

# Methodology Statement

## 2024

### Introduction

Avon Technologies plc is a world leader in protective equipment, with a reputation for innovative design, high-performance quality and specialist materials expertise. Our two brands, Avon Protection and Team Wendy, supply our respiratory and head protection portfolio to customers across the globe from our manufacturing sites in the UK and North America.

This statement provides additional guidance on the approach and methodologies that have been applied by Avon in the preparation of annual greenhouse gas emissions reporting and environmental data.

### Scope & Boundary

The scope of reporting includes all continuing global businesses under our 'operational control'. All the Group is included within this boundary, which is comprised of six sites (five of which are manufacturing) and one further office, where we have the authority to implement our operating policies.

### Reporting Standards

Our environmental performance information is presented in accordance with the Streamlined Energy and Carbon reporting ('SECR') Guidance (March 2019), as specified under the Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013. Data is presented for our financial year, from 1 October through to 31 September.

Our greenhouse gas (GHG) emission calculations are undertaken in accordance with the GHG Protocol Corporate Accounting and Reporting Standards and Corporate Value Chain (Scope 3) Accounting and Reporting Standard. We include all relevant scope 1, scope 2 (market and location) and partial scope 3 GHG emissions.

### Restatement

Improvements in data or changes in company structure may cause changes in data compared to historic published figures and may be cause for a restatement. We will only restate previously reported figures if the amendment alters the originally reported headline figure by 5% at Group level.

### Energy

#### Metrics

'Energy consumption': All fuel and energy inputs (scope 1 and 2) required to run manufacturing processes, lighting, heating and movement of goods in company owned vehicles. This includes the use of electricity, gas, diesel, oil, and other fuels and is reported in megawatt hours (MWh).

#### Data collection

Energy usage data for all fuel and energy inputs are collected from meter readings, invoices and other sources and stored in standardised units allowing for this to be summed together. Where we do not have

access to energy usage in the case of one small office, we estimate energy use based on Carbon Risk Real Estate Monitor data for heating and electricity consumption per square foot.<sup>1</sup>

## GHG Emissions

### Metrics

'Scope 1': GHG emissions from fuels and energy inputs, mainly natural gas. In addition, we report emissions from refrigerants, and chemical processes. (Tonnes CO<sub>2</sub>e)

'Scope 2': GHG emissions from electricity consumption. Emissions are reported as either Location or Market, based on the emission factors applied.

'Location': Scope 2 emissions figure that reflects average emissions factors for the grid in a given country or state. (Tonnes CO<sub>2</sub>e)

'Market': Scope 2 emissions figure that reflects supplier-specific emissions from energy sources purposefully chosen, where available. (Tonnes CO<sub>2</sub>)

'Scope 3': GHG emissions arising from all other sources, upstream and downstream, as a result of our activities but occurring from sources not owned by us. (Tonnes CO<sub>2</sub>e).

'Total gross scope 1 and 2 (location)': scope 1 + scope 2 (location) (Tonnes CO<sub>2</sub>e)

'Intensity measure': Total gross scope 1 and 2 (location) divided by 'annual revenue', to calculate an average GHG emission arising per \$million revenue across our business. This has been used as our intensity ratio, expressed as tonnes CO<sub>2</sub>e (scope 1 and 2) per \$m of revenue (tCO<sub>2</sub>e per \$m).

### Data collection

GHG emissions are calculated using fuel and energy data collected for energy consumption see 'Energy'. Additional GHG emission sources in scope are calculated from invoices and other sources and held within an internal database. The activity data is converted and stored in standardised units and multiplied by an emission conversion factor to calculate GHG emissions.

### Emission conversion factors

Emissions factors for most of scope 1, 2 (U.K. only) and 3 have been calculated using 2021, 2022 and 2023 U.K. Government GHG Conversion Factors, and methodologies published by the Department for Business, Energy and Industrial Strategy (BEIS). The most up-to-date EPA eGRID conversions are used for U.S. electricity (location). For 2023 reporting the most recent electricity U.S. factors are 2022.

We have followed the GHG protocols market-based methodology in applying data hierarchy to scope 2 (market). We have obtained emissions factors for the relevant tariff and/or supplier for the applicable year or alternatively a residual mix is used (U.S. Green-e Energy Residual Mix Emissions). If neither of these are available other unadjusted grid average emission factors such as those used in the scope 2 (location) are applied. If sites consume carbon-free electricity this has been applied to the calculations.

### Target

In FY23 we set ourselves a target to reduce our Scope 1 and 2 GHG emissions by 25% by 2028, as a percentage of revenue (intensity) against the starting year of 2023. We are also committed to achieving net zero GHG emissions (absolute scope 1 and 2) by 2045, at the latest. We have established 2021 as a base year.

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<sup>1</sup> <https://www.carboncollective.co/sustainable-investing/carbon-risk-real-estate-monitor-crrrem>

## Scope 3 GHG emissions

In 2023, we assessed the most relevant and influenceable elements of our scope 3 emissions. We conducted a screening exercise in line with The Corporate Value Chain (Scope 3) Accounting and Reporting Standards to determine relevance, considering factors such as ability to influence, anticipated size, sector guidance and data accessibility. Based on this work and the use of EEIO modelling, purchased goods are understood to be the largest contributor to our footprint, we have used this to start to report a subset of scope 3 information and we also identified several exclusions justified below.

### Category 3 – Fuel and energy-related activities (not included in scope 1 or 2)

These are the well-to-tank (WTT) emissions arising from all the fuel bought in the reporting period and the transmission and distribution emissions from electricity, including losses, arising from all of the energy consumed in the reporting period. This is calculated using natural gas, electricity and fuel consumption collected by the sites in scope see 'Energy'. BEIS emission factors are applied to all fuel and energy sources excluding US electricity. US electricity transmission and distribution losses use US eGRID data, applying the methodologies for calculating overseas transmission and distribution WTT factors as specified in the 'Greenhouse gas reporting: conversion factors' for all users' produced by BEIS.

### Category 5 – Waste generated in operations

These are the emissions arising from third-party disposal and treatment of waste generated in our own operations including the disposal of wastewater. We work with our waste operators to determine weight, type of waste and specific waste treatment method, allowing us to apply the waste-type-specific method. We collect information on water use which we use to estimate the wastewater occurrence. We apply the BEIS emission factors to all waste sources, which includes transportation of waste, which is optional for scope 3.

### Category 6 – Business travel

These are the emissions arising from all business travel (by air only) during the reporting period. We receive reports on distance and class from our travel management companies. We apply the BEIS emission factors to all flights.

### Category 10 – Processing of sold products.

Most of our products are finished goods. We have judged this irrelevant based on difficulty to calculate these emissions, which are not expected to contribute significantly to our total scope 3 emissions.

### Category 11 – Use of sold products.

Our masks and helmets do not consume energy when in use. A limited number of our products consume a small amount of energy to charge and service (thermal imagers, rebreathers) and therefore we have judged this irrelevant based on difficulty to calculate these emissions, which are not expected to contribute significantly to our total scope 3 emissions.

### Category 12 – end-of-life treatment

No possibility to assume or extrapolate data from purchased goods.

### Category 14 – Franchise

Not applicable as we do not operate franchises within our business model. Category, excluded.

### Category 15 – Investments

We do not have investments applicable to category 15. Category, excluded.

## **Water**

Water is calculated using water information collected monthly from sites in scope and held within a central database. Water usage information may be obtained from meter readings, invoices and other sources. The information may be entered in a variety of units of measurement and is converted and stored in cubic meters (m<sup>3</sup>).

We have reported data for four manufacturing sites.

## **Waste**

Waste is calculated using waste information collected monthly from sites in scope and held within a central database. Waste information is obtained from waste transfer notes and invoices. The information may be entered in a variety of units of measurement and is converted to tonnes. The data includes all waste that has left the site regardless of destination (recycling, landfill, incineration, waste to energy and compositing) and includes production and non-production related, hazardous and non-hazardous materials. It excludes waste that has been re-used on-site such as cardboard.

We have reported data for all our manufacturing sites in FY24.