



## **Carbon Neutrality**

# **Qualifying Explanatory Statement**

**Wunda**

First Period: 16.12.2020-15.12.2021

## Introduction

This template has been created by Carbon Trust to provide a framework for compliance with the Qualifying Explanatory Statement (QES) requirement of PAS 2060:2014 as set out within the requirements of the BSI Standard, “BSI: PAS 2060:2014: Specification for the demonstration of carbon neutrality”.

This document forms the Qualifying Explanatory Statement to demonstrate that the Wunda brand has achieved carbon neutrality for the following products in the territories shown below for the period commencing 16.12.2020 to 15.12.2021.

WUNDA plant based not milk: Original, Unsweetened and Chocolate	WUNDA Shots: Blueberry Mint + Mango Ginger	WUNDA plant based not milk: Professional Barista
Europe	Europe	Europe, Middle East, North Africa


**Table 1: List of territories and SKUs**

## Section 1: General Information

PAS 2060 Requirement	Client Response
Entity making PAS 2060 declaration:	Société des Produits Nestlé S.A.
Subject of PAS 2060 declaration:	<p>WUNDA brand, comprising WUNDA plant based not milk (original, unsweetened, chocolate), WUNDA shots (blueberry mint, mango ginger) and WUNDA plant based not milk (Professional Barista) for the territories listed in Table 1.</p> <p>-Scope 1 (direct) and Scope 2 (indirect) emissions from operations under direct operational control.</p> <p>-Scope 3 (indirect) emissions including purchased goods and services, upstream transport, manufacturing, downstream transport and distribution, storage, use of sold products, end-of-life treatment of sold products. See figure 3.</p>
Description of Subject:	<p>Products to be sold under the Wunda brand in the territories listed in table 1: -</p> <p>WUNDA Plant Based Not Milk: Original 950ml, Original 500ml, Unsweetened 950ml, Chocolate 230ml, Chocolate 230ml 3 pack</p> <p>WUNDA Shots: Blueberry Mint 100ml, Mango Ginger 100ml</p> <p>WUNDA Plant Based Not Milk: Professional Barista 1L</p> <p><i>The Wunda plant based not milk products deliver a protein quantity of 2.2g/100 ml (original and unsweetened), 2.1g/100 ml (chocolate) and 3.44g/100 ml (Barista) and with a protein quality expressed as PDCAAS (Protein Digestibility Corrected Amino Acid Score) of <math>\geq 0.9</math>, along with providing versatility in usage. The products are suitable for vegans.</i></p> <p>The carbon footprint was calculated by the Carbon Trust based on data from projected sales volumes for 2021 and agreed recipes and packaging for the products to be launched.</p>
Rationale for selection of the subject:	<p>The scope of PAS2060 includes all emissions based on the operational control principle defined in the 2014 WRI GHG Protocol- Corporate Accounting Standard.</p> <p>The footprint was calculated in accordance with:</p> <ul style="list-style-type: none"> <li>Greenhouse Gas Protocol: Product Life Cycle Accounting and Reporting Standard</li> <li>Product Carbon Footprint Protocol (parts 1&amp;2)</li> <li>Footprint Expert™ Guide version 4.4</li> </ul>
Type of conformity assessment:	Independent third party conformity assessment. Footprint and carbon neutrality certified by Carbon Trust Assurance according to PAS 2060:2014. Carbon credits purchased through a third party (South Pole).
Baseline date for PAS 2060 programme:	December 2020. Footprint measured and certified on 15.12.2020 based on 2021 anticipated sales volumes.


Individuals responsible for evaluation and provision of data necessary for declaration:	Sharon Batley – Sustainability Manager Rani Saab – Business Manager Florence Henry – Business Development Manager
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## Section 2: Declaration of Achievement of Carbon Neutrality

PAS 2060 Requirement	Client Response
Declaration of achievement:	Carbon neutrality of the Wunda brand has been achieved by Société des Produits Nestlé SA in accordance with PAS 2060 at 16.12.2020 for the period 16.12.2020-15.12.2021, certified by Carbon Trust Assurance.
Recorded carbon footprint of the subject during the period stated above	2,582 tonnes CO2 equivalents See also section 4
Carbon footprint reduction target	Carbon intensity (kgCO2e/L) reduction of -15% for each of the three product groups shown in Table 1 by 2030. Baseline December 2020 (footprint model certified 15.12.2020)
Location of GHG emissions report supporting this claim:	Section 4
Location of the Carbon Footprint Management Plan:	Section 5
Location of the details describing the carbon offsets:	Section 6
Location of the details describing internal reductions achieved (recertification only)	Not applicable, first period. For interventions included in the design concept, please refer to section 4.
<b>Name of Senior Representative</b>	<b>Senior Representative Signature</b>
Name: Yasser AbdulMalak Role: Head of Dairy Z-EMENA Date: 16.12.2021	

## Section 3: Declaration of On-going Commitment to Carbon Neutrality

PAS 2060 Requirement	Client Response
Declaration of on-going commitment:	Carbon neutrality of the Wunda brand will be maintained by Société des Produits Nestlé SA in accordance with PAS 2060 at 16.12.2021 for the period 16.12.2020-15.12.2021, certified by Carbon Trust Assurance.
Carbon footprint of the subject for the period immediately prior to the start of the commitment:	Section 4
Carbon footprint reduction target for period.	Carbon intensity (kgCO2e/L) reduction of -15% for each of the three product groups shown in Table 1 by 2030. Baseline December 2020 (footprint model certified 15.12.2020)
Location of GHG emissions report supporting this claim:	Section 4

Location of the Carbon Footprint Management Plan:	Section 5
<b>Name of Senior Representative</b>	<b>Senior Representative Signature</b>
Name: Yasser AbdulMalak Role: Head of Dairy Z-EMENA Date: 16.12.2021	

## Section 4: Carbon Footprint Breakdown

Guidance: PAS 2060 requires every individual/organisation to provide an appropriate carbon footprint breakdown by scope in their Qualifying Explanatory Statement (QES) in accordance with Greenhouse Gas Protocol guidelines.

The Greenhouse Gas Protocol Product Life Cycle Accounting and Reporting Standard (GHGP Product Standard) was used to quantify the GHG emissions associated with products covered by the certification scope, using data representing operations projected for calendar year 2021. This method was chosen as it provides an internationally recognised approach to the calculation of CO<sub>2</sub>e footprints and meets the requirements of PAS 2060 for the substantiation of GHG emissions (PAS 2060: 5.2.2 to 5.2.4). The product CO<sub>2</sub>e footprints have been reviewed and assured by an independent third party, Carbon Trust (see Annex C of this report for the assurance statement).

The carbon footprint was based on at least 95% of likely greenhouse gas emissions; primary sources are subject to variation over time; the footprint is the best estimate based on reasonable costs of evaluation.

The carbon footprint was measured using data provided by Nestlé. This was calculated based on data from projected sales volumes for 2021 and used the agreed recipes and packaging specifications for the products to be produced. The total carbon footprint to offset was 2,581,554 kgCO<sub>2</sub>e. Nestle elected to purchased 3,000,000 kgCO<sub>2</sub>e of offsets because the product has not yet launched and sales are projected.

Table 2: Carbon footprint emissions broken down by life cycle stage

Life Cycle Stage	Greenhouse Gas Emissions Category	Emissions (kgCO <sub>2</sub> e)	% of total emissions
Ingredients	Scope 3 – indirect emissions	821,524	32%
Packaging	Scope 3 – indirect emissions	68,494	3%
Upstream transport	Scope 3 – indirect emissions	399,039	15%
Manufacturing	Scope 1 – direct emissions	0	0%
	Scope 2 – indirect emissions	333,378	13%
	Scope 3 - indirect emissions	40,934	1%
Downstream distribution	Scope 3 – indirect emissions	511,527	20%
Storage	Scope 3 – indirect emissions	274,999	11%

End of Life	Scope 3 – indirect emissions	131,658	5%
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GHG emissions that are accounted for in the study are based on the 100 year Global Warming Potential figures published in the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report, 2014 (1) and include those required by the GHGP Product Standard, which specifies emissions to and removals from the atmosphere of: carbon dioxide (CO<sub>2</sub>); methane (CH<sub>4</sub>); nitrous oxide (N<sub>2</sub>O); sulphur hexafluoride (SF<sub>6</sub>); perfluorocarbons (PFCs); and hydrofluorocarbons (HFCs). A full list of GHG emissions included in the inventory is provided in Annex D of this report.

All relevant emissions to the scope of certification are included in the footprint and are summarised in Table 3 below. Where GHG emissions have been estimated, these have been determined based on a conservative approach that precludes underestimation. GHG emissions have been estimated in particular for the use and retail end-of-life phase. In the absence of data, emissions have been estimated based on conservative assumptions (e.g. for end-of-life, fate of retail waste has been considered the same as domestic waste whereas waste recycling may be greater at retail areas).

No weighting factors have been included for delayed emissions. Offsetting has not been included in calculations. No avoided emissions have been included in the calculations.

Table 3. Description of GHG emissions

Life cycle stage	Description	GHG Emissions Category	Excluded emissions & Justification
Ingredients	Raw materials that make up the ingredients of the products	Scope 3 – indirect emissions	
Packaging	Materials for product packaging and their processing. Includes primary, secondary and tertiary packaging.	Scope 3 indirect emissions	Packaging of raw and packaging materials delivered to the manufacturing site as assumed de minimis
Upstream transport	Upstream transport of ingredients to manufacturing sites	Scope 3 – indirect emissions	Transport of packaging materials to manufacturing sites excluded, assumed by Carbon Trust as de minimis
Manufacturing	Processing of ingredients into product, filling and packing. Outputs including product and waste produced.	Scope 1 – direct Scope 2 – indirect Scope 3- indirect	Transmission & distribution losses of renewable electricity used to manufacture the plant based not milk products. This

(1) [www.ipcc.ch](http://www.ipcc.ch)

			will be reviewed at re-certification. Cleaning materials for cleaning the production lines (other than energy and water) as assumed de minimis
Downstream distribution	Emissions associated with transport from factory to point of sale.	Scope 3 indirect	Weight of packaging transported as low compared to product weight. Will be reviewed at recertification.
Storage	Emissions associated with storage of product at RDCs, retail and at the consumer.	Scope 3 - indirect	
Consumer Use	Storage of the multiserve packs in the refrigerator after opening. Impacts are included with “storage” in table 2. Product wastage at consumer. Impacts of treating the waste are included in “end of life” in table 2.	Scope 3- indirect	Washing of any cups and glasses used to consume the product. Other ingredients or processes associated with use of the product due to versatility of use.
End of Life	End of life treatment of products after use	Scope 3 - indirect	

## 4.2 Data Methods

### Data sources

Data sources used for the study include a mix of primary and secondary data. Where possible, primary data was used. Because the products are not yet in production, calculations were based on data from projected sales volumes for 2021 and used the agreed recipes and packaging specifications for the products to be produced. Secondary data was used only where primary data was not available or where the relative impact on the carbon footprint result was nominal or deemed non-significant.

Primary data was used for the following:

- Fuel, electricity and heat used to manufacture equivalent product at the manufacturing site including:
  - o The amount and type of energy used
  - o The renewable content of the energy supply

- The amount of water used to manufacture equivalent product at the manufacturing site
- Packaging materials, their weights and recycled content
- Type and quantity of ingredients used for each product
- Sourcing location of ingredients, transportation conditions
- Country of sales (forecast)

Secondary data was sourced to support all stages such as:

- Greenhouse gas emission factors sourced from reputable published databases including: BEIS, Ecoinvent 3.6
- Downstream distribution - secondary data from Carbon Trust's Footprint Expert™ 4.4 Tool to estimate emissions factors transport of products to distributions centres
- Storage – secondary data from Carbon Trust's Footprint Expert™ 4.4 Tool to estimate emissions factors for storage of products at retail
- End of Life - secondary data from Carbon Trust's Footprint Expert™ 4.4 Tool to estimate emissions factors for end of life, with UK WRAP figures used for product wastage rate

### Data quality and uncertainties

The key area of uncertainty for the certification of carbon neutrality is related to the projected sales volumes, due to the product having not yet launched. Should the products sell at a much higher than expected rate then it is possible that emissions will exceed the number of carbon credits purchased. To mitigate this, Nestlé has purchased more carbon credits than the calculated footprint and will review the sales figures together with the Carbon Trust within the certification period to ensure the integrity of the neutrality is not compromised.

*Table 4. Description of key assumptions by life cycle stage*

Life cycle stage	Description	Key Assumptions
Ingredients	Agricultural processes for production of ingredients	All flavourings assumed to have the same emissions factor.
Upstream transport	Transport of ingredients to manufacturing facilities	Fuel consumption uplift applied to truck fuel for refrigerated or frozen transport calculated using Carbon Trust FPX calculators. Loading capacity of 75% on delivery.
Manufacturing	Processing of product	A 5% wastage uplift has been applied to the factory and upstream value chain.
Packaging	Packaging of product into customer ready cartons	Impacts of primary beverage carton packaging based on Tetrapak published data, certified by the Carbon Trust.



Downstream distribution	Transport from factory to country of sale	Based on estimated sales volumes per country provided by Nestlé. To be reviewed within the certification period. Fuel uplift for controlled temperature transport estimated using Carbon Trust FPX calculators.
Storage & Use	RDC, retail and at consumer	Storage at the regional distribution centre and retail is assumed ambient. Home refrigeration was assumed to be 2 days (50% of the 4 days assumed by Nestlé methodology for chilled products) to represent impact of open pack being refrigerated. The same assumption is currently applied to the Barista product for refrigeration at the point of use which is likely to be overestimated.
End of Life	Wasting at end of life	5% wastage was estimated, from UK WRAP milk wastage rate.

## Section 5: Carbon Management Plan

PAS 2060 Requirement	Client Response
Statement of commitment to carbon neutrality for the defined subject	Wunda commits to maintaining carbon neutrality for the period 16.12.2020-15.12.2021
Timescale for achieving carbon neutrality	Carbon neutrality achieved 16.12.2021
Targets for GHG reduction for the defined subject appropriate to the timescale for achieving carbon neutrality	Carbon intensity (kgCO <sub>2</sub> e/L) reduction of -15% for each of the three product groups shown in Table 1 by 2030. Baseline December 2020 (footprint model certified 15.12.2020)
Planned means of achieving and maintaining GHG emissions reduction:	From launch (included in baseline):- <ul style="list-style-type: none"> <li>• Plant-based ingredients. According to IPCC (2019) plant-based diets represent a major opportunity to reduce GHG emissions<sup>2</sup>.</li> <li>• Sustainably sourced cocoa (Rainforest Alliance certified)</li> <li>• Renewable electricity used for manufacturing plant based not milk products</li> <li>• FSC certified fibres in beverage carton</li> </ul>

<sup>(2)</sup> [Intergovernmental Panel on Climate Change \(IPCC\), 2019](#): IPCC is the United Nations body for assessing the science related to climate change. There is no association between IPCC and Société des Produits Nestlé SA

	<p>2021-2025</p> <p>Planned actions include:-</p> <ul style="list-style-type: none"> <li>• Reduction in sourcing impacts through collaboration with key suppliers</li> <li>• Packaging design and optimisation</li> <li>• Increased use of renewable electricity including in our own distribution centres by 2025</li> </ul>
The offset strategy adopted to meet the achievement to carbon neutrality element of PAS 2060:	<p>Estimated quantity to offset in 2021: 2582 tonnes CO<sub>2</sub>e.</p> <p>Offsetting project: Southern Cardamom REDD + – VCS-CCBS</p> <p><a href="https://registry.verra.org/app/projectDetail/VCS/1748">https://registry.verra.org/app/projectDetail/VCS/1748</a></p> <p>3,000 tonnes CO<sub>2</sub>e</p>
Statement on the fact that PAS 2060 certification has been provided by a third-party verifier and type of conformity assessment:	<p>Independent 3<sup>rd</sup> Party certification to PAS 2060 has been provided by the Carbon Trust.</p>

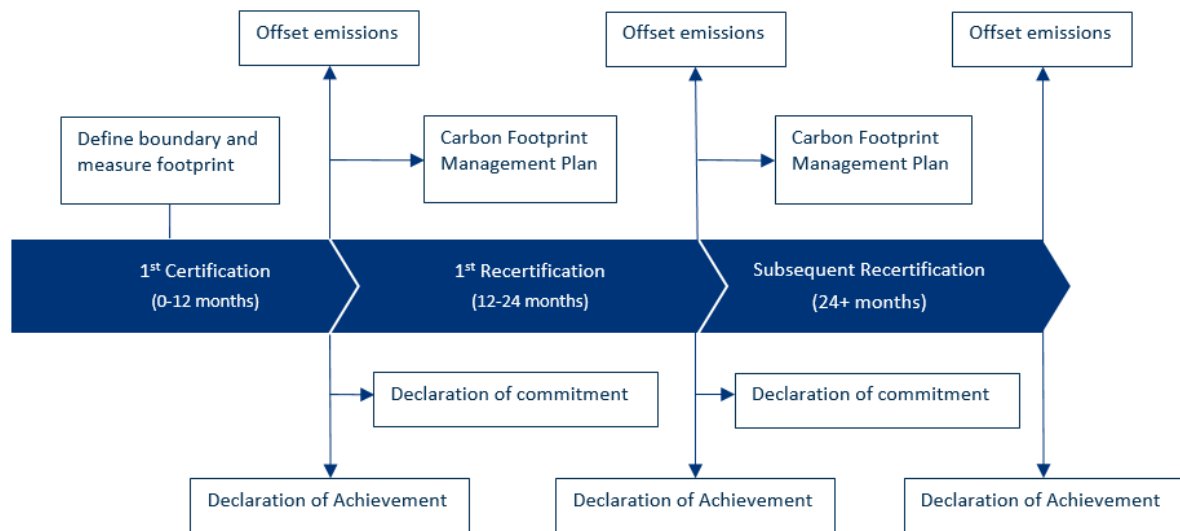
## Section 6: Offsets

Table 4. Offsets purchased

Project name	Country	Technology	Standard	Reference No and link to registry	Volume (tCO <sub>2</sub> e)
Southern Cardamom REDD+ project	Cambodia	REDD+	VCS-CCBS	<a href="https://registry.verra.org/app/projectDetail/VCS/1748">https://registry.verra.org/app/projectDetail/VCS/1748</a> Ref No:1748	3,000
					<b>Total tonnes offset: 3,000</b>

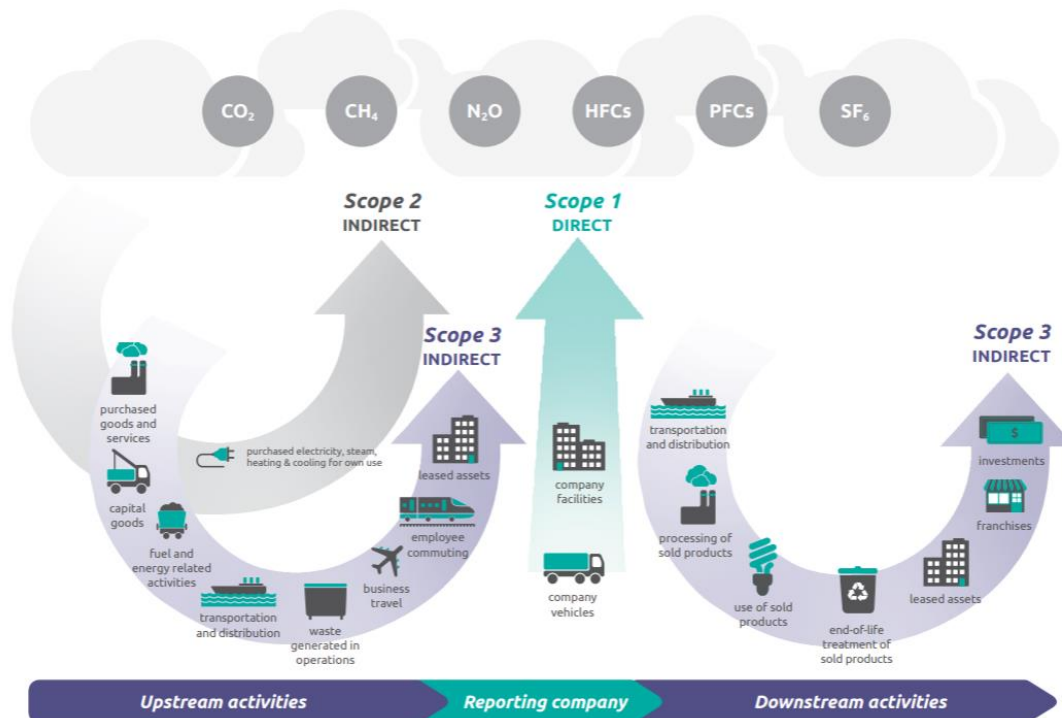
## Annex: Additional Information

Figure 1: PAS 2060 Certification Process



Source: Carbon Trust. Adapted from “BSI - PAS 2060:2014: Specification for the demonstration of carbon neutrality: Figure 1 – Illustration of the cyclical process for demonstrating carbon neutrality, taking into account permitted baseline period exceptions”. [Simplified version]

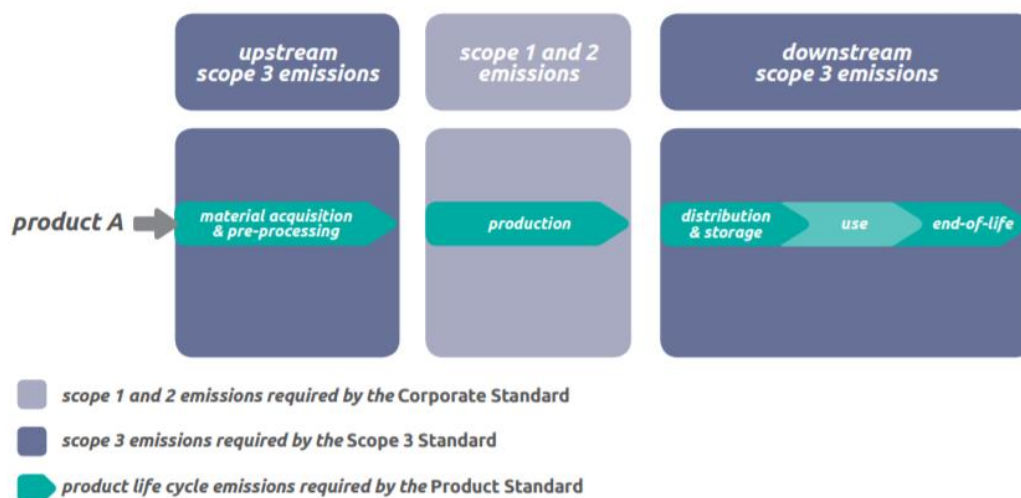
Figure 2: Organisational Carbon Footprint



Source: Greenhouse Gas Protocol: *Corporate Value Chain (Scope 3) Accounting & Reporting Standard*. Available from: [http://ghgprotocol.org/sites/default/files/standards/Corporate-Value-Chain-Accounting-Reporting-Standard\\_041613\\_2.pdf](http://ghgprotocol.org/sites/default/files/standards/Corporate-Value-Chain-Accounting-Reporting-Standard_041613_2.pdf)

Figure 3: Product Carbon Footprint

Figure [1.1] The relationship between the Corporate, Scope 3, and Product Standards for a company manufacturing product A



Source: Greenhouse Gas Protocol: *Product Life Cycle Accounting and Reporting Standard*. Available from [https://ghgprotocol.org/sites/default/files/standards/Product-Life-Cycle-Accounting-Reporting-Standard\\_041613.pdf](https://ghgprotocol.org/sites/default/files/standards/Product-Life-Cycle-Accounting-Reporting-Standard_041613.pdf)

Figure 4: Certificate of Achievement of Neutrality



## Certificate of Achievement

Nestlé

has achieved carbon neutrality and is committed to on-going carbon neutrality of the total carbon footprint of its

WUNDA plant based not milk

WUNDA shot supplement

WUNDA Barista plant based not milk

Carbon Trust Assurance Limited certifies that Nestlé has calculated the carbon footprint of the WUNDA product range, composed of 8 carbon footprints representing 8 Stock Keeping Units (SKUs) and 3 Products sold Cradle-to-Grave (Business-to-Consumer) and marketed in a range of countries and regions, in accordance with:

- PAS 2060:2014 – Specification for the demonstration of carbon neutrality

A detailed list of certified results can be found in the associated Certification Letter CERT - 12918

Awarded: 16 December 2020

Valid Until:

15 December 2021

for and on behalf of Carbon Trust Assurance Ltd,

A handwritten signature in black ink, appearing to read "Morgan Jones".

Morgan Jones, Head of Assurance

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