



# **PZ Cussons PLC PAS2060:2014 Carbon Neutrality Qualifying Explanatory Statement FY24 (1 June 2023 – 31 May 2024)**

18th September 2024

# Disclaimer

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# 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 factory, Aviator Way office and the Child's Farm office in the UK, the Beauty offices in London and New York, the office in Australia, the factory in Thailand, and the factory and head office in Indonesia. PZ Cussons' fiscal year spans from 1<sup>st</sup> June to 31<sup>st</sup> May annually. This carbon neutrality statement concerns fiscal year FY24.

## 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 factory, UK Aviator Way office, UK Child's Farm office, UK and US Beauty office, Australian office, Thailand factory and the Indonesia factory and office.
Type of conformity assessment	Other party verification – Verco Advisory Services Ltd
Application period	1 <sup>st</sup> June 2023 – 31 <sup>st</sup> May 2024
Prepared by	Victoria Schutz, Verco
Date	20 <sup>th</sup> August 2024
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 factory, UK Aviator Way office, UK Child's Farm office, UK and US Beauty office, Australian office, Thailand factory and the Indonesia factory and office achieved by PZ Cussons plc in accordance with PAS 2060 as of 20<sup>th</sup> August 2024 for the period commencing 1<sup>st</sup> June 2023 to 31<sup>st</sup> May 2024, 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:	Paul Yocum
Position:	Chief Growth & Marketing Officer
Signature:	
Date:	18/09/2024

## 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 the Child’s farm, Beauty offices, Australia and Indonesia offices the energy consumption has been estimated using energy benchmarks based on floor area provided by the UK Building Energy Efficiency Survey (BEES).

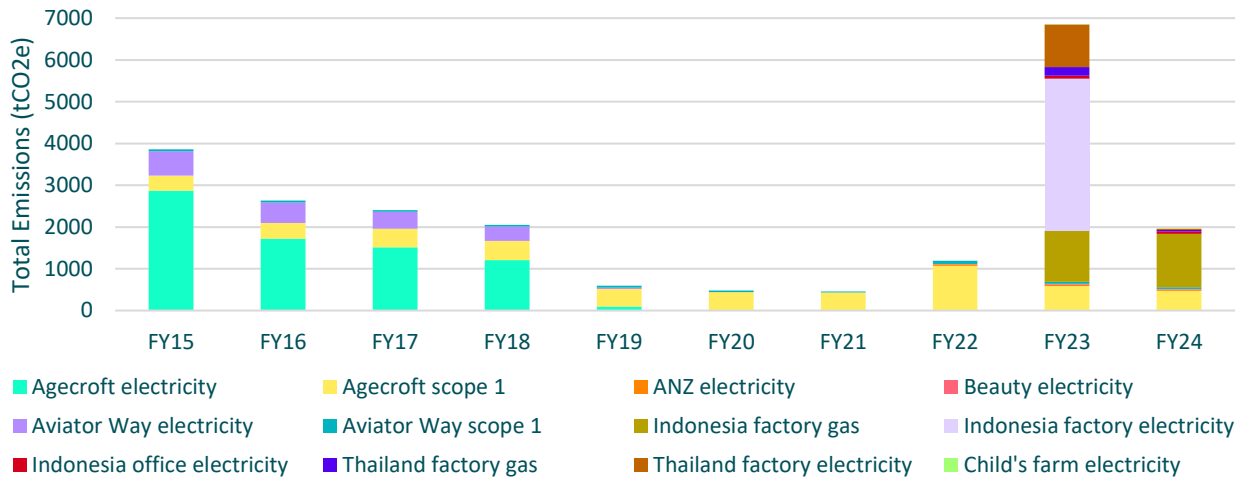
### Emissions summary (FY24)

The assessment boundary of this study was Scope 1 and 2 emissions for the Agecroft factory, the UK head office, the Beauty offices, the Australia office, the Thailand factory, and the Indonesia factory and head office (using market-based emission factor for Scope 2 emissions). The following tables below summarises the emissions calculated and their respective sources.

Business Unit (tCO <sub>2</sub> e/yr)	Total Scope 1	Scope 2 Market Based	Total Scopes 1 + 2 (Market Based)
UK Agecroft factory	474	0	474
UK Aviator Way office	34	0	34
UK & US Beauty offices	0	21	21
Australian office	0	26	26
Indonesia factory	1,277	0	1,277
Indonesia office	0	64	64
Thailand factory	35	28	63
Child’s Farm office	0	3	3
<b>Total</b>	<b>1,820</b>	<b>142</b>	<b>1,962</b>

## Emissions reductions to date

### Site scope 1 and 2 (market-based) emissions and scope of carbon neutrality claim



The above graph illustrates the gradual decline in Scope 1 and market-based Scope 2 emissions from FY15 to FY21 across both Agecroft and Aviator Way. The overall reduction in tonnes of CO<sub>2</sub>e/year is due to site energy efficiency and continuous improvement programs. In June 2018 PZ Cussons moved across to 100% renewable electricity source for those offices.

In FY22 the overall emissions increased as the electricity consumption for the Beauty and Australia and New Zealand (ANZ) business units were added to the scope of the carbon neutrality claim. 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 FY23 overall emissions peaked as the scope of the carbon neutrality claim has been expanded further to include the Thailand factory, the Indonesia factory and head office, and the Child's Farm in Basingstoke UK. While all new factories consume both gas and electricity, the offices use only electricity. The total coverage of emissions tripled due to this expansion scope, with the addition of Indonesian operations being the most significant factor.

In FY24 emissions were significantly reduced as green electricity purchases were implemented at the Indonesia factory for the full financial year and for the Thailand factory from June 2023 until January 2024. In addition, emissions from the Thailand factory also decreased, as manufacturing from this location ceased in January 2024. Emissions from Agecroft and Aviator Way reduced slightly and PZ Cussons moved their Australian office to a new location, however this doesn't have a significant impact on total emissions. Overall, emissions reduced by 71% compared to FY23.

### 3. Carbon management plan

PZ Cussons currently targets to reach net zero across Scope 1 and 2 by 2045 with a near-term target of 42% reduction in operational emissions across its sites by 2030. As part of this, there is a rolling programme of reduction initiatives. The current status of opportunities can be found in Annex B.

In 2022 PZ Cussons announced a long-term goal to reach net-zero emissions across all Scopes by 2045. The value chain emissions of the whole group have 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.

### 4. Carbon offsets

In 2022 PZ Cussons purchased 13,000tCO<sub>2</sub>e of carbon credits, with a remainder of 11,732tCO<sub>2</sub>e at the end of FY21/22, of which 7,732tCO<sub>2</sub>e belong to Abuja Nigeria cook stoves and 4,000tCO<sub>2</sub>e to the Rantemario 72MW Wind power, Indonesia. At the end of FY23 4,884tCO<sub>2</sub>e of offsets remained, leaving 884tCO<sub>2</sub>e of offsets in Abuja Nigeria cook stoves and the 4,000tCO<sub>2</sub>e from the Rantemario project.

The emissions detailed in section 2 (1,962tCO<sub>2</sub>e) are offset by the above, using the full 884tCO<sub>2</sub>e of offsets from the Abuja Nigeria cook stoves and a further 1,078tCO<sub>2</sub>e of offsets from the Rantemario project. This leaves 2,922tCO<sub>2</sub>e of credits to compensate for emissions in 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.

CO<sub>2</sub>-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](https://climatepartner.com/19182-2204-1001)



## **ECOACT – REGISTRE CARBON / CARBON REGISTRY**

(Crédits carbone / Carbon credits)

### **CERTIFICAT DE TRANSFERT / TRANSFER CERTIFICATE**

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**Type movement / Operation type:** Transfer / Transfert

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

**Compte débité / Transferor:** Carbon Clear

**Compte crédité / Transferee:** PZ Cussons

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**Quantité transférée / Quantity transferred:** 4000

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

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**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

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*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 Ballexert 7-9 1219 Châtelaine, International Environment House 2, Switzerland | [goldstandard.org](http://goldstandard.org), +41 22 788 70 80, [help@goldstandard.org](mailto: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"> <li>• Offsets generated or allowance credits surrendered represent genuine, additional GHG emission reductions elsewhere.</li> <li>• 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).</li> <li>• Carbon offsets are verified by an independent third-party verifier.</li> <li>• Credits from Carbon offset projects are only issued after the emission reduction has taken place.</li> <li>• Credits from Carbon offset projects are retired within 12 months from the date of the declaration of achievement.</li> <li>• Provision for event related option of 36 months to be added here.</li> <li>• 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.</li> <li>• Credits from Carbon offset projects are stored and retired in an independent and credible registry.</li> </ul>	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"> <li>• Which GHG emissions have been offset.</li> <li>• The actual amount of carbon offset.</li> <li>• The type of credits and projects involved.</li> <li>• The number and type of carbon credits used and the time period over which the credits have been generated.</li> <li>• 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.</li> <li>• 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.</li> </ul>	4. Carbon offsets
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)	Annual carbon saving (tCO <sub>2</sub> e/year)
LED lights for IC-L Factory Offices	Installation of LED lights in all the IC-L liquids offices	1 <sup>st</sup> phase completed in FY22, second phase delayed until later in FY25.	5,400	
Voltage regulation for Aviator Way	System was installed and commissioned in September 2023.	Completed in September 2023.	36,079kWh	
Voltage regulation for Agecroft	System was approved for installation and commissioning in October 2024.	October 2024	180,000kWh estimated	
PV Solar	Installation of PV Solar Panels in Aviator Way.	Completed in February 2024.	YTD = 17,621kWh Estimated annual savings = 28,474kWh	
Purchase of "Green" electricity	Purchase of I-REC "Green" electricity for our factory location in Indonesia.	"Green" Electricity purchases were implemented in June 2023.		3,800tCO <sub>2</sub> e
Purchase of "Green" electricity	Purchase of I-REC "Green" electricity for our factory location in Thailand.	"Green" Electricity purchases were implemented in June 2023 and kept until production ceased in January 2024.		692tCO <sub>2</sub> e

## 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 1<sup>st</sup> June 2023 to 31<sup>st</sup> May 2024 for carbon neutrality declaration for PZ Cussons plc’s Scope 1 and Scope 2 (market-based) emissions from the UK Agecroft factory, UK Aviator Way office, UK Child’s Farm office, UK and US Beauty office, Australian office, Thailand factory and the Indonesia factory and office.

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).



# Solutions for a zero carbon world

Verco helps companies reduce their environmental impact and save money through data driven analysis, grounded advice and real-world solutions.