

SUMMARY OF TOITŪ NET CARBONZERO
CERTIFICATION!

FOR JACOBSEN HOLDINGS LIMITED



JACOBSEN HOLDINGS

Summary for 01 April 2021 to 31 March 2022

TOITŪ NET CARBONZERO ORGANISATION CERTIFIED: JACOBSEN HOLDINGS LIMITED JACOBSEN HOLDINGS LIMITED INCLUDING THE SUBSIDIARIES JACOBSEN CREATIVE SURFACES LIMITED, TILEHAUS LIMITED, PROPSPEED INTERNATIONAL LIMITED, JACOBSEN TREDSAFE LIMITED

Toitū net carbonzero means committing to ongoing reductions while achieving annual measurement and compensation for at least the Toitū mandatory emissions.ⁱⁱ



Measured emissions to **ISO 14064-1:2018** and **Toitū requirements**



Managing and reducing against **Toitū requirements**



Compensated remaining emissions following **Toitū requirements** and covering minimum of **total Toitū boundary**

Jacobsen Holdings Limited meets the requirements of Toitū carbonzero certification having measured its greenhouse gas emissions in accordance with ISO 14064-1:2006 and committed to managing and reducing its emissions and neutralised its remaining unavoidable emissions through the cancellation of an appropriate number of verified carbon credits in respect of the operational emissions of its organisation including the subsidiaries Jacobsen Creative Surfaces Limited, Tilehaus Limited, Propspeed International Limited, Jacobsen Tredsafe Limited.

This report provides a summary of the annual greenhouse gas (GHG) emissions inventory and management report for Jacobsen Holdings Limited as part of the annual work to achieve Toitū net carbonzero certification. Additional details of the annual achievements, commitments, and verification are available on request from Jacobsen Holdings Limited.

This report is the annual greenhouse gas (GHG) emissions inventory report for the named organisation. The inventory is a complete and accurate quantification of the amount of GHG emissions that can be directly attributed to the organisation's operations within the declared boundary and scope for the specified reporting period. The inventory has been prepared in accordance with the requirements of the measure-step of the Programme, which is based on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) and ISO 14064-1:2006 Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals. Where relevant, the inventory is aligned with industry or sector best practice for emissions measurement and reporting.

ACHIEVEMENTS

These achievements have been verified in line with ISO 14064-3:2019 and Toitū net carbonzero Programme Technical Requirements for the 01 April 2021 to 31 March 2022 measurement period.

EMISSIONS MEASUREMENT

Jacobsen Holdings Limited's greenhouse gas emissions for this year (01 April 2021 to 31 March 2022) were 2,237.09 tCO₂e. Jacobsen Holdings Limited has measured the emissions resulting from its operational activities, purchased energy, and selected impacts from its value chain activities, including business travel, freight, and waste sent to landfill. The annual inventory is detailed in the following table. Emissions and reductions are reported using a location-based methodology.ⁱⁱⁱ

Category (ISO 14064-1:2018)	Scopes (GHG Protocol)	GHG emissions (tCO ₂ e)		
		Base Year 2018/2019	Previous Year 2020/2021	Current Year 2021/2022
Category 1: Direct emissions	Scope 1	261.98	194.48	162.86
Category 2: Indirect emissions from imported energy (location-based method*)	Scope 2	31.57	38.06	50.81
Category 3: Indirect emissions from transportation	Scope 3	2,928.71	2,298.96	1,996.41
Category 4: Indirect emissions from products used by organisation	Scope 3	38.82	33.77	27.01
Category 5: Indirect emissions associated with the use of products from the organisation	Scope 3	0.00	0.00	0.00
Category 6: Indirect emissions from other sources	Scope 3	0.00	0.00	0.00
Total gross emissions*		3,261.08	2,565.28	2,237.09
Category 1 direct removals		0.00	0.00	0.00
Total net emissions		3,261.08	2,565.28	2,237.09

*Gross and net emissions are reported using a location-based methodology. Contact Jacobsen Holdings Limited for full details.

The operational GHG emission sources included in this inventory are shown in Figure 1 below.

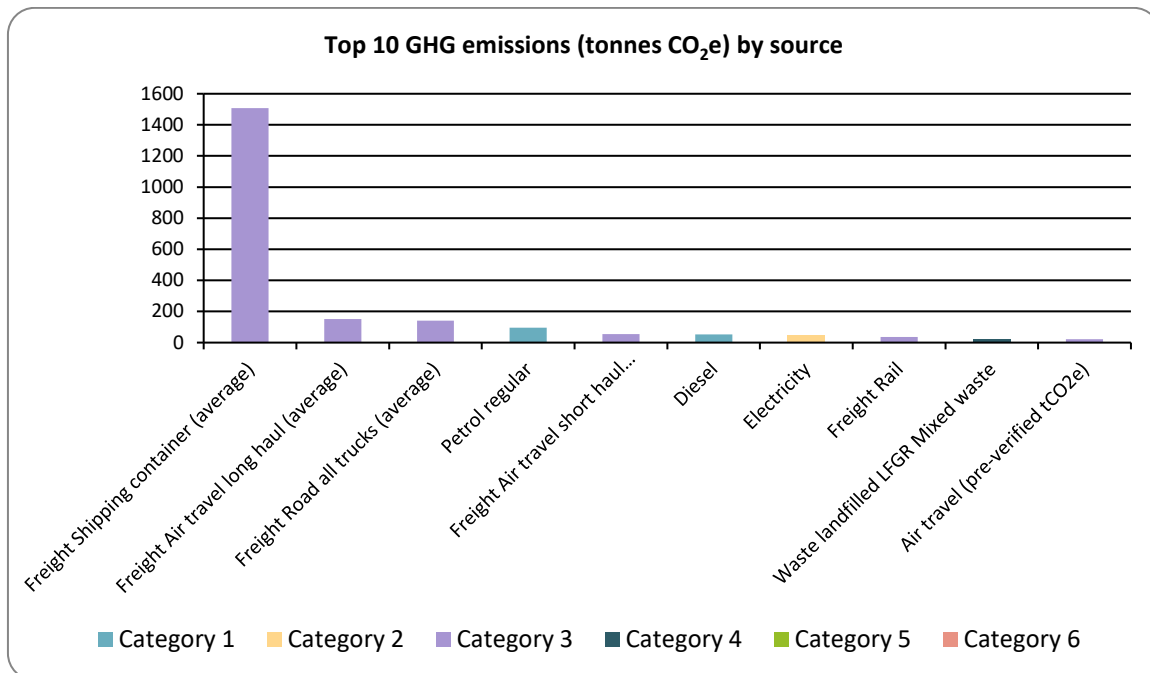


Figure 1: Top 10 GHG emissions (tonnes CO₂e) by source

SCOPE OF MEASURED INVENTORY

CONSOLIDATION APPROACH

An operational control consolidation approach was used to account for emissions. Organisational boundaries were set with reference to the methodology described in the GHG Protocol and ISO 14064-1:2018 standards.^{iv}

BOUNDARIES

All of the subsidiary companies below are 100% owned by Jacobsen Holdings and within operational and financial control. They are also within the emission/ organisation boundary for our Toitū process.

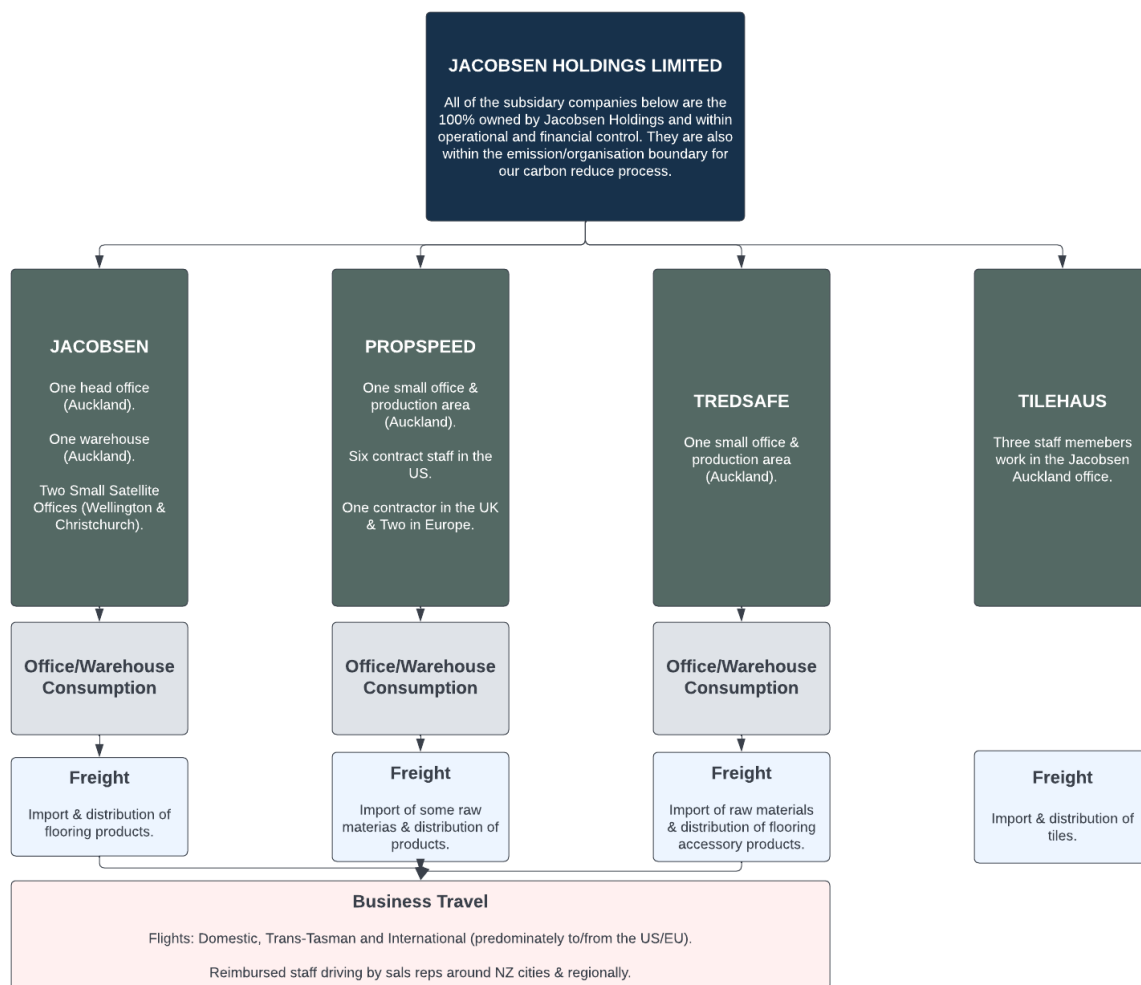


Figure 2: Organisational structure showing business units included and excluded

Excluded emissions do not exceed 5% of the total footprint within the organisation boundary stated.

MANAGING AND REDUCING

This is the fourth year of reporting under the Toitū net carbonzero programme. An absolute reduction in Category 1 and 2 emissions of 79.88 tCO₂e has been achieved against base year. A reduction in emissions intensity (for Category 1, 2 and mandatory Category 3 and 4 emissions) of 1.18 tCO₂e/\$M has been achieved based upon a 4-year rolling average, adjusted for inflation.

Performance against target has not been provided

We are pleased with the progress we have made towards our 2030 goals, from a baseline year 2018-2019. The key projects that have enabled this are; supporting remote work and virtual connectivity, transitioning our fleet to EV's, Propspeed establishing distribution centers in key offshore markets (therefore reducing air freight). We believe we are on track to achieve these 2030 targets.

Target name	Baseline period	Target date	Type of target (intensity or absolute)	Current performance (tCO ₂ e)	Current performance (%)	Comments
An absolute reduction in Scope 1 and Scope 2 GHG emissions (combined)	2018 - 2019	2030	Absolute	79.9 tCO ₂ e Reduction	27% Reduction	The impact of COVID has resulted in a significant decrease of our scope 1 & 2 emissions due to a lack of travel and working from home. Towards the end of FY 2022 we began transferring our fleet to EV's. We will see improvements in future reporting periods and believe this will enable us to achieve our target.
A reduction in GHG emissions intensity for Scope 1, Scope 2 and mandatory Scope 3 emissions (combined) reported as CO ₂ e \$M Revenue	2018 - 2019	2030	Intensity	\$21.99 reduction per emission	42% reduction	Our businesses have grown in revenue and we are pleased to report some reduction in emission intensity. The greatest improvements have been in the reductions in air freight of our products.

COMPENSATION FOR EMISSIONS

Jacobsen Holdings Limited is committed to doing no harm while working on reducing emissions. Accordingly, Jacobsen Holdings Limited has invested in carbon credit projects to compensate for the Toitū mandatory emissions resulting from their operations this year. ⁱⁱ

Avoidance credits: 2,237 from batch #0456, GHG emission reduction through use of Bondhu Chula (improved cook stoves) in Bangladesh

All carbon credits have been cancelled on the Toitū Envirocare register and will be cancelled (or equivalent) on the relevant external registry within one month of certification. Specific details of cancellation, including serial numbers, will be available on the external registry: Gold Standard <https://registry.goldstandard.org/credit-blocks>

COMMITMENTS

REDUCTION TARGETS

Jacobsen Holdings Limited is committed to managing and reducing its emissions. Jacobsen Holdings Limited's commitments, including GHG emissions reduction targets and plans, have been reviewed and are in line with Toitū net carbonzero programme requirements.

We are committed to reducing our GHG emissions in compliance with rule 59 of the programme requirements. We have set two targets aligned with Science-Based Targets. Our targets are based on

an absolute basis for Scope 1 and 2, being a reduction of 50% by 2030. We have used an intensity basis for Scope 1, Scope 2 and mandatory Scope 3 emissions (combined), per \$ M turnover from the base year (2018-2019 financial year). This target is set at a reduction of 30% by 2030. Key projects to achieve these reductions are detailed below. We will also work with our key suppliers to encourage them to set measurement and reduction plans for their emissions.

Jacobsen Holdings Ltd commits to reduce absolute category 1 and 2 GHG emissions 50% by 2030 from a 2018/19 base-year, and to reduce absolute indirect emissions from scope 3 sources 30% by 2030 from a 2018/19 base-year.

Looking ahead, Jacobsen Holdings Limited is currently focused on the following projects:



Objective	Project	Responsibility	Completion date	Potential co-benefits	Potential unintended consequences	Actions to minimise unintended consequence
Reduce air freight emissions	Improve stock forecasting and planning processes in all businesses to ensure we have optimal inventory on hand for when it is needed and reduce any requirement for air freight of materials. For Propspeed, this is in place and in addition two offshore distribution centres have been established to ensure there is product close to market and reduce any required air freight shipments.	Chris Baird, Propspeed CEO	2022	Improve Customer Experience and Support	This will increase Sea Freight.	n/a
Reduce air freight emissions	Improve stock forecasting and planning processes in all businesses to ensure we have optimal inventory on hand for when it is needed and reduce any requirement for air freight of materials. For Jacobsen, we are underway with a technology project to automate the forecasting and purchase orders and improve our reporting which will give us better control and optimise our logistics, reducing air freight.	Avinash Kumaran, Flooring Group Finance Manager	2023-24	Operating cost improvements. Improved reporting will give us better access to other parts of the business and emission reduction opportunities.	Increase our Sea Freight	n/a
Reduce staff air travel emissions	Continue embracing virtual technology to enable more video meetings and suitable working from home environments. This results in reduction of travel to the office by car, domestic travel and international visits to customers or suppliers.	Ken Voo, Systems & Technology Team Leader	Ongoing, well in place and we just need to continue to support and look for improvements	Time saving and cost reduction. Employee happiness with flexible working.	Lack of in person connection and socialisation and associated mental wellbeing.	Purposely creating time where staff meet and socialise. Company events and conference
Reduce personal / fleet vehicle usage	Continue to transition fleet vehicles over to EVs as leases come up for renewal, and as new EV models are available in NZ that provide solutions for those with range challenges etc. Enable team meetings and tasks to be conducted from any location (office, home or other) electronically through video conferencing (such as zoom) where possible to reduce need for vehicle travel.	Avinash Kumaran, Flooring Group Finance Manager	Ongoing, target year for entire fleet transitioned to EVs is 2024	Received as an employee benefit	n/a	n/a

Objective	Project	Responsibility	Completion date	Potential co-benefits	Potential unintended consequences	Actions to minimise unintended consequence
Reduce intensity of road freight emissions	Investigate the potential to switch more road freight to more efficient modes through partnerships with freight contractors. Encourage the transition to E-Freight or at least more carbon-efficient freight providers.	Kenneth Carter, Jacobsen Operations Manager	Ongoing, target year is 2024-25	Finding a partner in this space will likely lead to more demand for sustainable services and there may be other aligned values between our businesses.	Cost or availability implications.	Ensure due diligence before committing to suppliers
Reduce electricity emissions	We have transitioned two of our largest office locations to LED lighting during refurbishment projects. Next is to investigate the feasibility of switching to 100% renewable electricity.	Avinash Kumaran, Flooring Group Finance Manager	Ongoing, target year is 2023	LED lighting can have positive impact on wellbeing and reduced costs	Old lighting ends up going to landfill	Ensure we recycle these where possible or continue to use if it makes sense when considering lifecycle costs.
Reduce emissions from waste	Continue waste reduction programmes in the offices now everyone is back working in the offices. This includes standard recycling bins plus organic waste collection.	Renee Jacobsen, Flooring Group CEO, Jacobsen Holdings Shareholder & Board Member	Ongoing, target year is 2023-24	Employees will take their waste reduction habits home	Additional costs for more bins and waste providers	Research providers

CERTIFICATE DETAILS

Certification status:	Toitū net carbonzero certified organisation
Certificate number:	2023264J, Year 1 of 3 year certificate period
Valid until:	04 July 2026
Measurement period:	01 April 2021 to 31 March 2022
Base year:	01 April 2018 to 31 March 2019
Audited by:	Deilen Deri Consulting Limited / Toitū Envirocare
Level of assurance:	Reasonable for all mandatory scopes of programme and Limited for non-mandatory

ⁱ ©Enviro-Mark Solutions Limited 2020.

Disclaimer: This Certification Summary Statement is a summary of the information (validated and verified for relevant components of the certification) considered for certification and the certification decision. It should not be taken to represent the full submission for certification. Whilst every effort has been made to ensure that the information in this Statement is accurate and complete, Enviro-Mark Solutions Limited (trading as Toitū Envirocare) does not, to the maximum extent permitted by law, give any warranty or guarantee relating to the accuracy or reliability of the information.

ⁱⁱ The mandatory sources that must be included in any Toitū carbon programme inventory include:

- All direct emissions from the activities of the organisation, or the part of the organisation being certified. Direct emissions come from assets owned or controlled by the organisation, such as emissions from fleet vehicles, boilers, generators and HVAC systems.
- All emissions from imported energy (electricity, heat and steam)
- Emissions from business travel and freight paid for by the organisation
- Emissions associated with waste disposed of by the organisation, as well as the transmission and distribution of electricity, and natural gas

ⁱⁱⁱ All purchased and generated energy emissions are dual reported using both the location-based method and market-based method in the certified Inventory Report and appendices. This summary document presents the information using the location-based method. Note that reductions and any required compensation are assessed using that method. Dual reporting illustrates the role of supplier choice, onsite renewable energy generation and contractual instruments in managing indirect emissions from energy alongside any ongoing energy efficiency and reduction efforts. This dual reporting aligns with ISO 14064-1:2018 and the GHG Protocol. Please contact this organisation for the dual reporting details applicable to this inventory.

^{iv} Control: the organisation accounts for all GHG emissions and/or removals from facilities over which it has financial or operational control. Equity share: the organisation accounts for its portion of GHG emissions and/or removals from respective facilities.