBON / CARBON REGISTRY (Crédits carbone / Carbon credits)

CERTIFICAT DE TRANSFERT / TRANSFER CERTIFICATE

Type movement / Operation type: Transfer / Transfert

Date du transfert / Transfer date: 08/07/2022

Compte débité / Transferor: Carbon Clear

Compte crédité / Transferee: PZ Cussons

Quantité transférée / Quantity transferred: 4000

Numéro de série / Serial number: GS1-1-ID-GS7164-12-2020-20659-152951-156950

Projet sous-jacent / Underlying project: 72 MW Wind power project in the South Sulawesi Province of Indonesia (Rantemario Wind), based on methodology ACM0002, Version 20.0
Location: Indonesia

Vintage des VER / VER vintage: 2020-01-01 - 2020-10-30



We are delighted to confirm the retirement of
4000 Verified Emission Reductions (VERs)
for
Carbon Clear Limited
on 08/07/2022

**72 MW Wind power project in the South Sulawesi Province of Indonesia
Retired on behalf of PZ Cussons**

*These credits have been retired, saving **4000** tonnes of CO2 emissions
from being released into the atmosphere.
Thank you for investing in a safer climate and more sustainable world.*

Gold Standard

Retirement certificates are hosted on the Gold Standard Impact Registry. [view your certificate.](#)

Gold Standard | Chemin de Balévert 7-9 1219 Châtelaine, International Environment House 2, Switzerland | goldstandard.org, +41 22 788 70 80, help@goldstandard.org

5. Annex A: PAS2060:2014 check list

No.		Section
1	Define standard and methodology use to determine its GHG emissions reduction.	1. Introduction
2	Confirm that the methodology used was applied in accordance with its provisions and the principles set out in PAS 2060 were met.	1. Introduction
3	Provide justification for the selection of the methodologies chosen to quantify reductions in the carbon footprint, including all assumptions and calculations made and any assessments of uncertainty. <i>(The methodology employed to quantify reductions shall be the same as that used to quantify the original carbon footprint. Should an alternative methodology be available that would reduce uncertainty and yield more accurate, consistent, and reproducible results, then this may be used provided the original carbon footprint is re-quantified to the same methodology, for comparison purposes. Recalculated carbon footprints shall use the most recently available emission factors, ensuring that for purposes of comparison with the original calculation, any change in the factors used is taken into account).</i>	2. Carbon footprint
4	Describe the means by which reductions have been achieved and any applicable assumptions or justifications.	3. Carbon management plan
5	Ensure that there has been no change to the definition of the subject. <i>(The entity shall ensure that the definition of the subject remains unchanged through each and every stage of the methodology. In the event that material change to the subject occurs, the sequence shall be re-started on the basis of a newly defined subject.)</i>	1. Introduction
6	Describe the actual reductions achieved in absolute and intensity terms and as a percentage of the original carbon footprint. <i>(Quantified GHG emissions reductions shall be expressed in absolute terms and shall relate to the application period selected and/or shall be expressed in emission intensity terms (e.g. per specified unit of product or instance of service)).</i>	2. Carbon footprint
7	State the baseline/qualification date.	1. Introduction

8	Record the percentage economic growth rate for the given application period used as a threshold for recognising reductions in intensity terms.	N/A
9	Provide an explanation for circumstances where a GHG reduction in intensity terms is accompanied by an increase in absolute terms for the determined subject.	N/A
10	Select and document the standard and methodology used to achieve carbon offset.	4. Carbon offsets
11	<p>Confirm that:</p> <ul style="list-style-type: none"> • Offsets generated or allowance credits surrendered represent genuine, additional GHG emission reductions elsewhere. • Projects involved in delivering offsets meet the criteria of additionality, permanence, leakage and double counting. (See the WRI Greenhouse Gas Protocol for definitions of additionality, permanence, leakage and double counting). • Carbon offsets are verified by an independent third-party verifier. • Credits from Carbon offset projects are only issued after the emission reduction has taken place. • Credits from Carbon offset projects are retired within 12 months from the date of the declaration of achievement. • Provision for event related option of 36 months to be added here. • Credits from Carbon offset projects are supported by publicly available project documentation on a registry which shall provide information about the offset project, quantification methodology and validation and verification procedures. • Credits from Carbon offset projects are stored and retired in an independent and credible registry. 	4. Carbon offsets
12	<p>Document the quantity of GHG emissions credits and the type and nature of credits actually purchased including the number and type of credits used and the time period over which credits were generated including:</p> <ul style="list-style-type: none"> • Which GHG emissions have been offset. • The actual amount of carbon offset. • The type of credits and projects involved. • The number and type of carbon credits used and the time period over which the credits have been generated. 	4. Carbon offsets

- For events, a rationale to support any retirement of credits in excess of 12 months including details of any legacy emission savings, taken into account.
- Information regarding the retirement/cancellation of carbon credits to prevent their use by others including a link to the registry or equivalent publicly available record, where the credit has been retired.

13	Specify the type of conformity assessment:	1. Introduction
14	Include statements of validation where declarations of achievement of carbon neutrality are validated by a third-party certifier or second party organizations.	7. Verco verification statement
15	Date the QES and have it signed by the senior representative of the entity concerned (e.g., CEO of a corporation; Divisional Director, where the subject is a division of a larger entity; the Chairman of a town council or the head of the household for a family group).	1. Introduction
16	Make QES publicly available and provide a reference to any freely accessible information upon which substantiation depends (e.g., via websites).	QES will be made available company website.

6. Annex B: Energy audit opportunities

Opportunity	Summary	Target completion date	Annual energy saving (kWh/year)
Review of Shrink Tunnel efficiency for all factory lines	Shrink tunnels on packing lines are one of the largest energy users on site. Review configuration and operation of the shrink tunnels and implement optimised settings.	Completed in FY22.	50,000
LED lights for IC-L Factory Offices	Installation of LED lights in all the IC-L liquids offices	1 st phase completed in FY22, second phase in progress.	5,400
Renewables	Investigate opportunities for Solar and wind	Investigations completed in FY22. Payback is too long.	
Heat pump	Investigate opportunities for heat pump used on site.	Investigation to be completed in FY23.	Tbc
Conversion from steam to hot water	Investigate opportunities to convert steam to hot water.	Investigation to be completed in FY23.	Tbc
Voltage regulation for Aviator Way & Agecroft	Investigate opportunities for voltage regulations.	Investigation to be completed in FY23.	Tbc
PV Solar	Installation of PV Solar Panels in Aviator Way.	To be started and completed in FY23.	Tbc

7. Verco validation statement

PZ Cussons plc commissioned Verco to verify the methodology and data as part of an “other party” validation process for the period 1st June 2021 to 31st May 2022 for carbon neutrality declaration for PZ Cussons plc’s Scope 1 and Scope 2 (market-based) emissions from the UK Agecroft and Aviator Way sites.

The following activities were conducted:

1. Review of emissions footprint methodology and results
2. Review of Carbon Management Plan and verified emissions
3. Review of evidence of carbon offset purchase
4. Issuance of verification statement and completion of PAS 2060 validation process and preparation of Qualifying Explanatory Statement (QES).



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