

Weber-Stephen Products EMEA GmbH Smokefire Pellet Fuel

Qualifying Explanatory Statement

in support of the

Achievement of and Ongoing Commitment to Carbon Neutrality

Application Period: Feb 1st, 2021 – Sep 30th, 2022

Date: Nov 1st, 2021

1. Executive Summary

This document is the Qualifying Explanatory Statement (QES) which provides collected evidence in support of the declaration that Weber-Stephen Products EMEA GmbH:

- has achieved carbon neutrality for its Smokefire pellet fuel marketed in EMEA (see complete list of countries in Table 2 for the period commencing Feb 1st, 2022 to Sep 30th, 2022 (see Section 3); and
- 2. is committed to maintaining carbon neutrality for Smokefire pellet fuel (see Section 4).

The carbon neutrality declaration has been made and the collected supporting evidence has been provided in accordance with the requirements prescribed by PAS 2060:2014 – Specification for the demonstration of carbon neutrality.

Dr. Steffen Hahn

Senior Vice President Commercial Weber-Stephen EMEA GmbH

Nov 1st, 2021

2. General information

PAS 2060 Requirement	Information Relating to the Carbon Neutral Declaration	
Entity making PAS 2060 declaration:	Weber-Stephen Products EMEA GmbH	
Subject of PAS 2060 declaration:	Smokefire pellet fuel	
Description of Subject:	New Smokefire pellet range is high quality BBQ fuel, made for use with Weber's latest state-of-the art Smokefire grills or other pellet grills that operate with similar type of fuel. Weber pellets are manufactured from high-quality FSC wood, sourced from responsibly managed forestry in European Union. Smokefire pellet range includes 6 different wood mixes, which are designed for grilling and smoking various types of BBQ dishes, such as beef, chicken, pork, fish, or vegetarian dishes. Weber's pellet fuel contains only naturally pressed hardwood without any artificial binders or additives, for the best tasting BBQ experience and authentic wood flavour.	

	Weber is world's #1 name in BBQ. Millions of grillers around the world trust Weber quality since decades.	
Rationale for selection of the subject:	Launch of Smokefire pellet grills in 2020 has opened whole new world of never-seen-before BBQ possibilities – combination of high convenience, very precise temperature setting, and perfect food results every time. With 70 years of grilling expertise, Weber now seeks to become world's leader also in pellet segment, which in turn means completing Smokefire consumer offer with state-of-the-art pellet fuel. Weber-Stephen EMEA has been long term partner of FSC (Forest Stewardship Council, www.fsc.org) and undergoes regular audits to ensure that its BBQ fuel is sourced from responsibly managed forests. With Smokefire pellet launch Weber for the first time extends its commitment beyond already trusted product quality and responsible sourcing – into carbon footprint reduction.	
	The scope of PAS2060 includes all emissions based on the operational control principle defined in the 2014 WRI GHG Protocol- Corporate Accounting Standard. The footprint was calculated in accordance with: • ISO TS 14067	
	 Product Carbon Footprint Protocol (parts 1&2) 	
	Footprint Expert TM Guide version 4.5	
Control approach:	Cradle-to-Grave	
Type of conformity assessment:	Independent third-party certification (see Appendix 2)	
Baseline date for PAS 2060 programme:	 1st application period (projection): 1 Feb 2022 – 30 Sep 2022 (8 months) 2nd application period (re-baseline): 1 Feb 2022 – 30 Sep 2022 (8 months) 3rd application period: 1 Oct 2022 – 31 Sep 2023 (12 months) Third application period will serve as baseline for future carbon footprint reduction assessment for following periods. 	
Individuals responsible for evaluation and provision of data necessary for declaration:	Alina Omelchenko Senior Brand Lead – Charcoal grills & Fuel Weber-Stephen EMEA GmbH	

3. Declaration of achievement to carbon neutrality

PAS 2060 Requirement	Information Relating to the Carbon Neutral Declaration	
Declaration of achievement:	Carbon neutrality of Smokefire pellet fuel achieved by Weber-Stephen Products EMEA GmbH in accordance with PAS 2060 at Nov 1 st 2021 for the period commencing Feb 2022, certified by the Carbon Trust.	
Recorded carbon footprint of the subject during the period stated above	10,48 CO2e per unit of product 205 000 units of product planned within 01.02.2022 – 30.09.2022 2148 tons of CO2e are foreseen within 01.02.2022 – 30.09.2022 See section 3.2 for further details.	
Carbon offsets purchased	2148 (<i>tCO₂e)</i> See section 3.4 for further details.	

3.1 Carbon footprint methodology

PAS 2060 Requirement	Information Relating to the Carbon Neutral Declaration
	The methodology for calculating the carbon footprint was as follows:
Description of the standard and methodology used to determine GHG emissions and reductions	appropriate carbon footprint breakdown by scope in their Qualifying Explanatory Statement (QES) in accordance with Greenhouse Gas Protocol guidelines. [Further information on Greenhouse Gas Protocol categorisation for organisational footprints can be found within "Figure 2: Organisational Carbon Footprinting" in the Annex.]
	ISO TS 14067 - Greenhouse gases — Carbon footprint of products — Requirements and guidelines for quantification and communication was used to quantify the GHG emissions associated with product covered by the certification scope, using data representing operations projected for the period 01.02.2022 to 30.09.2022.

	The product CO2e footprints have been reviewed and assured by an independent third party, Carbon Trust. The carbon footprint was based on 95% of likely greenhouse gas emissions; primary sources are subject to variation over time; footprint is best estimate based on reasonable costs of evaluation.
	The carbon footprint was measured using data provided by Weber- Stephen. This was calculated based on data of projected sales volume for the period 01.02.2022 to 30.09.2022 and agreed raw material and packaging specifications for the product being produced. Weber- Stephen has purchased offsets in line with this estimation and will review the realised footprint at the end of application period and reconcile offsets in line with this.
	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 for the use and 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 residual ash is sent to landfill).
	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. This methodology was developed to be in accordance with the
	requirements of ISO 14067. The provisions of the methodology for calculating the carbon footprint were applied as detailed and the principles set out in PAS 2060 were met.
Justification for the selection of the methodologies chosen	Smokefire pellet production will be manufactured in new facility, with ongoing construction in the course of 2021. New facility will undergo quality audit in January 2022 before launch of commercial production of pellet fuel in February 2022. Carbon footprint calculation has been completed in July-August 2021 based on projected data for facility operation, such as energy and water use. Carbon offsets will be reconciled in Aug-Sep 2022 based on primary data from facility operation.
	This method was chosen as it provides an internationally recognised approach to the calculation of representative product CO2e footprints and meets the requirements of PAS 2060 for the substantiation of GHG emissions (PAS 2060: 5.2.2 to 5.2.4).

The methodology employed to quantify Year 1 at the end of the period and future 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.

3.2 Carbon footprint breakdown

Carbon Footprint (for latest footprinting year)	Information Relating to the Carbon Neutral Declaration	
Total Carbon Footprint	2148 tCO ₂ e	

Table 1. Product footprint emissions broken down by product per functional unit

Region	SKU	Forecast, units	Forecast, CO2e tons	Emissions per unit
EMEA	Wood Pellets FSC Grill Academy Blend	53.851	564	10,48 kg CO2e / 8kg consumer unit
EMEA	Wood Pellets FSC Apple	45.896	481	10,48 kg CO2e / 8kg consumer unit
EMEA	Wood Pellets FSC Alder	26.313	276	10,48 kg CO2e / 8kg consumer unit
EMEA	Wood Pellets FSC Beech	26.313	276	10,48 kg CO2e / 8kg consumer unit
EMEA	Wood Pellets FSC Cherry	26.313	276	10,48 kg CO2e / 8kg consumer unit
EMEA	Wood Pellets FSC Oak	26.313	276	10,48 kg CO2e / 8kg consumer unit
EMEA	TOTAL	205.000	2.148	10,48 kg CO2e / 8kg consumer unit

3.2.1 Data methods

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 from Feb 2022 and used the agreed material composition 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.

Data sources

Primary data were sourced to support sourcing, manufacturing, and distribution stages, such as:

- Product and packaging technical specifications
- Projected energy and water consumption during manufacturing process
- Distribution of finished goods from production facility
- Transport and warehousing

Secondary data were sourced to support product use and end-of-life stages, such as:

- Emissions from wood combustion, ash residues
- Packaging waste disposal

Greenhouse gas emission factors sourced from reputable published databases including: BEIS, Ecoinvent 3.7.1

Data quality and uncertainties

- Projected energy and water consumption may differ from actual, once product manufacturing commences
- Projected distribution plan may differ from actual retail and consumer acceptance

The EMEA country of sales are as follows:

Table 2. List of country of sales

EMEA Hub	Country of Sales	
Central	Germany, Austria, Switzerland	
South	France, Italy, Spain, Portugal	
North	Denmark, Finland, Sweden, Norway	
West	United Kingdom, Ireland, Belgium, Netherlands, Luxembourg	
Emerging markets	Russia, Poland, Czech Republic, South Africa, Slovenia, Croatia, Hungary, Estonia, Latvia, Lithuania, Greece, Israel, Iceland	

Table 3. Description of GHG emissions

Life cycle stage	Description	GHG Emissions Category	Excluded Emissions & Key Assumptions
Sourcing	Diesel fuel used during sourcing of wood	Scope 3 – indirect emissions	
Manufacturing	Processing of wood pellets: Electricity, fuels (propane butane) fuels for internal logistics (LPG for forklifts), waste from operations	Scope 1 – direct emissions Scope 2 – indirect emissions Scope 3 – other indirect emissions	 Carbon content of wood is 50% of its dry volume Molecular weight of carbon is 3.6666667
Packaging	Packaging operations: Electricity, waste from operations	Scope 1 – direct emissions Scope 2 – indirect emissions Scope 3 – other indirect emissions	
Distribution	Transport from factory to retail facility	Scope 3 – other indirect emissions	
Use-Phase	Emissions from burning wood pellets	Scope 3 – other indirect emissions	- Biogenic carbon emissions from the combustion

			of wood is 1.65 kg C per wood - Specific energy of content of wood is 4.5 kWh per kg wood - Fossil carbon of wood pellets (BEIS) is 0.07 kg C per kg wood
End-of-Life	Ash from burning wood pellets: landfill Packaging	Scope 3 – other indirect emissions	- After burning, 2% of the original mass of pellets is left as ash residue to be landfilled

Final Fossil Footprint (kg CO2e/kg)	0.776		
Biogenic Emissions	1.650		
Biogenic Removals	-1.117		
	Raw materials	-0.94	
Supply Chain Breakdown	Manufacturing	0.39	
	Distribution/ retail	0.14	
	Consumer use	1.72	
	Disposal	0.01	



3.3 Carbon offsets

PAS 2060 Requirement	Information Relating to the Carbon Neutral Declaration	
Offset methodology	Standard offset project portfolio by Climate Care (<u>www.climatecare.org</u>)	
Offset Confirmation	 (www.climatecare.org) The offsets generated represent genuine, additional GHG emission reductions elsewhere. Projects involved in delivering offsets meet the criteria of additionality, permanence, leakage, and double counting. Carbon offsets are verified by an independent third-party verifier. The credits from the selected carbon offset projects are: only issued after the emission reduction has taken place. retired within 6 months from the date of the declaration of achievement. supported by publicly available project documentation on a registry which provides information about the offset project quantification methodology and validation and verification procedures. stored and retired in an independent and credible registry. 	
Offsets	Full details of the carbon offsets included in making this declaration are provided in Appendix 1.	

4. Declaration of ongoing commitment to carbon neutrality

PAS 2060 Requirement	Information Relating to the Carbon Neutral Declaration			
Declaration of on-going commitment:	 Weber-Stephen Products EMEA GmbH commits to maintain carbon neutrality for Smokefire pellet fuel in accordance with PAS 2060 for the period Oct 1, 2022 – Sep 30th, 2023. Carbon neutrality for Smokefire pellet fuel for the period Oct 1, 2022 – Sep 30th, 2023 will be achieved by Sep 30th, 2022. 			

4.1 Carbon management plan

PAS 2060 Requirement	Information Relating to the Carbon Neutral Declaration
Targets for GHG reduction for the defined subject appropriate to the	Ca. 3% of measured carbon footprint per product unit

timescale for achieving carbon neutrality	The reduction will be realised in the third application period. Whilst the length of the period differs, a reduction is measurable as emissions are largely from the in-use phase and this will not differ with seasons.				
Planned means of achieving and maintaining GHG emissions reduction	 Planned measures of carbon footprint reduction may include, but are not limited to: Raw material sourcing optimization (e.g. lower share of primary wood in final product mix) Reduction of packaging material used More efficient logistic solution and display Introducing green energy sources into pellet manufacturing process Aforementioned measures will be ranked and prioritised for the following years after product development process is completed and commercial production starts in Feb 2022.				

Appendix of qualifying explanatory statement

Appendix 1: Offsets

Project name	Country	Project type	Standard	Type of credits	Generation period	Offset volume (tCO ₂ e)
GS Renewables	India, Thailand, Pakistan, Indonesia & Turkey	Renewables Project	Gold Standard	Verified Emissions Reductions (VERs)	2015+	
Gyapa Stoves Project	Ghana	Household Project	Gold Standard	Verified Emissions Reductions (VERs)	2017+	2148
Aqua Clara	Kenya	Household Project	Gold Standard	Verified Emissions Reductions (VERs)	2017+	

Retirement date.

The offsets will be retired within 6 months of certification on behalf of the Carbon Trust's standard portfolio clients by ClimateCare for carbon neutral certification

Reference No. and link to registry <u>https://registry.goldstandard.org/credit-blocks?q=&page=1</u>



Weber-Stephen Products (EMEA) GmbH

HAS OFFSET

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14 October 2021

Appendix 2: Independent third-party assurance



Appendix 3: Additional supporting information for interested parties



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. Product carbon footprinting

Source: Greenhouse Gas Protocol: <u>http://ghgprotocol.org/</u>